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# The National Pharmacare Summit:
## Post-Conference Report

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# Introduction

On November 22, 2018, health care experts and stakeholders from across Canada gathered in Toronto for the National Pharmacare Summit. The Summit was a key component of The Conference Board of Canada's National Pharmacare Initiative (NPI), which is designed to support and inform the critical and historic discussions on national pharmacare. More specifically, the Summit was designed to:

- convene experts and stakeholders to present, discuss, and debate perspectives on national pharmacare;
- review and discuss new research conducted through The Conference Board's National Pharmacare Initiative;
- identify common interests and priorities for national pharmacare and explore next steps.

*About the National Pharmacare Summit*

Through a mix of plenary presentations, panel discussions, and debates, participants engaged on a variety of topics related to a potential national pharmacare program. Sessions included an update from the Advisory Council on the Implementation of National Pharmacare, as well as a presentation and panel discussion led by André Picard that focused on essential questions related to the purpose and definition of pharmacare. Participants also heard about the Conference Board's research activities under the NPI, which include its analysis of prescription drug coverage (entitled *Understanding the Gap*) as well as projects on patient experience with accessing prescription medicines. Patient experiences also featured in one of the Summit's panel discussions.

Additional sessions from the Summit included:

- a panel discussion on the potential impact of changes to pharmaceutical pricing policy with the implementation of national pharmacare;
- facilitated breakout sessions on how national pharmacare would impact a variety of health system stakeholders across Canada;
- a structured debate on the merits and drawbacks of potential models for the implementation of national pharmacare.

For more information and to view the Summit agenda, please visit: https://www.conferenceboard.ca/cashc/npi/npi-summit. The Summit agenda is also available in Appendix A of this report.

**About the National Pharmacare Initiative**

In the interest of supporting and informing the critical and historic discussions on national pharmacare, The Conference Board of Canada, together with its Canadian Alliance for Sustainable Health Care (CASHC) launched the National Pharmacare Initiative (NPI) in April 2018. The initiative involves a series of activities, including policy research and analysis, education, and deliberative dialogue. In addition, the NPI website serves as a clearing house for resources about pharmacare that is accessible to the public. Other aims of the initiative are to provide access to information, data, and the tools necessary to supporting stakeholders in understanding and responding to any proposed pharmacare models or policy discussions. The initiative is designed in part to evolve in tandem with the work of the national Advisory Council on the Implementation of National Pharmacare over the next year.

NPI is led by a pan-Canadian Steering Committee representing a cross-section of senior leaders from government, CASHC member organizations, patient and provider organizations, and industry. It is chaired by Fred Horne, health policy consultant and former Alberta Minister of Health.

The objectives of this initiative over the course of 2018 were to:

- inform the national pharmacare debate in Canada;
- provide insightful analyses, data, and tools for assessing options for pharmacare that take into consideration the core principles, critical design elements, and research evidence generated through the NPI;
- create a neutral forum for thought leaders and stakeholders to discuss and debate options for national pharmacare in Canada.

The NPI has already completed several research and convening initiatives. In June 2018, the Conference Board convened a Leaders' Roundtable to bring together governments, patient groups, service provider groups, public and private payers, industry, and research stakeholders. Participants gathered to answer critical questions about designing, establishing, and implementing national pharmacare. The Conference Board has released a summary report based on discussions from the roundtable, which can be found on The Conference Board of Canada's NPI website. The report covers several key topics, including:

- foundational principles for national pharmacare;
- learning more about the uninsured in Canada;
- desired key features of a national pharmacare program.

The Conference Board has released several additional research reports under the NPI. One of these is *Assessing the Options for Pharmacare Reform in Canada*,[1] which discusses the benefits and drawbacks of several potential models for national pharmacare. These models fall under two broad categories: universal public coverage and targeted public coverage. The Conference Board is also engaging in research on patient experience in accessing medications. The first two reports in this series seek to understand the variability and overlap in drugs covered for arthritis and diabetes conditions from a patient perspective across Canada. More detail on this research is provided in the next section of this report.

