



**Neighbourhood
Pharmacy**
Association of Canada

Association canadienne
**des pharmacies
de quartier**

MEMORANDUM

TO: Pharmacy Stakeholders

FROM: Justin J. Bates

RE: Neighbourhood Pharmacies: National Pharmacare Update

DATE: March 22, 2019

Summary

Dr. Eric Hoskins, the Chair of the *National Pharmacare Implementation Council*, alongside Finance Minister Morneau and Health Minister Pettipas-Taylor released the interim report on implementation of national pharmacare.

This interim report includes:

- An update on the Council's work to date;
- The Council's recommendations on core principles that they believe should underpin national pharmacare; and,
- Initial recommendations (or 'building blocks') of national pharmacare that can be acted upon immediately.

The interim report from the Council makes it very clear that the current prescription drug system in Canada isn't working and that the status quo is unacceptable. The primary challenges and opportunities identified in today's system include: "too many Canadians cannot afford the prescription drugs they need, access to prescription drug coverage is inconsistent across jurisdictions and populations and Canada's spending on prescription drugs is unsustainable."

Based on these key findings there is no recommended model provided in this report for National Pharmacare, but the Council did offer three recommendations for the government's consideration:

1. Create a national drug agency.
2. Develop a comprehensive, evidence-based national formulary.
3. Invest in drug data and information technology (IT) systems.

The federal government has confirmed that this is an *interim report* and that both Ministers are still reviewing the initial findings. The final report from the Council will be delivered by June 2019 and will include a recommended model for pharmacare. Both Ministers and Dr. Hoskins were clear in confirming that a model for pharmacare has not yet been determined but that the three recommendations from this report (identified above) would be the groundwork for the future model.

There are still many questions left unanswered following the release of the report including: whether the government will opt for a single payor model, how the new drug agency will impact pCPA/PMPRB or drug purchasing more generally, how extensive/comprehensive the national formulary will be, what the cost of pharmacare will be and who will be paying for the pharmacare model selected?

We remain concerned that some of the language used in the announcement could be a precursor to a single payor system and significantly shift how drugs are procured with a single national formulary. This threat emphasizes the need for us to continue the advocacy work in Phase 2 of the strategy. The following is a summary of Phase 1 and the action plan for Phase 2.

Overview of National Pharmacare Coalition Phase 1

As you are aware, we have been engaging on this advocacy file for several years and in the spring 2018 we established an initial coalition composed of Neighbourhood Pharmacies, CPhA, Shoppers Drug Mart and McKesson Canada. We developed a Phase 1 strategy that was initiated last summer with research that led to the launch of completetheplan.ca. We have a number of policy options within the national pharmacare proposal including a fully costed out platform.

We have been engaging Enterprise as the firm to help manage the efforts and Pollara as the polling/research firm. This file has the potential to impact every member and it is imperative that as a continuation of this advocacy effort we ensure all members contribute to Phase 2. There is an urgency to executing the strategy in Phase 2 given the timelines leading up to the October federal election.

Federal Budget 2019 Analysis

The pharmacare elements in the federal budget are consistent with what was announced two weeks ago. You will notice the language change from universal to “all Canadians should have access to medicines” and this is a direct result of the Coalition’s advocacy and potentially suggests that there is still room to advocate for achieving equitable access in a multi-payor model (this is aligned with our policy option: completetheplan.ca). It remains a positive that there is **no commitment to a single payor system**. The opportunity to influence how this is shaped and defined for the election platform is our next window of activity to ensure the program is both thoughtful and designed in such a way that it addresses the problems in the current system in a financially sustainable manner without introducing significant opportunity cost.

The budget references consultations with the provinces over the next several months and this is aligned with Phase 2 of the pharmacare coalition plan as our government relations and social media plan includes targeting the provinces and federal governments. This also underscores the need to execute on Phase 2 to influence the platform development of all three parties.

Other observations are that the initial funding commitments are tailored to infrastructure and rare diseases so the first dollars being invested are not going to a single payor model. There is risk in the national drug agency proposal, single common formulary among other items and therefore we need to ramp up our activity.

We are in a good position to advocate over the next few months and work closely with the provinces on a pharmacare model that works for Canadians.

We have an opportunity to shape the election platforms of the three major political parties given the commitment in the Budget for the federal government to consult the provinces over the next three months on the issue of creating a national drug agency and common formulary. It is imperative that our government relations efforts are coordinated with the provincial pharmacy associations and at the federal level.

The Coalition is determined to better understand the vision for the national drug agency and common formulary and how this will impact other federal agencies like the PMPRB and pCPA. Much of what the budget references could lead to a consolidation these agencies and may impact or delay the PMPRB regulatory reform. However, we are hearing that at a minimum, the PMPRB is proceeding with the change to the basket of countries used in calculating the Canadian average generic price compared to other countries. The language used to describe the national drug agency is centered around better negotiating leverage rather than a new procurement agency. Another key question is whether the new drug agency, as envisioned, overlaps with CADTH's mandate.

Thus far, the Conservatives have been quiet on pharmacare and health in general. In meetings with Andrew Scheer's office, it is clear they do not want to create another "super government agency" and would prefer a 'fill the gaps' type of solution. Conversely, the NDP support a "first dollar" program and have emphasized a national Essential Medicines List as one policy option. For any of this to be successful, it is going to require agreement(s) and cooperation of the provincial governments, which essentially means large funding commitments are necessary and this was not included in the 2019 Budget. With the shift in some provinces to Conservative mandates, cooperation may be more difficult for the federal government post October 2019.

