

#4 - Pharmacare in Canada by the Numbers – May 2019

Summary

Canada needs a public, universal, single-payer pharmacare program with a national formulary based on the evidence.

Inadequate access

- **Nearly 25% of households** include someone who is not taking their prescription medicines as prescribed because of cost¹
- **About 8.4 million working people** living in Canada (self-employed and in paid employment) do not have employer-based health benefits²
- **One in 10 patients** cannot afford to take their prescribed medicines at all³
- **About 1,000 patients** die each year from just two health conditions alone because of the prohibitive cost of prescription drugs⁴

High cost for governments, individuals and employers

- **Third highest** in the world per capita prescription drug prices⁵
- **Second largest** prescription drugs as a component of Canada's total health care spending⁶
- **\$62 billion health care dollars** wasted in Canada without pharmacare from 2006 to 2015⁷
- **\$14,000 health care dollars** wasted every minute of every day without pharmacare⁸
- **\$6 billion annually** spent out of pocket by people living in Canada on medicines they need⁹
- **22%** is the proportion of out-of-pocket spending on prescription drugs¹⁰
- **40%** is the proportion of patented medicine sales of drugs costing at least \$10,000 per year, **up from 7.6%** in 2006¹¹
 - **Less than 1%** of the population use these medicines
- **\$50 billion by 2028** Prescription drug cost projections (up from \$34 billion)¹²
- **\$8,330 per FT employee** The average cost of providing benefits for employees of which prescription drugs make up a significant and growing component¹³
- **700,000 people** went without food to pay for their prescriptions in 2016 – a population the size of the city of Winnipeg¹⁴

Potential savings

- **\$9 and 11 billion annually** in savings if Canada implemented a public universal single-payer pharmacare program¹⁵
- **\$7.3 billion annually** is a *CMAJ* estimate of reduced costs in overall total spending on prescription drugs in Canada, with an increased cost to governments estimated at \$1 billion¹²
- **\$4.2 billion annually** is the annual savings potential of a national pharmacare plan as estimated by the Parliamentary Budget Officer in 2017¹⁶

Support for Pharmacare

- House of Commons Standing Committee on Health¹⁷
- **280 Canadian academics**¹⁸
- **3.3 million workers** who are members of the Canadian Labour Congress¹⁹
- **88%** of the Canadian public support a single universal pharmacare program, rather than a patchwork²⁰
 - **85%** believe it is worth investing public money to implement the program

- **2/3** are worried about losing their existing coverage if they switch jobs
- Municipal governments, provincial governments and business groups, including the BC Chamber of Commerce²¹

Opposition to Pharmacare²²

- **15 meetings (2008) to 104 meetings (2018) increase** in Big Pharma lobbying
- **61% increase** in lobbying activity from 2017 to 2018 by Health Insurance lobby group

Sources

¹ <http://angusreid.org/prescription-drugs-canada/>

² <https://www.ourcommons.ca/Content/Committee/421/HESA/Brief/BR8604329/br-external/CanadianLabourCongress-e.pdf>

³ <http://www.cmaj.ca/content/184/3/297>

⁴ <https://nursesunions.ca/research/body-count/>

⁵ <https://www.ourcommons.ca/Content/Committee/421/HESA/Reports/RP9762464/hesarp14/hesarp14-e.pdf>

⁶ <https://www.cihi.ca/en/health-spending/2018/national-health-expenditure-trends/where-is-most-of-the-money-being-spent-in-health-care-in-2018>

⁷ https://nursesunions.ca/wp-content/uploads/2017/05/Down_The_Drain_Pharmacare_Report_December_2017.pdf

⁸ Ibid.

⁹ <http://cmajopen.ca/content/6/1/E63.full>

¹⁰ Ibid.

¹¹ <https://nursesunions.ca/big-money-club/>

¹² <https://www.canada.ca/en/health-canada/corporate/about-health-canada/public-engagement/external-advisory-bodies/implementation-national-pharmacare/interim-report.html>

¹³ <https://www.conferenceboard.ca/press/newsrelease/15-11->

09/Providing_Employee_Benefits_Continues_To_Be_A_Significant_Cost_For_Employers.aspx

¹⁴ <https://nursesunions.ca/big-money-club/>

¹⁵ https://nursesunions.ca/wp-content/uploads/2017/05/Pharmacare_FINAL.pdf

¹⁶ <https://www.pbo-dpb.gc.ca/en/blog/news/Pharmacare>

¹⁷ <https://www.ourcommons.ca/Content/Committee/421/HESA/Reports/RP9762464/hesarp14/hesarp14-e.pdf>

¹⁸ <http://pharmacare2020.ca/>

¹⁹ http://www.aplanforeveryone.ca/why_pharmacare

²⁰ <https://nursesunions.ca/research/poll-national-pharmacare-and-health-care/>

²¹ <http://www.canadiandoctorsformedicare.ca/Press-Releases/support-for-pharmacare-escalates-in-canada.html>

²² <https://nursesunions.ca/big-money-club/>