**Pharmacare Research at The Conference Board of Canada**

The Conference Board of Canada has completed, or is in the process of completing, several research reports and projects related to pharmacare in Canada. These include the following:

- Assessing the Options for Pharmacare Reform in Canada—assesses five models for achieving universal coverage against how well they might improve access to medicines, value for money, and the patient and provider experience.
- Understanding the Gap: A Pan-Canadian Analysis of Prescription Drug Insurance Coverage—outlines the design of public programs for prescription drug coverage in Canada and how their design in each province leads to widely varying out-of-pocket spending.
- Setting the Stage for Discussions on National Pharmacare—summarizes discussions held at the Leaders' Roundtable in June 2018. Key topics included foundational principles for national pharmacare; learning more about uninsured Canadians; and desired features of a national pharmacare program.
- The Pharmacist in Your Neighbourhood: Economic Footprint of Canada's Community Pharmacy Sector—uses Statistics Canada's model of the economy to estimate the economic contribution of the community pharmacy sector.
- Health Care Aware: Understanding Pharmaceutical Pricing in Canada—explores the inputs and costs that are reflected in the final retail cost of pharmaceuticals, sheds light on how pharmacy markups are determined, and discusses key themes and opportunities.
- Value-Based Procurement of Innovative Medicines: Lessons from Five Cases—provides insights from five case studies to inform discussions among health care stakeholders exploring the value-based procurement (VBP) of innovative medicines.
- Pharmacare in Canada: Financial Implications of Alternative Models for Public and Private Payers—estimates the change in drug reimbursement of three alternative scenarios, assuming a national pharmacare plan is introduced in 2020.

[1] Law and others, *Assessing the Options for Pharmacare Reform in Canada*.

*About This Report*

The objectives of this report are to:

- identify the primary themes arising from the presentations, discussion, and debate at the National Pharmacare Summit;
- provide continuing insights and perspectives from a multi-stakeholder audience for consideration by the Advisory Council on Pharmacare and the Canadian public.

The remainder of this report is structured in two sections. The next section discusses the main themes that emerged from the Summit's presentations and discussions. The third and final section proposes some key take-aways from health sector stakeholders, as well as lessons learned at the Summit.

## Major Themes

### Defining the Purpose and Outcomes of a National Pharmacare Program

Canada does not have a national pharmacare system just as it does not have one national universal health care system. The way medicines are provided to patients in Canada has evolved over the past 50 years, allowing most Canadians to enjoy access to the treatment they need. As previous Conference Board research notes, however, gaps remain in the system as a result of a patchwork of public and private plans that vary in terms of formularies, coverage amounts, and eligibility.[2] This is how most discussions on the need for national pharmacare begin. However, the quality of these discussions might be improved by considering some simple, but fundamental, questions: What is the purpose—the policy objective—of a national pharmacare program? Why do we want or need it? This is rarely done in pharmacare discourse and is problematic. Clarity on the reasons Canada should pursue a single system for prescription drugs is essential for any discussion on options for the way forward. Political and public support depends on it.

As André Picard suggested in his opening presentation, the impression is often that pharmacare is about access for the sake of access, or that we need it because we lag in comparison with other countries. Instead, the fundamental purpose of any approach to pharmacare should be to ensure better health outcomes: measureable, tangible improvements in quality of life. The objective of pharmacare should be to provide "… timely, equitable and consistent access to prescription drugs, appropriateness of therapy, and affordability for patients, providers and taxpayers."[3] This involves reducing the number of underinsured and uninsured Canadians and mitigating out-of-pocket costs for patients. Indeed, as Conference Board research has previously noted, out-of-pocket payments from patients accounted for 22 per cent of Canada's prescription drug

[2] Dinh and Sutherland, *Understanding the Gap: A Pan-Canadian Analysis of Prescription Drug Insurance Coverage.*
[3] Picard, "The Hard Sell on Pharmacare."

expenditures in 2017. In addition, an estimated 5.5 per cent of Canadians use their medications inappropriately, or not at all, due to these costs.[4]

Summit participants largely concurred, sharing a number of key words or phrases they would define pharmacare: affordable, appropriate, equitable, universal access to medically necessary drugs, no Canadian left behind. They agreed that we should be clear on the purpose of pharmacare and how any recommended program would meet the objectives of better health outcomes.