Summary of Phase 1: Pharmacare Coalition

- Ongoing GR support since June 2018
- National polling and research analysis on pharmacare
- Media relations for pharmacare polling (Toronto Star)
- Campaign launch including branding, website, social media, content and policy production
- Preparation and planning for council engagement
- GR strategic advice, coordination, planning etc.
- Launched the completetheplan.ca

Summary of Phase 2 Activities

Activities: March 2019 - May 2019

- Government Relations
- Social Advertising (Facebook, Instagram & Twitter)
- Banner Ads on National News Watch + iPolitics
- YouTube Pre-Roll (production + placement)

Activities: June 2019 - August 2019

- Government Relations
- Social Advertising
- Banner Ads on National News Watch + iPolitics
- YouTube Pre-Roll

POLLING

- To start post-budget approximately April 2019
- Including riding selection, poll creation and execution
- 50 ridings via Pollara

Appendix A: Coalition Response to Interim Report



Response to Interim Report on the Implementation of National Pharmacare

MARCH 7, 2019 — All Canadians deserve access to the medications they need without financial barrier. Our current system leaves 1.9 million Canadians without any prescription drug coverage and that is unacceptable.

We appreciate the work done by the Advisory Council on the Implementation of National Pharmacare. The interim recommendations offer many opportunities to strengthen our system and ensure all Canadians have timely access to affordable prescription medications.

A national pharmacare program must prioritize helping the 1.9 million Canadians who don't have coverage without disrupting the majority of Canadians who have existing drug plans. This can be achieved in a sustainable way by building on the existing mix of public and private coverage in Canada.

It's critical that the Council continues to work with partners in the health-care sector to provide further details on some of the recommendations in this report, including the creation of a national drug agency.

There is a lot of work ahead and we're committed to working with the Council and the federal government to ensure all Canadians have access to the medications they need.

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Appendix B: Analysis on the Interim Report for the Council on the Implementation on National Pharmacare

March 5, 2019

Overview

Today, Dr. Eric Hoskins, the Chair of the *National Pharmacare Implementation Council*, alongside Finance Minister Morneau and Health Minister Petitpas-Taylor released the *interim* report on the implementation of national pharmacare.

The report provided an update on the Council's work to date, recommendations on core principles for pharmacare and initial recommendations (or building blocks) for national pharmacare.

Primary challenges and opportunities identified in today's report include: "too many Canadians cannot afford the prescription drugs they need, access to prescription drug coverage is inconsistent across jurisdictions and populations and Canada's spending on prescription drugs is unsustainable."

Based on these key findings the Council offered three recommendations to "build the groundwork" for a National Pharmacare program. The three recommendations for the federal government are:

1. Create a national drug agency.
2. Develop a comprehensive, evidence-based national formulary.
3. Invest in drug data and information technology (IT) systems.

The Council's report was based on public consultations across the province including more than sixteen stakeholder roundtables, targeted engagement sessions, direct patient engagement sessions and reviewing more than 150 written submissions and 15,000 questionnaire responses.

The final report from the Council is expected by June 2019.

Highlights

Many of the findings from today's report will not come as a surprise. The Council has been clear that they believe that the status quo is unacceptable, and that prescription drug coverage is the missing piece of Medicare.

The most substantive recommendation from today's report is the creation of a national drug agency. Although the agency is described as a merging of existing agencies (pCPA, PMPBRB etc.), the establishment of a new agency to oversee drug negotiations and drug listings is a strong signal towards national purchasing/bulk purchasing. Any new drug agency would also require extensive support and collaboration with the provinces and territories to be more effective in improving access, controlling costs, improving efficiency and coordination.

There were no comments available from the provinces immediately following the announcement.

Analysis

The Council included 3 recommendations in their interim report released today:

- 1. The Council recommends that the federal government, in partnership with provinces and territories and Indigenous peoples, establish an arms-length agency to manage and oversee national pharmacare.**

The Council has been clear from the onset that Canada's 'patchwork' drug system does not work well for Canadians. And while there are certainly positive measures that could improve the process for approving drugs and reducing regulatory burden, this recommendation signals a major shift in the delivery of drug coverage in Canada.

Although many of the activities identified by the Council that would be associated with the new agency are already functions of pre-existing agencies such as CADTH & pCPA (for example: conducting health technology assessments, conducting negotiations with manufacturers on drug prices and; monitoring the real-world safety and effectiveness of prescription drugs) the signal to increase authority at the federal level suggests movement towards a single payor national pharmacare model.

Currently, the provinces have complete control on the purchasing and listing of prescription medications. The signal to move to a national agency model not only signals moving away from provincial authority but also suggests setting the foundation to build a federally modelled pharmacare plan.

It would not be a jump to assume that the future role of a national drug agency could also include the role of bulk purchasing/procurement (i.e. a single payor model).

