Positions and Considerations Regarding National Pharmacare Funding Options

Context and background:
These position statements and considerations are provided as an additional resource to the Best Medicines Coalition’s submission to the Advisory Council on the Implementation of National Pharmacare, National Pharmacare Implementation: Patient Perspectives and Considerations, provided in September 2018. The positions as outlined above were developed through a consultation process, including a May 2018 coalition survey on National Pharmacare, a roundtable discussion and a topic-specific survey in November 2018, followed by a review and input on draft position statements in December 2018 and January 2019.

Core positions:
Whether pharmaceutical reforms are implemented within a single payer public system or a mixed private and public framework, additional funding will be necessary to enhance programs for all Canadians to a national standard. Various options, including those that involve patient cost-sharing, warrant careful consideration. The following statements reflect areas of broad consensus among the patient group members of the Best Medicines Coalition:

Taxation versus patient co-pays:

- Taxation is the most equitable and efficient source of funding, preferred over patient cost-sharing approaches such as premiums, deductibles or coinsurance, or annual or lifetime limits.

- Regarding types of taxation, there is support for either drawing on the general tax base, such as what is used today for most health care services, or imposing a dedicated, income-based tax specifically to fund pharmaceutical programs.
Funding critical needs:

- Program reforms which meet the needs of the most vulnerable should be prioritized, with the goal of ensuring that no one is left without the means to access medically-necessary prescription medicines.

- Public budgets should be expanded to improve and standardize coverage of the uninsured and the underinsured, including providing protection from catastrophic drug costs, and these reforms should be funded through general revenue with no additional costs to patients. Where necessary, the federal government should provide top-up funding, such as through transfer payments, so that each province and territory can improve its plans.

Considerations:

- While all revenue-producing tools have challenges and shortcomings, taxation is an income testing process that is currently in place and deemed to be as fair as possible.

- The current culture of acceptance of patient cost-sharing of pharmaceuticals must be addressed, with recognition that pharmaceuticals are a legitimate and important element of medical care and should be made available to all like other essential medical services.

- Funding drug programs should not be a matter of the healthy versus the non-healthy as everyone is either a patient or at risk. Therefore, we must all contribute to funding pharmaceutical care, including those who are not currently taking medications.

- The current framework for providing pharmaceutical care across the country includes significant variances and disparities in how patients pay for medications (e.g. through fees or premiums). Adopting a consistent, efficient and affordable patient co-pay formula appropriate across all disease states and broadly accepted would be challenging.

- If considered, patient co-pays must be examined in the context of the total cost of illness to patients, including both loss of income and the full range of out-of-pocket expenses, including allied health professionals and over-the-counter therapeutic products. Paying out-of-pocket is not possible for some patient populations, and an inability to pay has a negative impact on health outcomes. Costs can be a deterrent to adherence for anyone, regardless of income and disease type. In addition, patient co-pays are often based on the previous year’s income. Circumstances which impact ability to pay, such as changes in employment, disability or family status, can change rapidly, necessitating complicated reassessment processes.

- Patient co-pays in the context of pharmaceuticals are sometimes presented as a tool to encourage appropriate use and prevent overuse of medications. However, evidence has shown that fees can obstruct access to necessary care rather than deter unnecessary use.
About the Best Medicines Coalition

The Best Medicines Coalition (BMC) is a national alliance of 26 patient organizations with a shared goal of equitable and consistent access for all Canadians to safe and effective medicines that improve patient outcomes. The BMC’s areas of interest include drug approval, assessment and reimbursement, as well as patient safety and supply issues. As an important aspect of its work, the BMC strives to ensure that Canadian patients have a voice and are meaningful participants in health policy development, specifically regarding pharmaceutical care. The BMC’s core activities involve issue education, consensus building, planning and advocacy, making certain that patient-driven positions are communicated to decision makers and other stakeholders. The BMC was formed in 2002 as a grassroots alliance of patient advocates. In 2012, the BMC was registered under the Not-for-profit Corporations Act.

Mission:

The BMC is committed to ensuring that all Canadians have safe and timely access to medications which have been shown, based on best available evidence, to improve outcomes for patients.

Goals:

- Drug programs which deliver high standards of equitable and consistent access to medications for all Canadians.
- Drug review and post-marketing surveillance systems to address patient safety; knowledge of risks and benefits throughout drug lifecycle.
- Effective models for meaningful and equitable patient participation in drug reviews and policy development.

Integrity:

To ensure ongoing independence and to make certain that all activities and interactions are pursued within a framework of integrity, the coalition adheres to a Code of Conduct to meet the following goals:

- Ensure that funding arrangements or relationships with funders do not influence or jeopardize the mission, goals, and advocacy activities of the BMC and/or its members.
- Ensure that arrangements and relationships between the BMC, its members, and funders are ethical, transparent, and reflect positively on all parties.
- Provide BMC and its members with a solid operating framework and appropriate guidelines to enable ethical, effective, and confident interaction with funding organizations.