The Advisory Council on the Implementation of National Pharmacare defines national pharmacare as "a system of health insurance coverage that provides people with access to necessary prescription drugs."[5] In pharmacare conversations, definitions matter because many terms are frequently misunderstood and misused. For example, as Mr. Picard noted, universal, equitable access to medications does not mean that the option we adopt has to have the public as the funder. Likewise it is important to be clear on what we mean by essential medicines. Does essential mean what is on a national formulary? Is that what it should mean? Who determines what is on that formulary? And how does affordability fit within the objective of appropriate use?

Clarity on the term *appropriate use* is also becoming increasingly important, and the term is evolving in several ways. One of these ways is an increased focus on patient adherence as a key dimension of appropriate use. A Quebec-based study of almost 16,000 patients found that nearly one in three prescriptions went unfilled,[6] while recent research from the Mayo clinic shows that nearly half of patients "do not take their medications as prescribed."[7] Appropriate use also refers to increasingly personal treatments, especially those developed for cancer patients. However, as Nigel Rawson notes, the high cost of many of these treatments raises questions about the availability of equitable treatment for patients who cannot afford them.[8] Finally, appropriate use of medications partly depends on patient access to appropriately trained health professionals such as pharmacists, who support and educate patients in the ongoing and safe use of their medication.

Participants broadly agreed that clarity on these questions and definitions is central to the current pharmacare debate, and to the success of any options considered for Canada. As the Advisory Council moves ahead to formulate recommendations for its spring 2019 report, it is important for Canadians to understand that there are many ways to achieve the ultimate objectives that would underpin any pharmacare plan: timeliness, equity, access, affordability, adherence, and appropriateness of therapy.

[4] Law and others, *Assessing the Options*.
[5] Government of Canada, *Towards Implementation of National Pharmacare*.
[6] Tamblyn and others, "The Incidence and Determinants of Primary Nonadherence."
[7] Brown and Russell, "Medication Adherence."
[8] Rawson, "National Pharmacare: Equity, Equality, Affordability?"

## The Need for a Systems Approach

Throughout the Summit, participants heard and shared views on the importance of thinking of pharmacare from a system's perspective. Unpacking and understanding the interrelationships between component parts is essential to a fulsome discussion of pharmacare options.

Systems thinking is "… an approach to problem solving that views problems as part of a wider, dynamic system. It demands a deeper understanding of the linkages, relationships, interactions and behaviours among the elements that characterize the entire system."[9] In the pharmacare discourse it can help with the understanding of the interrelationships and perspectives of patients, prescribers and health professionals, public and private insurers, employers, and manufacturers.

If the purpose of pharmacare is to improve health outcomes, the discourse should be broader than simply access to drugs. The connections between medication use, the health care system, and the broad social determinants of health need to be made. Addressing factors like housing, transportation, and food security stands to have a large impact on medication need. For example, in the case of diabetes, with so much Type 2 diabetes being preventable, small investments in prevention could help lower the need for access to medications. Racial inequities in access to medications also need to be addressed.

Summit participants agreed that a national pharmacare approach should be integrated with other key parts of the health system. This integration would help prevent people from being left behind, increase system efficiency, and reduce costs. For example, expert advice from professionals such as pharmacists, physicians, and nurses is needed to ensure inefficiencies and wastage in current public plans are addressed and to minimize risk from non-adherence. Any new program should leverage this input. Better plan design and implementation, for both public and private plans, is needed.

At a government level, any approach to a national pharmacare program will touch on a broad array of policies that require multi-ministry engagement. There are always opportunity costs with any public investment. Savings from a more efficient pharmacare program can be invested in other areas such as prevention or home care. For example, attention to better design of drug plans can result in more efficient use of medications that frees up dollars to be used elsewhere. And, as noted earlier, investments in social programs can have parallel impacts on health and medication costs. Some advised looking at Australia and Colombia as examples of strong multi-sectoral engagement, while other participants called attention to strong public-private collaboration in Quebec.

Going deeper into the complexities and systemic impacts of any national pharmacare plan also means considering the implications for payers, researchers, and industry.