Key questions that still need to be answered by the Council include:

- Will the national drug agency's mandate include responsibilities beyond those listed in the interim report?
- Will the provinces retain their authority over the purchasing and delivery of prescription drug programs? (i.e. will this be mandatory for the provinces)
- What will be the cost to establish a new national drug agency and who will be responsible for those costs and the costs incurred by the agency?
- How will the new national drug agency impact drug purchasing or administration? What will happen to existing structures: pCPA, PMPRB etc.?

2. The Council recommends that the federal government, in partnership with provinces and territories, Indigenous peoples, patients/citizens, and clinical and other experts, begin development of a comprehensive, evidence-based national formulary.

The Council has long discussed the use of a minimum national formulary to ensure equitable access to essential medications across the country. The establishment of a minimum national formulary would also support the federal government's goal of securing portability across the provinces.

A minimum national formulary can be an effective way to ensure all Canadians have access to certain essential/prescribed medications. What remains unclear is if the Council is willing to think outside of the box in setting a standard that would apply to all provincial/territorial plans and private plans.

Currently there are vast differences between the drugs covered in each province – ranging from 4,000 drugs in Alberta to more than 8,000 drugs in Quebec. Additionally, most private plans currently provide even greater coverage for Canadians.

By establishing a minimum national formulary that all parties (public and private plans alike) must match, the government could establish a level of equity in Canada without restricting access to medications by putting a cap on coverage (or eliminating private sector coverage). Additionally, by adopting a national standard, the federal government could allow provinces to retain some control by allowing them to increase their local formulary based on local/regional needs or priorities.

Key questions that still need to be answered by the Council include:

- Who will this list apply to – the entire population, select populations, other groups?
- How comprehensive will the minimum national formulary be? Will it be greater than current provincial formularies? Or restricted such as an essential medicines list?
- Will provincial or private plans retain their ability to control their own lists to add drugs beyond the minimum federal list to provide greater coverage? (if not, what will happen to existing provincial formularies?)
- How will the drug list be selected and how (including how often) will it be updated to ensure timely access to new medications?
- What will be the administration cost of establishing and maintaining a national list?

3. The Council recommends that the federal government invests the financial resources necessary to enable federal, provincial and territorial governments to strengthen drug data collection and enhance their drug-related information technology (IT) systems to meet the goals and objectives of national pharmacare.

To support a national pharmacare model in Canada (regardless of the model selected) there are technology improvements that would be necessary to link all of the essential pieces together.

The Council has recommended that a starting point for these necessary infrastructure developments is leveraging existing IT infrastructure. The Council has also recommended that the federal government funds these measures to create the technological base necessary to support a pharmacare program.

Key questions that still need to be answered by the Council include:

- How will the federal government link the existing patchwork of existing digital technologies (from pharmacies and doctors) together?
- What is the cost to set up and implement this type of system?
- How long would it take to develop a completely national and connected digital prescribing system?

Next steps

With recommendations to create a national drug agency and a national drug formulary, there is a greater risk that the Council is setting the groundwork for a single payor national pharmacare plan that includes federal administration, implementation and bulk national purchasing.

It is critical that engagement efforts with the Council and the federal government are continued to seek answers to the many questions identified above.

Engagement efforts and public affairs activities should be increased with urgency to encourage the adoption of a better-suited mixed payor pharmacare model.

Appendix C: Communication Messages and Q&A

Short Version

Response to Interim Report on the Implementation on National Pharmacare

We appreciate the work done by the Advisory Council on the Implementation of National Pharmacare and look forward to working with the Government as they review this interim report.

We share the federal government's goal of ensuring all Canadians have access to the medications they need. Prescription drugs play an essential role in medical treatment plans and in keeping Canadians healthy. Our current system leaves 1.9 million Canadians without any prescription drug coverage and that is unacceptable.

A national pharmacare program must prioritize helping the 1.9 million Canadians without coverage first and foremost and ensure it's done in a financially responsible way.

There is a lot of work ahead and we're committed to working with the Council and the federal government to ensure all Canadians have access to the medications they need.

Longer Version

Response to Interim Report on the Implementation on National Pharmacare

We appreciate the work done by the Advisory Council on the Implementation of National Pharmacare and look forward to working with the Government as they review this interim report.

We share the federal government's goal of ensuring all Canadians have access to the medications they need. Prescription drugs play an essential role in medical treatment plans and in keeping Canadians healthy. Our current system leaves 1.9 million Canadians without any prescription drug coverage and that is unacceptable.

A national pharmacare program must prioritize helping the 1.9 million Canadians without coverage first and foremost and ensure it's done in a financially responsible way.

It will also be important for the government to carefully examine costs associated with different models of national pharmacare as they move towards determining the best model for Canada. The cost of a single payor plan could be in the range of \$10 to \$14 billion dollars per year. It will be critical to examine this potential expenditure in the broader context of challenges facing our healthcare system.

As specific policy measures like the formation of a national drug purchasing agency are discussed, it will be essential to understand the impacts this could have on Canadians and their existing drug coverage.

There is a lot of work ahead and we're committed to working with the Council and the federal government to ensure all Canadians have access to the medications they need.

Questions and Answers

1. What model of pharmacare are pharmacists advocating for?

- All Canadians should have access to the prescription medications they need to live a healthy life.
- Prescription medications must be easily accessible, in a timely manner, and inclusive of a range of therapeutic options to ensure patient choice.
- We support the Council's work to improve access to prescription medications for all Canadians.
- A new pharmacare program must prioritize addressing outstanding gaps in drug coverage for those who are uninsured, and underinsured, without disrupting the quality of coverage currently enjoyed by over 25 million Canadians through private drug plans.

