Canadian Diabetes Association

Submission to the House of Commons

Standing Committee on Health Study on National Pharmacare

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About the Canadian Diabetes Association

The Canadian Diabetes Association (CDA) is a registered charitable organization that leads the fight against diabetes by helping those affected by diabetes to live healthy lives, and by preventing the onset and consequences of diabetes while we work to find a cure. Our staff and more than 20,000 volunteers—including health-care professionals—provide education and services to help people in their daily fight against the disease, advocate on behalf of people with diabetes for the opportunity to achieve their highest quality of life, and break ground towards a cure.
Executive Summary

People with diabetes rely on medications to manage their disease and achieve better quality of life. However, prescriptions for medications and supplies filled outside a hospital are not universally covered by public plans. As the only developed country with universal health care coverage that does not provide the same universal coverage to prescription drugs, Canada has a mix of public and private drug plans and high out-of-pocket costs for individual Canadians.

Public coverage depends on an individual’s prescription medicine and their income. The hefty out-of-pocket costs can force people to choose between paying for food and rent, and buying medications and supplies. With private insurance such as employer insurance plans, drug access still varies widely.

The barriers are particularly difficult for chronic disease patients and those earning a low income: research shows that 23% of people with chronic disease skipped medications due to cost, compared to 10% in the overall population.¹ Similarly, CDA’s 2015 survey shows that 25% of people with diabetes reported that their adherence to prescribed therapies was impacted by cost.

To allow people with diabetes to have access to the drugs they need, the Canadian Diabetes Association recommends that:

1. The Government of Canada study the costs and benefits of various approaches to national pharmacare that would offer universal access to Canadians, and publicly reports on results.

2. The Government of Canada adopt an approach to national pharmacare with a goal to reduce out-of-pocket costs for people with diabetes, to eliminate cost as a barrier to optimal drug therapy and better health outcomes.

3. People with diabetes be included as active participants in the development and implementation of the Government’s approach to national pharmacare.

4. The Government of Canada take a leadership role in implementing decision support tools for diabetes management by incorporating electronic medical records into health systems within their jurisdiction, and that the provinces should do the same.
Background: Diabetes Management in Canada

Having access to medications is of critical importance to the 16 million Canadians with chronic conditions. Among those with a chronic condition, 90% take at least one prescription drug, 54% take four or more. People with diabetes also rely on medications to manage their disease and achieve better quality of life. Statistics Canada’s health survey found that in 2014, 32% of people with diabetes took three to four drugs, 40% took five to nine drugs, and 12% took 10 medications or more.

All Canadians have access to universal and comprehensive hospital and medical care, provided under the Canada Health Act. This includes medications, medical devices and supplies required during a hospital stay, in in-patient or out-patient settings. However, prescriptions for medications and supplies filled outside a hospital are not universally covered by public plans. As the only developed country with universal health care coverage that does not provide the same universal coverage to prescription drugs, Canada has a mix of public and private drug plans and high out-of-pocket costs.

Currently, access to drugs and drug coverage is not based only on medical need, but depends on factors such as age, income, employment status, workplace and province of residence—a situation that leaves many without coverage or with limited coverage. The differences in coverage are particularly pronounced for newer and more expensive drugs. Existing public plans in provinces offer drug coverage that is neither sufficient nor equitable. Even with private insurance such as employer insurance plans, drug access still varies widely. Insufficient drug coverage tends to impact people with low income jobs or part-time job(s) more severely as many would not qualify for public plans yet may not have good coverage through their workplace.