[9] de Savigny and Adam, *Systems Thinking for Health Systems Strengthening*.

## The Role of Patients and Patient Organizations

Patient engagement and consultation has become an expectation in the health policy environment, and the national pharmacare debate is no exception. Summit participants heard from Marcel Saulnier, Associate Assistant Deputy Minister at Health Canada, who spoke about the extensive consultation activities of the Advisory Council on the Implementation of National Pharmacare. Patients and patient groups, many of whom were at the Summit, were engaged in these activities.

The importance of this engagement was very clear from the discourse at the Summit. Patients and patient groups uniquely understand and can reflect the lived experiences of people who cannot access essential medications, who skip medications because of cost, or who are worried about coverage. It is individuals who will experience any changes in access to existing or new medications, in out-of-pocket payments, or in taxation as a result of a pharmacare program. As one patient participant noted, discussions about pharmacare need to be situated in broader discussions on poverty, as patients living below the poverty line will likely find it more challenging to afford prescription medications.Thus, the buy-in from Canadians on pharmacare is essential.

Some noted that there is significant room for improving patient engagement, both in consultation and in using patients' contributions to inform and shape policy. For example, one perspective was that, while the Council did a good job reaching out to patient groups, it can be difficult to get volunteers to the table and to ensure that these volunteers represent a sufficient diversity of backgrounds and views. The cost of participating (e.g., travelling to roundtables or meetings) was cited as a barrier that needs to be addressed. In addition, patient groups noted that while they may be consulted, they are not always listened to. Some believe that Canada needs more realistic mechanisms to incorporate patient perspectives, such as more robust public funding of patient advocacy organizations.

Polling suggests that there is both public support and skepticism around what a national pharmacare program would mean.[10] Generally, Canadians are unlikely to be well versed in pharmaceutical policy or in the cost and value of different medications. The public may also have questions such as who will pay? what will be different for me? and why is this is such an urgent issue compared with all the other priorities in the health system?

One of the biggest fears patients have about a centralized program with a common formulary is lost access to drugs they currently use. Some participants suggested that the experience from Ontario's OHIP+ program shows that consumers do not like having medications taken away from them under a universal plan, even though other drugs covered by the plan are available at no direct cost to them. Countering this are patients who would now have access they previously had not had or who would be able to afford medications under a pharmacare program.

[10] Nanos and Taber, "National Pharmacare Expert Panel," in Picard, *The Hard Sell on Pharmacare*.

One of the challenges in the pharmacare debate is that although there is some knowledge of patient access and experience with medications, there is a lack of research on health outcomes from all interventions along the care path, including pharmaceutical interventions, that are meaningful to patients. Most available information is on inputs (e.g., number of doctors' visits, tests, prescriptions, etc.), and as participants noted, we should be paying for outcomes rather than inputs. Several participants highlighted the need to move from a focus on cost containment to a focus on value.

**Patients' Experiences in Accessing Necessary Medications**

The Conference Board of Canada is currently undertaking research on patients' experiences in accessing necessary medications for diabetes and arthritis. This research combines quantitative and qualitative methods to compare public and private formularies, as well as administrative burden and out-of-pocket expenses experienced by patients. Preliminary findings from this research show the following:

*For Arthritis*

- Coverage of medications used to treat arthritis pain is more extensive under private plans than under public plans.
- Arthritis-specific medications (such as disease-modifying antirheumatic drugs [DMARDs] and nonsteroidal anti-inflammatory drugs [NSAIDs]) are equally covered by public and private plans.
- Out-of-pocket patient spending is most common for special-use biologic drugs and is sometimes necessary for DMARDs and NSAIDs.
- More active ingredients are reimbursed on private plans than on public plans.

*For Diabetes*

- The growth in the number of claims for diabetes medications is consistently larger than growth in diabetes prevalence rates.
- More active ingredients are reimbursed on private plans than on public plans.
- The number of active ingredients unique to private plans is increasing.

The findings from this research will be released in winter or spring 2019 on The Conference Board of Canada's NPI website.

