

Patent term erosion and the availability of new medicines in Canada 2000-2022

Description

Patent term erosion and the availability of new medicines in Canada 2000-2022

CURRENT CONTRIBUTORS

Brett Skinner, PhD, Canadian Health Policy Institute (CHPI)

ATTRIBUTION

This legacy paper is corporately authored and edited based on proprietary template models and methods that are intended to facilitate regular updates. The design and content are a cumulative reflection of the diverse contributions collectively attributable to the CHPI affiliated researchers who may have variously participated in updating each edition. Data sources, methods and editorial presentation may evolve from previous editions.

EDITION

This is the first edition of this paper to be published as a CHPI research series. It builds on the concepts and methods from the original paper: Skinner BJ (2016). How long do new patented medicines have market exclusivity in Canada's public drug plans? *Canadian Health Policy*, August 16, 2016.

VERSION

This is the CHPI authorized version. Early working versions circulated during peer review or posted to the CHPI members preview section at canadianhealthpolicy.com are incomplete drafts under embargo.

DISCLAIMER

This study uses data from IQVIA Inc. The analysis, conclusions and opinions expressed in this paper do not necessarily reflect the views of the data supplier.

CITATION

Canadian Health Policy Institute (CHPI) (2022). Patent term erosion and the availability of new medicines in Canada 2000-2022. *Canadian Health Policy*, MAY 2022. ISSN 2562-9492, <https://doi.org/10.54194/JWIE7735>, canadianhealthpolicy.com.

COPYRIGHT ©

Canadian Health Policy Institute (CHPI) Inc. All rights reserved. Unauthorized reproduction or distribution of this article in whole or in part is strictly prohibited.

ABSTRACT

This study estimated how long new drugs are covered under federal and provincial public drug insurance plans while protected by an active patent. New drugs (or medicines) were defined as patented drug products designated as new active substances and authorized for marketing in Canada between 1 January 2000, and 15 April 2022. Results showed that for the new medicines that were eventually covered under public insurance plans, the number of years of public reimbursement eligibility while under an active patent averaged 6.7 years, implying the loss of 13.3 years of

commercially viable time under patent protection. The erosion of patent protected time under public insurance coverage has significantly reduced the economic value of a pharmaceutical patent in Canada and has likely created disincentives for pharmaceutical companies to prioritize the introduction of new medicines in Canada. The impact of patent term erosion on the availability of new medicines has potentially significant implications for population health in Canada. Feasible policy remedies include regulatory harmonization, expedited insurance coverage, and full patent term restoration.