

Facts about the cost of patented drugs in Canada: 2018 Edition.

Description

EN version

The federal government is introducing two major health policy changes that will have significant consequences for patients and taxpayers. The government is expanding the regulatory powers of the Patented Medicine Prices Review Board (PMPRB) by changing the rules it uses to set the prices of patented medicines. At the same time, Ottawa is studying ways to implement National Pharmacare: the primary option being considered is a federal program that would replace all employment-based drug benefits in both the private and public sector, as well as replacing existing federal, provincial and territorial government-run drug plans. Pharmaceutical costs are cited as an official justification for both PMPRB regulatory reform and National Pharmacare. But, the findings of this study strongly suggest that policymakers are not fully informed about pharmaceutical costs – particularly regarding patented medicines.

The purpose of this annual study is to correct common misconceptions about the cost of patented pharmaceuticals in Canada. The analysis uses publicly available data to: identify the actual aggregate net direct cost of patented drugs in Canada; assess affordability relative to population, general price inflation, GDP and other healthcare costs; discuss the costs of patented drugs in the context of the health-economic benefits of pharmaceutical innovation.

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