2. Why do you support a closing the gaps approach and not universal public pharmacare?

- Our experience on the front line suggests that the vast majority of Canadians we serve daily have adequate coverage, either through their public plans or through their private plans.
- We've learned through our research that (72%) Canadians who have an existing plan don't want their current coverage to be impacted or disrupted, and we know the angst a patient feels when faced with disruptions to their coverage.
- By expanding the current models already in place in Canada to capture the uninsured and underinsured we can close the gap for Canadians most in need – and ensure continuity of care for those who already have prescription drug coverage.

3. Why don't you support today's council recommendations?

- We have a shared goal with the federal government – ensuring all Canadians have access to the medications they need without financial barrier.
- After today's announcement there are still many questions left to be answered...
 - How comprehensive will the national formulary be? Will it be an improvement from the existing provincial or private drug lists?
 - What happens to existing drugs plans and drug coverage, what role do they play in a new system?
 - Who is going to pay for this new system – the federal government, provinces?
 - Will patients be required to pay a co-pay, a deductible at the pharmacy counter?
 - Can we ensure this plan will not put any Canadians current access to medication at risk? Can we ensure continuity of access to medications that Canadians rely on?

4. Aren't pharmacists advocating for the status quo because there's a financial interest?

- Pharmacies deliver essential frontline care to patients across Canada every day.
- For many Canadians, pharmacists are the most accessible member of their health-care team and provide critical support and advice to keep them healthy.
- **Pharmacists' interests are first and foremost with their patients in advocating for better access to medications across the country.**
- The status quo, with even one Canadian falling through the cracks, is unacceptable to us, and we have an opportunity to find solutions that are going to improve the patient experience and outcomes, improve access, and be sustainable into the future.
- **We are advocating for a revitalized pharmacare program that ensures prescription drug access for all Canadians. And we want to work in partnership with the Council to get there.**

5. What financial impact will pharmacare have on pharmacies?

- As the health profession that has the most accessible daily interactions with patients in Canada, and safely dispenses over 600 million prescriptions a year across all provinces and territories, pharmacists are often impacted by changes in pharmaceutical policies.
- While there will likely be some kind of impact on pharmacies depending on the model that is put forward, our priority is and continues to be to serve the best interests of our patients.
- We recognize and support the need for a revitalized pharmacare plan in Canada.

Appendix D: Pharmacare announcement coverage

Interim Report on the Implementation of National Pharmacare

March 6, 2019

Stakeholder/ Reporter	Comment	Coverage	Link	Summary of position
Andre Picard	"The Interim Report... can generously be described as modest."	Globe and Mail	https://www.theglobeandmail.com/canada/article-pharmacare-report-is-a-start-but-thats-about-it/	If the federal, provincial and territorial governments can't agree on the basics announced today, there is not really a point in carrying on with the discussion.
Action Canada for Sexual Health & Rights	"We are hopeful today that our government will respond to the needs of people and not the financial interests of pharmaceutical and insurance corporations."	Organization Statement	https://www.actioncanadashr.org/statement-on-canadas-interim-report-on-national-pharmacare/	A National Pharmacare Strategy must cover all drugs and be universal to ensure that all people, including young people and vulnerable people, can access medications.
The Canadian Life and Health Insurance Association	"It is important that governments work with private insurers to meet the objectives of ensuring access to affordable	Organization Statement	https://www.clhia.ca/web/CLHIA_LP4W_LND_Webstation.nsf/page/2FD22021B8DED3C0852	CLHIA welcomes interim report of Advisory Council on the Implementation

	prescription medicines and long-term sustainability of public and private benefits plans.”		583B500626340!OpenDocument	of National Pharmacare
Heart And Stroke	“People in Canada... deserve access to necessary medicines through a national pharmacare program. “	Organization tweet.	https://twitter.com/HeartandStroke/status/1103380825599549440	A robust formulary accepted by all the provinces is necessary
Canada’s Nurses	A national drug agency and national evidence-based formulary would be strong steps in the right direction for pharmacare	Organization tweet	https://twitter.com/CFNU/status/1103271580644196357	Positive

Appendix E: PHARMACARE ACTION PLAN

OVERVIEW

The following plan outlines the strategic approach and tactics for government relations and communication on Pharmacare between March – August 2019 (or longer TBD).

CURRENT CONTEXT

The political context remains extremely unpredictable with an election campaign only six months out. Time will tell whether the current SNC scandal will have a lasting impact on the Liberal government's electoral fortunes, but it opens the prospect of the government looking for "channel changers" to shift the conversation and a national pharmacare promise could serve as that. Without Gerald Butts in PMO it is also unclear who will drive pharmacare policy and manage the relationship with Eric Hoskins. It will be important to continue to make the case for our proposed solution Complete the Plan to ensure it remains the best option for the government to consider.

Looking beyond the 2019 election campaign, it is worth preparing for the prospect of a minority government. There are scenarios where pharmacare is a commitment included in a Liberal budget to entice left (NDP) support or where a more limited pharmacare program is included in a Conservative budget to entice centre/left (Liberal support). In any case, educating Members of Parliament and Ottawa influencers on Complete the Plan is an important short-term priority.

