

# The Future of Healthcare: Policy Objectives



## 11<sup>TH</sup> TRANSATLANTIC CONFERENCE

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**THE SAGAMORE RESORT – LAKE GEORGE NY**



# The Future of Healthcare: Policy Objectives in Canada



Association Européenne des Institutions Paritaires  
European Association of Paritarian Institutions



# Policy Objectives in Canada



- Canada's Universal Medicare System is a Reparative Model
- Urgent, Emergency Care is Second to None
- Canada uses "Managed Access" Instead of "Managed Care"
- All Kinds of Effort Goes Into Reducing Wait Times For Non-Urgent, Elective Treatments
- Election Promises Always Speak to Greater Access
- Nothing is More Talked About As A Policy Objective, Than Universal Pharmacare.
- It's The Big Election Promise Today for The Federal Liberal Party

# Policy Objectives in Canada



- In the 2018 federal budget, the government announced the creation of an Advisory Council on the Implementation of National Pharmacare
- Headed up by former Ontario Liberal Health Minister Dr. Eric Hoskins.
- The Advisory Council is tasked with developing a plan for the implementation of a National Pharmacare system with the provinces, territories and key stakeholders.

# The Unfinished Business of Medicare



- Today, the only place where all Canadians are covered is in the hospital.
- The federal government covers the cost of prescription drugs for members of the Armed Forces and the RCMP, veterans and Indigenous people.
- The provinces and territories all provide different coverage. Most subsidize the cost of medications for vulnerable Canadians like those over 65 and recipients of social assistance and disability benefits.
- Many also provide catastrophic coverage for those with astronomical medical costs.
- Almost 1 in 4 households reported that over the previous 12 months, they or someone in their household did not take their medicines as prescribed, if at all, because of the cost.

# By The Numbers



- About one third of working Canadians don't have employer-funded prescription drug coverage.
- The less you earn at work, the less likely you are to have prescription drug coverage.
- Women and young workers are less likely to have the coverage they need.
- Even those with drug plans are paying ever-increasing co-payments and deductibles.

# Pharmacare Makes Economic Sense



- Canada is the only developed country in the world with a universal health care program that doesn't include a universal prescription drug plan.
- The patchwork prescription drug system is inefficient and expensive.
- It has left Canadians with wildly varying prescription drug coverage and access.
- Many are paying different rates for the same medications.
- Canadians aren't benefitting from the current system, but pharmaceutical and private insurance companies are.
- Pharmaceutical companies can charge higher prices for drugs because they sell to so many buyers.
- Private insurance companies benefit by charging employers, unions and employees to administer private drug insurance plans.

# Pharmacare Makes Economic Sense



- According to the report, it's time for Canada to catch up to our peers.
- It's time to complete the unfinished business of our Medicare system with a universal prescription drug plan that will save money through bulk purchasing power.
- In New Zealand, where a public authority negotiates on behalf of the entire country, a year's supply of the cholesterol-busting drug Lipitor costs just \$15 a year, compared to \$811 in Canada.



# Pharmacare Will Save Canadians Billions



- Two reports released in September 2017 demonstrate that a Universal Pharmacare plan will save Canada billions of dollars. The first, [by the Canadian Centre for Policy Alternatives and Canadian Doctors for Medicare](#), estimates Pharmacare would mean almost \$11 billion a year in savings for federal, provincial and territorial governments, the private sector and individual Canadians.
- A second, more conservative [report released by the Parliamentary Budget Officer](#) estimates savings of \$4.2 billion a year for the federal government alone. It used Quebec's model – the most expensive in Canada – in its calculations, and did not take into account savings for the provinces and territories.

# Canadians Say Yes to Pharmacare



- An overwhelming majority – [91 percent](#) – of Canadians believe our public health care system should include a universal prescription drug plan.
- Several national health care commissions have recommended the same, along with the Canadian Medical Association, Canadian Federation of Nurses Unions, Canadian Doctors for Medicare, Federation of Canadian Municipalities, Canadian Health Coalition, Council of Canadians and the Canadian Labour Congress.
- We need the federal government to commit to the implementation of a national, publicly-administered universal prescription drug plan for every Canadian, in every province and territory.

# Herein Lies The Problem....



- The Governing Liberals under Justin Trudeau are in Trouble
- Rocked by scandals, cover-ups and general bungling
- They will not be re-elected in the General Election in the Fall
- It will be the first time a Liberal Government will be out after 1 term
- The Federal Conservatives, despite a weak leader, will most likely form the next majority, or at worst minority government.
- Universal Medicare and therefore a Universal Pharmacare add-on is managed and paid for by the 10 Provinces
- The Provincial Governments will not be forced into paying for such a program, given they already have adequate coverage

# The Political Landscape



<u>Province</u>	<u>Population</u>	<u>Current Government</u>	<u>Position</u>
Ontario	14.1 Million	Conservative	Centre-Right
Quebec	8.4 Million	CAQ (Conservative)	Centre-Right
B.C.	4.8 Million	NDP (Minority)	Left Wing
Alberta	4.3 Million	Conservative	Centre-Right
Manitoba	1.3 Million	Conservative	Centre-Right
Saskatchewan	1.1 Million	Conservative	Centre-Right
Nova Scotia	.95 M	Liberal	Centre- C-Left
N.B./NFLD/PEI	1.4 Million	Conservative	Centre

# Provincial Landscape



- Each province provides different coverage.
- Most subsidize the cost of medications for “Vulnerable Canadians”
  - >65 / Social Assistance / Disabled / Catastrophic Coverage
- Most Comprehensive Plan is B.C. – Fair Pharmacare Plan – Income Based
- Manitoba / Saskatchewan / Alberta all have some form of coverage

# Provincial Landscape



- Ontario Covers >65 / Social Assistance & <24 ONLY if you don't have private coverage.
  - Sweeping change when Liberals were replaced last year...
  - “Why pay for Drugs for people who have private coverage”
  - This Will Be The Mantra of All Provincial Conservative Governments

# Conclusions



- Reality is all provinces have some form of drug coverage, based on what they deem affordable.
- The most vulnerable in our society are covered currently.
- Insurance Companies and Drug Manufacturers will Lobby Against Such a Program Based On Job Preservation
- There is no appetite to bite off more at the Provincial level where the funding occurs for a Universal Pharmacare Program

# Questions



- Thank-you for your attention and participation
  
  
  
  
  
  
  
  
  
  
- One Final Thought.....



# What About Those Toronto Raptors!



## 2019 NBA Champions

