

# Coverage of new medicines in Federal-Provincial public drug plans in Canada 2009-2018

## Description

### CHPI ANNUAL REPORT

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**ABSTRACT:** Since 2013, CHPI has regularly compared the coverage of new medicines across Federal and Provincial public drug plans. The analysis raises awareness about differences in the public benefits provided to patients across the country. The study is relevant to a lot of people in Canada. Of the 36.3 million people who lived in Canada in 2016, 13.1 million people had first-payer public drug benefits or were otherwise eligible for safety-net coverage under public drug plans. The study is also relevant to the public debate about the federal government replacing Canada's current prescription drug insurance system with a universal single-payer national pharmacare program. The 23.2 million Canadians now covered under private plans need to know that the limited scope of coverage in existing public drug plans is the most that they can expect from national pharmacare. In fact, the Parliamentary Budget Officer modeled its national pharmacare cost analysis on Quebec's public drug plan formulary. Our analysis shows that Quebec had the best public drug plan in the country, but the provincial formulary listed only one-third of all new drugs approved by Health Canada from 2009 to 2018, and the wait for coverage of these few drugs was more than a year on average. This study is also useful for evaluating the performance of the pan-Canadian Pharmaceutical Alliance (pCPA). The pCPA negotiates prices and terms of coverage for new drugs under federal, provincial, and territorial public drug plans. The pCPA was initiated under the expectation that all jurisdictions would uniformly adopt its decisions and that it would improve access to new drugs. This study informs Canadians about whether the pCPA is actually achieving uniform adoption of new medicines across the country's public drug plans, and whether it facilitates or hinders coverage of new medicines. Our analysis suggests that the pCPA is failing on both counts. The data show significant variation in the coverage of new drugs across jurisdictions. Where commonality exists, it is mainly that all public drug plans cover few new medicines and take a long time to do so.

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