OBJECTIVES

1. Encourage the 2019 Liberal Platform Team to adopt the '*Complete the Plan*' model for National Pharmacare in Canada (or convince them to not commit to universal single-payer pharmacare in the platform)
2. Build momentum among Liberal MPs and new candidates to support a '*Complete the Plan*' model for National Pharmacare in Canada
3. Activate allies on '*Complete the Plan*' by finding third party supporters who have a similar position on pharmacare or encourage new allies based on highlighting the opportunity cost of pharmacare for other health advocacy groups (i.e. mental health)
4. Encourage the Conservative party to make the case that the cost of pharmacare is too great and that there is a better way to provide drug coverage to all Canadians
5. Educate the public on why a '*Complete the Plan*' model for pharmacare is the best model for Pharmacare in Canada (focus education on cost and impacts on drug coverage).

STRATEGIC POSITIONING

To position '*Complete the Plan*' as the best national pharmacare plan for Canada we will leverage the strongest emotional and rational drivers that support our position:

Emotional Drivers

1.9 million don't have coverage. That's not acceptable.
All Canadians deserve access.

Rational Drivers

The public agrees in a mixed payer approach.

A single payor plan will cost \$10-14 billion. Our plan will cost \$1-3 billion.

A single payor plan will also:

- Restrict access to essential (and new) medications.
- Require moving all Canadians to a public plan (95% of Canadians will have their current coverage disrupted).
- Take years longer to implement.
- Increase administration costs.

Position Statement:

There are 1.9 million Canadians who do not have prescription drug coverage. That's unacceptable. We have a plan to provide prescription drug coverage to those without drug coverage.

Our plan will ensure all Canadians have access to the prescription medications they need by building on existing public and private drug plans without disrupting the majority of Canadians who already have coverage. With this plan we can ensure all Canadians have drug coverage for approximately \$3 billion (as opposed to \$10-14 billion for a single-payer pharmacare plan).

Campaign Tone: *positive, collaborative, informative and progressive.*

STRATEGIC APPROACH (in order of priority and sequence)

1. Use our research and financial findings to persuade government (/ the Liberal party's) that the '*Complete the Plan*' model is best for Canada:

- Continue our GR efforts to engage with key government influencers to shape the upcoming budget, council report and Liberal platform
- Prioritize meetings with key decisions makers in PMO, Finance, and on the Liberal Platform/ Campaign team
- Remain engaged with the Council to keep apprised of developments and evolving timelines
- Share updated financial findings and new polling with key influencers.

- 2. Conduct riding polling in swing ridings to gather further intel on pharmacare public opinion to help influence Liberal candidates and the Liberal campaign/platform team.**
 - We will conduct a minimum of 200 IVR interviews drawn from the top 100 swing ridings held by or targeted by the Liberals in the upcoming federal election.
 - Messages will be tailored according to the pharmacare coverage in the respective provinces where ridings are contained.
 - Results will be rolled up into a single report, as with our previous round of research, and individual dashboard slides will be produced for each riding for sharing with MPs and candidates.

- 3. Provide candidates with their own localized results and the Liberal campaign/platform team with regionalized polling that demonstrates that pharmacare is not a political priority (see above)**

- 4. Support/encourage the Conservative Party to start an informed conversation on the cost (and opportunity cost) of pharmacare by providing them with our analysis:**
 - Arrange meetings with key Conservative Party members to share updated financial findings and research findings
 - Target the Leader of the Official Opposition and Health Critic (Andrew Scheer and Marilyn Gladu)
 - Provide Conservatives members with digital content and other content that summarizes the true cost of pharmacare and the opportunity cost.

- 5. Engage in the government's conversation on National Pharmacare and provide a pragmatic alternative to the implementation of a proposed universal, first payor, pharmacare plan (i.e. speaking engagements, op-ed)**
 - Secure a health economist to validate our financial findings and the cost of pharmacare.
 - Enlist a health economist to write an op-ed that recommends healthcare investments the government should be prioritizing.
 - Consider future media opportunities, engagements or events where *'Complete the Plan'* members can engage in the public conversation on pharmacare.
 - *Considerations: It might be difficult to find a health economist to carry our message. We also run the risk that the economist could come to a different conclusion or a conclusion that contradicts our approach. We will first draft a list of potential economists and then gather intelligence before activating (*an economist may request compensation for their work).*

6. Find other third-party healthcare groups to share our message on the best model for pharmacare and/or start a conversation on the cost of pharmacare (and opportunity cost lost) (i.e. CMHA):

- Reach out and engage with our connections in the healthcare space to find other health organizations who might have shared perspectives or who might be concerned that pharmacare investments would crowd out other healthcare investments.
- Key groups: CMHA, Heart and Stroke, CORD, Canadian Dental Association, Cystic Fibrosis, Diabetes Canada etc.
- *Considerations: Many of these groups have already been approached and although they are mostly supportive of our efforts they are not willing to engage publicly in opposition to pharmacare.*

7. Wake-up public opinion on pharmacare in Canada and convince Canadians that the 'Complete the Plan' model is the best model for drug coverage using digital advertising:

- Using digital advertising we will start to better educate the public on pharmacare and specifically on the true costs of pharmacare.
- The first phase of the strategy (pre-release of the Council report) we will focus on a non-politicized neutral message to inform Canadians on pharmacare policy.
- The second phase of the strategy (post- release of the Council report) will be modified after the release to determine the appropriate strategic response ahead of the 2019 campaign.

