

Spending on Patented Drugs in Canada. 2014 Annual Report.

Description

Author: CHPI Annual Report

The Canadian Institute for Health Information (CIHI) annually publishes an estimate of “drugs” spending that is commonly misunderstood to be largely accounted for by patented prescribed drugs (i.e. new medicines). But, the data reported by CIHI include the cost of patented and non-patented drugs, prescribed and non-prescribed drugs, wholesale and retail price mark-ups, pharmacy dispensing fees, taxes and the administrative costs of public drug plans. The way that CIHI reports drugs spending unintentionally confuses the public discussion about healthcare sustainability, and exaggerates the necessity to regulate patented drug costs and restrict access to new innovative medicines – decisions that limit health options for millions of Canadians. This study assesses the economic burden of spending on patented drugs in Canada relative to population, general price inflation, GDP and other healthcare costs. The analysis uses the most recent data from the Patented Medicine Prices Review Board (PMPRB) and the Canadian Institute for Health Information (CIHI).