Through NPI, the Conference Board has undertaken a program of research to better understand lived patient experiences with access and affordability in specifc disease areas, beginning with arthritis. This includes analyzing drug claims and reimbursement across public and private plans. Results show that, overall, more drugs for these

conditions are covered in private plans than in public plans, further supporting the notion that private plans in Canada are more generous in the scope of drugs covered. There is interest in applying similar research to drugs used by Canadians with diabetes and those living with mental health illness, a sector where physicians and patients must often try several different medications or combinations thereof before finding a therapeutic regimen that is effective for a given patient. (See "Patients' Experiences in Accessing Necessary Medications.") Any national program will need to account for similar clinical complexity and offer a formulary broad enough to support treatment that delivers best possible outcomes.

Participants also noted that establishing and measuring meaningful outcomes that matter to patients is complex and challenging. No formula will work for every group, and the process can be laborious. Some groups have started outlining relevant outcomes and leveraged past initiatives to build their own processes for developing outcome measures. For example, the Canadian Institute for Health Information (CIHI) is currently developing a series of patient-reported outcome measures, or PROMS.[11] In addition, organizations such as the International Consortium for Health Outcomes Measurement have developed standards and outcome measures for a variety of health conditions. The key challenge for Canadian pharmacare stakeholders will be to determine how measures such as these could be applied to a national pharmacare program and how these measures should tie to each intervention along the care path.

### The Intersection Between Pricing and Pharmacare

New data from CIHI show that Canada is projected to have spent $33.7 billion on prescribed drugs in 2018, an annual increase that has outpaced the increases for hospitals and doctors in the last year while overall still representating about 15 per cent of health spending, consistent with the long-term trend. Rising drug costs have been identified as a factor behind the interest for a national pharmacare program. Varying estimates of potential cost savings (based on status quo) arising from bulk purchase, standardized formularies, and administrative efficiencies have been published, but there is as yet no consenus. Not yet accounted for in any detail are the costs Canada will continue to face resulting from new curative drugs, personalized medicine, and genomics.

Participants were reminded of the various initiatives already underway to reduce drug prices.These include reform of Canada's drug pricing system, the Patented Medicine Prices Review Board (PMPRB), and the work of the Pan-Canadian Pharmaceutical Alliance. Notably, one participant reflected on former Health Minister Jane Philpott's comment that the PMPRB needs to be modernized before pharmacare is revised. However, the connection is unclear given that PMPRB's changes will only affect patented products, and mostly newer innovative patented products, which represent a small proportion of drugs that are prescribed to Canadians.

[11] Canadian Institute for Health Information, *Patient Reported Outcome Measures*.

So what is the possible relationship between drug price regulation and a future national pharmacare program? And what is the impact for manufacturers and patients? Among the perspectives shared at the Summit is the view that there is growing uncertainty for pharmaceutical businesses in the current environment. Manufacturers need clear and predictable rules and regulations and some certainty regarding the conditions that will govern the market in the future. A presentation of a case example of an orphan drug illustrated one view of the potential consequences of the PMPRB reforms, including the prospect that manufacturers of new medicines may choose to delay seeking approval for the launch of some new drugs in Canada or may not seek this approval at all. This would delay or possibly even deny patients access to new, innovative medicines. There are also questions about whether current patient support programs would be sustainable in this new environment. Others expressed concern that prices could become so low that manufacturers may significantly reduce or discontinue investment in research and development in Canada.

Participants also heard that manufacturers need a process for fair negotiation and pricing that reflects value for money and rewards innovation. Increasingly, across the world, there is a movement toward payment for outcomes, not for inputs and outputs—that is, whether patients actually get better health outcomes from the treatment. Speakers noted that the regulation and reimbursement of orphan drugs is particularly challenging because orphan drugs are significantly more expensive than conventional treatments.

Costing models are also needed to reflect short- and long-term impacts, including curative medicines such as those for Hepatitis C. Sometimes paying more up front ends up saving costs over the long range. One participant commented that when Hepatitis C drugs became available, they were said to be cost-effective, but governments still said they couldn't afford the price tag.

As discussed earlier, collaboration between stakeholders is needed. Some feel that the current environment and tensions are not conducive to achieving meaningful change. Other countries, such as Colombia, have created successful multi-sectoral tables.