DIGITAL ADVOCACY

For the purposes of this plan, we see digital advocacy as being a platform play – we can work to build awareness and shift public opinion to support the Complete the Plan model with the goal of informing party platforms in advance of the election. There are greater restrictions and cost implications associated with advertising during the writ period and less opportunity to actually make an impact on policy or public opinion. Therefore, we recommend launching the campaign from now until the end of August (estimated timeline for platform release).

PHASE 1 PRE-COUNCIL REPORT: MARCH 1, 2019 – Report Release (anticipated MAY 31, 2019)

Approach: Launch a soft digital advertising campaign focused on generating awareness for the Complete the Plan approach.

Objective: Get people focused on the 1.9 million people who don't have coverage and that we have a plan to cover them.

Key Message: 1.9 million Canadians don't have prescription drug coverage. We have a plan to ensure they're covered.

PHASE 2 PLATFORM DEVELOPMENT: JUNE 1, 2019 - AUGUST 31, 2019

Approach: Launch a second round of digital advertising focused on the outcome of the council's report/recommendation.

Objective: Depending on the outcome of the report, either a) augment our current position for pharmacare for 1.9 million Canadians or b) escalate to refute/rebut a proposed single payer pharmacare model or an alternative model that doesn't align with our objective.

Key Messages:

- a) We support a mixed-payer pharmacare model that covers those who need it most – the 1.9 million Canadians who don't have access to prescription drug coverage.

- b) A single payer national pharmacare plan that covers all Canadians will cost more than \$10 billion. We have a plan that covers those who need it most – the 1.9 million Canadians who don't currently have coverage – at a third of the cost.

Pending outcome of phase 1 & 2 we may come forward with further recommendations for the election period.

POLLING

To start post-budget approximately April 2019
Including riding selection, poll creation and execution

Appendix F

Budget 2019 Summary

The 2019 Budget reaffirms the government’s commitment to make prescriptions more affordable and accessible to Canadians. In the government’s words “all Canadians will be healthier and better off with the steps Budget 2019 takes toward implementing national pharmacare.”

The government is focused on two key challenges—lowering the cost of drugs for all Canadians and expanding coverage so all Canadians have access to affordable medicine.

Top Actions

Budget 2019 announces the Government’s intention to work with its partners (including the provinces and territories) to move forward on three foundational elements of national pharmacare:

1. **Creating of the Canadian Drug Agency** — a new national drug agency that will build on existing provincial and territorial successes and take a coordinated approach to assessing effectiveness and negotiating prescription drug prices on behalf of Canadians.
2. **Establishing a national formulary** — a comprehensive, evidence-based list of prescribed drugs. This would provide the basis for a consistent approach to formulary listing and patient access across the country.
3. **Establishing a strategy for high-cost drugs for rare diseases** — to help Canadians get better access to the effective treatments they need.

What You Need to Know

For the most part, today’s budget reiterates what we saw in the interim report from the Advisory Council on the Implementation of National Pharmacare. Specifically, the creation of a Canadian Drug Agency and the establishment of a National Formulary.

The government is still silent on the preferred model for national pharmacare (single vs. mixed payer).

Notably, the government has identified that discussions on the agency and on the formulary will occur over the next few months and their plan include \$35 million over four years, starting in 2019–20, to establish a Canadian Drug Agency Transition Office to support the development of this vision.

Funding is also dedicated specifically towards high-cost drugs and rare diseases – reiterating this segment of prescriptions medications as being critical to the government. With the 2019 budget, the government is investing up to \$1 billion over two years, starting in 2022–23, with up to \$500 million per year ongoing on high-cost drugs and drugs for rare diseases.

The Numbers

Chapter 1 - Investing in the Middle Class

millions of dollars

	2018– 2019	2019– 2020	2020– 2021	2021– 2022	2022– 2023	2023– 2024	Total
Part 3. Moving Forward on Implementing National Pharmacare							
Introducing the Canadian Drug Agency	0	5	10	10	10	0	35
Making High-Cost Drugs for Rare Diseases More Accessible	0	0	0	0	500	500	1,000
Part 3. Moving Forward on Implementing National Pharmacare Total	0	5	10	10	510	500	1,035

Analysis

The government has confirmed their committment to National Pharmacare without revealing their proposed/preferred pharmacare model.

It is likely that pharmacare will be a central pillar in the upcoming election based on its prominence in today’s budget. We can anticipate the model to be reevealed durig the election cycle.

With focused investments on the agency and rare diseases, it is likely that—even if the government wants to proceed with single-payer national pharmacare—it would be a longer term plan. With investments tied to infrastructure elements (i.e. the agency) and rare diseases specifically there isnt much left to spend to buy into single-payer national pharmacare.

Following the conversations with provinces over the next few months as these elements evolve will be critical in advocating for a pharmacare plan that works best for Canada.

Appendix G

Pharmacare Media Scan Post Federal Budget 2019 March 20, 2019

In general, the responses to the announcement of new funding for pharmacare falls into two categories:

- Those who are in favour of a national pharmacare program, who are encouraged by the announcements, whilst claiming the announcements does not go far enough, but is a step in the right direction; and
- Those who are generally opposed and are waiting to see what else comes forward during the election and pre-election period or are cynical about the progress.