In Canada, drugs are mainly paid for by private health insurance or by individual patients who bear 22% of all prescription drug costs out of pocket. Cost barriers are particularly difficult for chronic disease patients: research shows that 23% of people with chronic disease skipped medications due to cost, compared to 10% in the overall population. Similarly, 25% of people with diabetes who responded to a CDA’s survey in 2015 reported that their adherence to therapy was impacted by cost. In 2014, 30% of people with diabetes that responded to a Statistics Canada survey indicated they had no insurance for equipment or supplies to monitor blood glucose, and 15% had no insurance to pay for prescription medications. It has also been reported that 10% of Canadians have no drug coverage whatsoever. The high out-of-pocket costs due to lack of coverage can force people to have to choose between paying for food and rent, and buying medications and supplies.
The lack of universal coverage for prescription medications has cost all Canadians. There is wide variation today in per capita public spending on prescription drugs across the provinces, ranging from $219 in British Columbia and $255 in Prince Edward Island, to $369 in Saskatchewan and $437 in Quebec. International data show that in 2011 and 2012, we paid more per capita for prescription drugs than all other OECD countries except for the U.S., and in 2013, we ranked 4th in per capita drug spending among all OECD countries. Between 2000 and 2012, the cost per capita in Canada increased by 96%, compared to 55% in countries like the U.K. and France where universal public drug plans are in place. More spending has not translated into better coverage for Canadians.

Over the last decade, rates of the major complications of diabetes such as heart attack, amputation and kidney failure have been cut in half. That improvement is attributed almost entirely to the use of evidence-based medicines. Unfortunately, not all Canadians stand to benefit from these advances.

**What can be done?**

Since the 1960s, there have been calls for including universal coverage for prescription drugs as part of Canada’s public health-care system. In recent years, through the establishment of the pan-Canadian Pharmaceutical Alliance (pCPA), public drug plans from all 13 provinces and territories have used their pooled purchasing power to negotiate reduced prices for generics and brand name drugs; the federal government recently joined this initiative. The pCPA has estimated a $490 million annual saving through this initiative. The pCPA is a first step that shows what joint purchasing power can achieve to bring down drug prices for public payers. Now, it’s time for the next step.

Studies have shown that a national pharmacare program or drug plan, one that replaces the current mix of public and private plans, could reduce public and private spending on prescription drugs. While more research is needed to show the potential costs and benefits of other approaches, it is clear that getting Canadians the medicines they need to achieve their health potential resonates with Canadians, and is also cost-effective to the public and private plans.

There are several approaches to ensure Canadians without adequate prescription drug coverage are able to access needed medications, each with its own costs and benefits. It is important that these alternative ways are thoroughly examined, and Canadians are consulted in decision-making that will impact their health. It is critical that people with
diabetes are active participants in the design, development and implementation of a system that will ultimately be serving their medical needs.

In addition to improving access to needed medications, the approach that the Government decides upon needs to positively influence prescribing behaviour with the assistance of proven technologies, such as the electronic medical record (EMR). There is a gap between how effective medicines should be used, and how they are used in practice. Decision support including EMR can encourage evidence-based prescribing by health-care practitioners and help to ensure individual patients receive the most clinically appropriate, safe and the most cost-effective treatment for their disease. Providing health-care practitioners with best practice information at the point of care in supporting their decision-making has been shown to improve outcomes for patients with diabetes. In a systematic review, evidence-based guideline interventions, particularly those that used interactive computer technology to provide recommendations and immediate feedback of personally tailored information, were the most effective in improving patient outcomes.15

Based on our understanding of the unmet needs of people with diabetes in Canada, we urge the Government of Canada to duly consider the following recommendations:

1. **The Government of Canada should study the costs and benefits of various approaches to national pharmacare that would offer universal access to Canadians and publicly report on results.**

2. **An approach to national pharmacare should be adopted with a goal to reduce the out-of-pocket costs for people with diabetes, in order to eliminate cost as a barrier to optimal drug therapy and better health outcomes.**

3. **People with diabetes should be included as active participants in the development and implementation of the Government’s approach to national pharmacare.**

4. **The Government of Canada should take a leadership role in implementing decision support tools for diabetes management by incorporating electronic medical records into health systems within their jurisdiction, and the provinces should do the same.**

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1Decision support is defined as integration of evidence-based guidelines into the flow of clinical practice according to the CDA’s 2013 Clinical Practice Guidelines for the Prevention and Management of Diabetes in Canada.
Conclusion

The Canadian Diabetes Association believes that universal access to necessary drugs is critical to the health of all Canadians and a sustainable health-care system in Canada. Canadians cherish their public health-care system and look to the leadership of the federal government to correct the inequitable and inadequate access to needed medications and optimal treatment that exist in Canada today.

References

3 Statistics Canada. 2011 Survey of Living with Chronic Disease in Canada. Custom data request.