## Implementing National Pharmacare: Considering Different Perspectives

In November 2018, the Conference Board released *Assessing the Options for Pharmacare Reform in Canada*, a report commissioned through NPI and the Canadian Alliance for Sustainable Health Care.[12] This report details five possible options for moving ahead with a national pharmacare program. These include:

1. comprehensive public coverage, with or without a copayment, of a comprehensive formulary of medications for everyone in Canada;

[12] Law and others, *Assessing the Options*.

2. public coverage of essential medicines, which would include a select list of medications (possibly the WHO's list of 125);
3. public coverage with income-based deductibles, which would provide everyone with coverage for high drug expenditures relative to their household income;
4. individual mandate, which would require everyone to hold either public or private insurance that meets certain standards;
5. optional public coverage, where individuals could purchase public coverage if they wished.

The report provides an analysis and comparison of each of these options with respect to the objectives of improving access to medicines, value for money, the patient and provider experience, and the feasibility of implementing the model. The afternoon of the Summit involved two sessions that facilitated a discussion and debate on the potential approaches to national pharmacare detailed in this report.

In the first session, a group exercise challenged participants to think through the implications of implementing universal public coverage from various perspectives. The exercise focusd on universal public coverage options because these were deemed by organizers to have the most potential for disruption. Participants were asked to reflect on this scenario from the perspective of either a patient, provider (e.g., physician or administrator), payer, or producer and describe:

- the potential changes and decisions they would need to make;
- "stressors" that might make them fearful, frustrated, or anxious;
- "exciters" that might make them excited, delighted, or contented;
- questions they may have about the impact of the proposed changes.

Participants then presented their group's key points in a hypothetical 30-second "elevator pitch" to Eric Hoskins.

As noted in the Assessing the Options report, the Advisory Council's inclusion of "access to necessary medicines" in their definition of national pharmacare suggests that what matters is not just the availability of insurance but also agreement at a national level on what medications are considered "essential." In the second afternoon session, the Summit participants heard a fulsome debate on four options presented in the report.[13] The positions and views presented during the debate varied widely. Some of the primary themes addressed during the debate included the following:

- Regardless of the approach, we need to pay greater attention to efficiency and appropriateness of prescribing and use.
- Pharmacare should not be siloed from other health contributing interventions and policies.
- There are opportunity costs with every policy and investment.

[13] The Chair emphasized that debaters or their respective organizations do not necessarily support the option each represented for purposes of the debate.

- Whether public, private, or national, formularies need to be evidence based.
- Whatever the approach, pharmacare needs to be affordable and sustainable
- Structures should reward true innovation and foster an environment where access to innovative medicines that impact health outcomes thrives in Canada.
- Whatever the option, there should be no deterrents for individuals to access medicines that will improve their health outcomes.

## Key Take-aways and Lessons Learned

Participants heard early in the day that the input the Advisory Council has received varies significantly in views on options. According to Marcel Saulnier, preliminary findings from the Council's consultations show that there is no real consensus on whether a national pharmacare plan would cost a lot or only slightly more and there are differing views on how it should be funded. Despite these differences, participants agreed that Canada can do better. While there is no agreement on precise figures, we know that some Canadians lack coverage or cannot afford necessary medicines at all. Doing nothing is not an option.

It is also clear that the various options and recommendations presented by the Advisory Council will need to be communicated to Canadians in a transparent and clearly understandable way. As André Picard writes, "To overcome the public's skepticism/cynicism, we have to stop presenting pharmacare as a black-and-white choice between a massive new government program or the status quo…. [W]e need a fulsome debate about these options, and their advantages and disadvantages."[14]

Chief among these advantages and disadvantages are the stark realities and significant challenges of implementing any options or recommendations proposed by the Advisory Council. Part of this challenge comes from the current starting point. Every province or territory currently has some form of public pharmacare—from Quebec with its mandated coverage, to B.C. with its focus on catastrophic needs, to Ontario, where highest need is addressed. The types and rates differ vastly across jurisdictions and any gaps or issues, such as out-of-pocket spending, are direct reflections of policy choices within these programs.