Both groups agree that the announced details are not complete enough to know what the government's end result will be.

Medical groups such as nurses and pharmacists are generally in favour. Whereas people who are opposed tend to approach the issue from a financial-based lens. Or, they are just generally cynical about the announcement and the chance it will lead to universal single-payor pharmacare.

Some who have spoken out in favour use heavily guarded language – much in the same way the Pharmacare campaign does.

Most responses to the announcement are neither clearly positive nor negative, with the general consensus being that there are not enough details to draw any real conclusions about what the Liberals want pharmacare to look like.

Generally positive/neutral responses to announcement:

Name/Organization	Comment	Reference
Eric Hoskins	<p>1/5 Recently, the #Pharmacare Advisory Council delivered an interim report to the #GoC that had initial recommendations that are foundational for any national #pharmacare model. #Budget2019 announces the #GoC intention to work with its partners to move forward on key elements:</p> <p>2/5 Our first recommendation was to create a national drug agency. #Budget2019 announced the Canadian Drug Agency that would assess the effectiveness of new prescription drugs and negotiate drug prices on behalf of Canada's drug plans. #pharmacare</p>	https://bit.ly/2v8fHf5

	<p>3/5 Second, we recommended a national formulary. Happy to see that #GoC moving forward on this. This will provide a basis for a consistent approach to formulary listings and patient access across the country.</p> <p>4/5 #Budget2019 also establishes a national strategy for high-cost drugs for rare diseases to help Canadians get better access to the treatments that they need. The #GoC committed to ensure that patients with rare diseases have better and more consistent coverage for treatments.</p> <p>5/5 The #Pharmacare Advisory Council is looking forward to delivering the final report to the Government this spring.</p>	
Bill Morneau	Tweet: "We're laying the foundation for the implementation of national pharmacare – to ensure that no Canadian ever has to choose between paying for prescriptions and putting food on the table."	https://bit.ly/2HIsfko
Adrian Dix, British Columbia Health Minister	<p>Described the panel's interim report as "encouraging" but said the federal government would need to "step up."</p> <p>"It's very positive to see the interim report, but ultimately this issue will be about whether the federal government is prepared to cost-share or not,"</p>	https://bit.ly/2HJNoKQ
Linda Silas, president of the Canadian Federation of Nurses' Unions	Described the announcement as "Baby Steps" and that her organization is "relieved" that the budget didn't preempt the Advisory Committee's recommendations, saying that it is smarter to wait for the report.	https://bit.ly/2CtOdE9
Jim Keon, President of the Canadian Generic Pharmaceutical Association (CGPA)	"The Canadian Generic Pharmaceutical Association (CGPA) and its member companies welcome the announcement in Budget 2019 that the Government of Canada intends to move forward with measures outlined in the interim report"	https://bit.ly/2Fen9JI

Canadian Pharmacists Association	“On behalf of Canada’s 42,000 pharmacists, the Canadian Pharmacists Association (CPhA) welcomes many of the measures announced in the 2019 federal budget, including the important commitment to collaborate with health stakeholders, specifically on national pharmacare and a new national drug agency.”	https://bit.ly/2FoA510
Steve Morgan, UBC Professor, Founder of Pharmacare 2020	“it is extraordinary to see national pharmacare among the top priorities of a government in Canada. That has never happened. But the actions were quite small given the supposed priority position held by Pharmacare in this budget.”	https://bit.ly/2Jpr9fH
Innovative Medicines Canada	“Innovative Medicines Canada (IMC) welcomes the measures taken in Budget 2019 to make prescription drugs more affordable and more accessible to more Canadians.”	https://bit.ly/2HCXqhV
Melanie Bernard, national director of the Canadian Health Coalition	said in a statement that the creation of a national drug agency and list of drugs for coverage is “encouraging” but called on Ottawa to follow up and create a universal public coverage program for all Canadians.	https://bit.ly/2HuKZ7z
Ontario Nurses Association	Retweeted the response from Canadian Federation of Nurses’ unions: “Budget 2019 is a first step toward national pharmacare, and only that,” says Linda Silas @CFNUPresident . “With a federal election fast approaching, nurses believe clearer commitments are needed...”	https://bit.ly/2U5V94F
Heart & Stroke Foundation	“We are looking forward to working with the government on its commitment to create a universal drug program. Affordable medications are a life and death issue for people with heart conditions, stroke and related cognitive decline.”	https://bit.ly/2TPHtuX

Canadian Organization for Rare Diseases (CORD)	Tweet: "Canadian @raredisorders patients are absolutely thrilled with the commitment to invest real money to address medicines for rare diseases in #Budget2019 ! Patients recognize and support the federal government's efforts to support the rare disease community"	https://bit.ly/2Fr6a8k
Canada Medical Association	From Report: "In supporting access to medication, the new centralized drug agency will have a welcome role in reducing drug prices and establishing a formulary for Canadians. Along with a significant investment in medication for rare diseases, the key pillars are in place for a national approach to pharmacare."	https://bit.ly/2HHGDcx

Generally skeptic/negative response to announcement:

Name/Organization	Comment	Reference
Jagmeet Singh	"They are just kind of leading Canadians along. They are saying OK wait and see, wait and see. Well, Canadians can't wait and see anymore,"	https://bit.ly/2OhkjaM
Andrew Scheer	Tweet- "With Budget 2019, Justin Trudeau is covering up his corruption with \$41 billion of brand new spending. His plan is clear: Big deficits to cover up corruption before the election. Big tax hikes to pay for them after."	https://bit.ly/2FgI0Ac
Andrea Horwath, Ontario NDP	"When the chips are down, the Trudeau Liberals take the side of big Pharma—and we all lose out. My statement on today's disappointing stalling by the federal Libs that affirms Ontario needs to implement our own universal #pharmacare that covers everyone."	https://bit.ly/2TjwHYT
Vic Fedeli	Press conference reply to question: "this has been a long-standing promise of the Liberals for decades. This is nothing more than a re-election budget. So it's lots of announcements with no	https://bit.ly/2Oi9Njl (video)

	sign they are serious about funding these announcements.”	
Rebekah Young, director of fiscal and provincial economics, Scotiabank	“A universal pharmacare plan does not appear affordable for Canada right now”	https://bit.ly/2HJNoKQ
Rosalie Wyonch, C.D. Howe Institute	“what remains unsettled even after the budget and the interim report is what exactly a ‘comprehensive, evidence-based national formulary’ actually means.”	https://tgam.ca/2CwhJJq
Michael Law, Canada research chair in access to medicines at the University of British Columbia.	“This is almost as notable for what it didn’t include as what it did,” “There is no announcement for changes to drug coverage plans, no model for moving forward. They didn’t do any investment in IT as the advisory council had suggested and there’s not a whole lot in here about how they’re going to change drug prices aside from better negotiation.”	https://bit.ly/2CtOdE9
David Macdonald, senior economist for the Canadian Centre for Policy Alternatives	“Having a national drug agency doesn’t necessarily commit the government to choosing whether its eventual pharmacare program will simply ‘fill in the gaps’ for people who don’t currently have drug insurance, or create a full national program where the federal government covers the cost of drugs”	https://bit.ly/2CtOdE9
Kevin Page	On budget overall: “High on sizzle, low on Steak.” When asked by Don Martin on his thoughts on Pharmacare: “It’s another case of them making a big hullabaloo of something that’s nothing... what I see is the fact that they’re going down the same path that they had before and that path is the promising national childcare over and over and over again and never being able to give it up.”	https://bit.ly/2urC7Hv

Appendix H: Agency Review Report March 2018 comparison with National Drug Agency in Council's Interim Report March 2019

<p>Canadian Drug Agency (Agency Review Report March 2018)</p>	<p>National Drug Agency (Council's Interim Report March 2019)</p>
<p>Overview</p> <p>Support development of a national, coherent drug plan for publicly insured drugs.</p> <ul style="list-style-type: none"> • Combine the pharmaceutical functions of CADTH, the Health Products and Food Branch of Health Canada (HPFB), PMPRB. Intended to work as closely as possible with the pCPA. • CDA would be responsible for creating a coherent, comprehensive, and integrated pharmaceutical strategy and the introduction of a national program for prescription drugs. • Functional responsibilities: drug safety approval and post-market monitoring; cost-effectiveness and quality evaluation; public and provider education and engagement. • One of the first deliverables for the new agency would be the development and management of a national formulary. • The new agency would oversee patented drug prices to ensure the sustainability of the national program. This role would be complementary to the support provided to governments engaged in price negotiations with pharmaceutical companies. • As a first step, CDA would provide extensive support and guidance to the pCPA to meet its goal of lower drug prices. • Over time, and assuming the support of the provinces and territories for this direction, 	<p>Overview</p> <p>Act as a steward of national pharmacare and provide guidance and advice to governments.</p> <ul style="list-style-type: none"> • Conduct health technology assessments to evaluate the clinical evidence and value-for-money proposition of prescription drugs; • Conduct negotiations with manufacturers on drug prices and terms of listing; • Monitor the real-world safety and effectiveness of prescription drugs; • Develop and manage a national formulary (see below); and, • Support prescribers and patients/citizens to maximize best practices and appropriateness and improve health outcomes. <p>National drug agency governance would need to be developed in full and equal partnership with provinces and territories, and such governance should include federal, provincial and territorial representation, as well as patients/citizens, clinical experts and others.</p>

<p>CDA could put its integrated functions to use and take on the responsibilities of price negotiations and purchasing at a pan-Canadian level.</p>	
<p>Similarities Both models are stewards for pharmacare implementation Both models have responsibility and ownership of national formulary Both models would assume evaluation role for drug safety and monitoring Both models would oversee patented drug prices Both models acknowledge the need for cooperation and support from the provinces. Neither model is explicitly clear on what the role of the private sector would be.</p>	<p>Differences It is more clear from the Agency Review Report what the role of the Canadian Drug Agency would be – it would clearly assume the full roles of PMPRB and CADTH and overtime it would strive to assume the goal of pCPA including price negotiations and purchasing. It is unclear if the National Drug Agency from the interim report would assume the full role of CADTH or how much of the pCPA role it would take on. The interim report is also unclear if the agency would eventually take on pCPA's role and a national purchasing function.</p>