Any option will require finding ways to treat all Canadians and provinces fairly and building structures within a pharmacare approach that fosters transparency and trust between governments. As one speaker noted, regardless of the option selected, the federal government will have to solve all the problems of federalism, in addition to all the problems with coverage.

Bringing pharmacare into the basket of insured medical services for Canadians has been on the radar for a long time. It has re-emerged recently for many reasons, including the urgency created by an increasing share of health dollars spent on medications and the rising cost of specialty drugs. Pharmacare is a legitimate and growing concern for all Canadians, with access and sustainability top-of-mind.

The NPI Summit brought together a room of interested stakeholders to consider research and perspectives on the future of pharmacare. These stakeholders recognize the importance of sharing their views with others, and with the Advisory Council on the Implementation of National Pharmacare, in advance of the Council's final report and recommendations to be released in the spring of 2019.

[14] Picard, "The Hard Sell on Pharmacare."

As with the feedback gathered by the Advisory Council, input from participants at the Summit revealed a great diversity of views and perspectives. Some believe that we should begin by addressing gaps in the uninsured and underinsured population. Others suggest taking this further by using evidence to prioritize the highest needs. But some say we don't have enough evidence to know where the risk is: the evidence we have says different things and we need further studies to guide our decision-making. Still others call for a sustainable, practical approach that builds on the current mixed model of today. As we develop and plan for today, we should make sure we are open to the innovations of tomorrow. In general, however, there was agreement that any national formulary needs be evidence based and that pharmacare needs to be affordable and sustainable.

When thinking about next steps, participants had much to say about the need to continue and accelerate the engagement of Canadians and patient groups in the pharmacare discourse. This includes clarity and transparency on the various options. There need to be new and creative ways of incorporating more meaningful patient participation in the conversation. In addition, patients must be engaged in the co-creation of any outcome measures and/or registries associated with a pharmacare program.

## Six Key Lessons Learned at the National Pharmacare Summit

- National pharmacare risks becoming a solution in search of a problem. Agreement, based on common evidence, on the purpose and intended outcomes of such a program are a critical prerequisite to evaluating and implementing a program that will have far-reaching implications for current and future generations of Canadians.

- Patients and patient organizations and civil society have a fundamental role to play in shaping policy and regulation in any future changes. Since no model can guarantee equal access for all current and future innovative medicines, consensus on what constitutes equitable access must be openly discussed.

- Changes to pricing regulation and the design and funding of drug programs could have a significant impact on the global pharmaceutical industry's willingness to launch new and promising innovations and invest in research and development in Canada. Consultations with key stakeholders, clarity related to the impact of eventual changes, and clear timelines for implementation would limit these risks.

- Implementation of a universal national pharmacare program will require agreement on new funding arrangements that extend well beyond traditional fiscal federalism. All levels of government need to work together to examine if this approach is desirable, affordable, sustainable, and on balance in the public interest. The extent to which national pharmacare may improve upon or detract from benefits enjoyed by Canadians under existing provincial drug programs, and

the potential loss of private plans and resulting opportunity cost to public health and health care need further study.

- A “systems perspective” will be critical to the successful development and implementation of a national pharmacare program. This perspective depends on understanding the relationships between patients, health professionals, public and private insurers, employers, and manufacturers. It also means understanding how access to, and use of, medications depends on social determinants of health such as housing, transportation, and food security.

- It will be important to acknowledge that a new pharmacare program is unlikely to be fully successful the first time. Summit participants with experience implementing pharmacare plans suggested that ongoing time and attention are needed to ensure the long-term success of a national pharmacare program.

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# Appendix A: Summit Agenda

**November 22, 2018**

**7:45 a.m. Registration and Networking Breakfast**

**8:30 a.m. Welcome and Introduction**

- Monika Slovinec D'Angelo, Director, Health, Healthcare and Wellbeing, The Conference Board of Canada
- Susan Black, President and Chief Executive Officer, The Conference Board of Canada
- Fred Horne, NPI Chair, Principal, Horne and Associates, Adjunct Professor, School of Public Health, University of Alberta

**8:45 a.m. Update from The Advisory Council on the Implementation of National Pharmacare**

- Marcel Saulnier, Associate Assistant Deputy Minister, Strategic Policy, Health Canada

**9:00 a.m. A Systems-Thinking Perspective on National Pharmacare**

Pharmacare has become a hot political and social policy topic. But is there any consensus on what “pharmacare” means? A veteran journalist examines the practical, political and economic challenges of tackling the ‘unfinished business of medicare’ followed by a panel discussion of leading experts in the field.

- André Picard, Health Columnist, The Globe and Mail

Discussants:

- Lisa Machado, Founder and Patient Advisor, Canadian Chronic Myelogenous Leukemia Network
- Jim Keon, President, Canadian Generic Pharmaceutical Association
- Jeff Blackmer, Vice-President, Medical Professionalism, Canadian Medical Association
- Pamela Fralick, President and Chief Executive Officer, Innovative Medicines Canada
- Justin Bates, Chief Executive Officer, Neighbourhood Pharmacy Association of Canada

**10:00 a.m. Overview of Conference Board Research for the National Pharmacare Initiative**

- Greg Sutherland, Principal Economist, The Conference Board of Canada

**10:15 a.m. Networking/Health Break**

**10:45 a.m. Patient Experiences with Access to Prescription Medicines**

Moderator: Kim Furlong, Director, Federal Government Affairs and Policy, Amgen Canada Inc.

Discussants:

- Russell Williams, Vice-President, Government Relations and Public Policy, Diabetes Canada
- Connie Côté, Chief Executive Officer, Health Charities Coalition of Canada
- Sian Bevan, Chief Science Officer, The Arthritis Society

**11:30 a.m. Pharmaceutical Pricing Policy and Access to Innovative Medicines**

Moderator: Bill Dempster, Chief Executive Officer, 3Sixty Public Affairs

Discussants:

- Durhane Wong Rieger, Chief Executive Officer, Canadian Organization of Rare Disorders
- Nigel Rawson, President, Eastlake Research Group
- Joan McCormick, Principal, IQVIA

**12:15 p.m. Networking Luncheon**

**1:00 p.m. Implementation Considerations: Politics, Policy and Programs**

Moderator: David Simmonds, Senior Vice- President, Communications and Public Affairs, McKesson Canada

Presenters:

- Liz Fowler, Vice-President, Global Health Policy, Johnson & Johnson
- Erich Hartmann, Practice Lead, Intergovernmental Affairs, The Mowat Centre

**2:00 p.m. Making National Pharmacare a Reality for Canadians: Focus on Change Management (Group Exercise, with Table-group Breakouts)**

Facilitators: Rob Chalmers and Jill Vettese, Associate Principals, ZS Associates

This session will engage participants to apply principles of change management to think through the implications of implementing some of the options for pharmacare

reform. Participants will be asked to take on the perspective of a key stakeholder, and consider:

- What is their role and influence in the process and what changes are we asking of them?
- What do they gain or lose in this change?
- What concerns does this raise that we should account for when planning for implementing of pharmacare?

**2:45 p.m. Networking/Health Break**

**3:00 p.m. The Great Debate: Options for Pharmacare Reform**

Moderator: Fred Horne

Debaters:

- Michael Law, Canada Research Chair, Access to Medicines
- Stephen Frank, President and Chief Executive Officer, Canadian Life and Health Insurance Association
- Nav Persaud, Department of Family and Community Medicine, St. Michael's Hospital, Toronto
- Colleen Flood, Director, Ottawa Centre for Health Law, Policy and Ethics and Professor, University of Ottawa

Respondent Panel:

- Tammy Moore, Chief Executive Officer, ALS Canada
- Ashley Chisholm, Health Research and Policy Advisor, Canadian Nurses Association
- Alain Dubuc, Strategic Advisor, L'Institut du Québec
- Brian Hilberdink, Chief Executive Officer, Novo Nordisk Canada Inc.

**4:30 p.m. Summary and Closing Remarks**

Fred Horne

**4:45 p.m. Adjournment**

 

**For more information on the National Pharmacare Initiative, please contact:**

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