The services agreement with the pharmacists incorporates the government's revised generic pricing structure, which came into effect in July 2012. Generic drug prices are now 35% of brand-name prices; before the change, the price for generics was 60% of the brand-name price — the highest in Canada.

The province estimates the new regime will save \$2.4 million a year. It has agreed to reinvest some of the savings in additional pharmacy services, while using other funds to expand

drug-plan coverage and add more drugs to the provincial formulary.

The agreement with PEIPA includes a series of phased increases in dispensing fees, as well as provisions that will further lower costs for the drug programs, as well as for patients. For example, the day-supply eligibility for maintenance drugs has been increased from 30 to 90 days.

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Don't sacrifice generic drug industry for sake of Canada-European trade deal

As Canada and the European Union (EU) appeared close to finalizing a Comprehensive Economic and Trade Agreement (CETA) in December 2012, Canada's generic drug industry remained concerned about possible Canadian concessions on patent protection for brand-name pharmaceuticals.

The European Commission had proposed that Canada extend intellectual property (IP) protection for brand-name drugs, which would mean a longer wait for generic versions to enter the market.

"The Canadian government has said it doesn't support these measures per se because they would drive up drug costs in our health care system," says Jim Keon, president of the Canadian Generic Pharmaceutical Association (CGPA). "But our concern is that these proposals are still on the table; the government hasn't ruled out accepting them as a trade-off for some other benefit — expanded access for Canadian beef exports, for example."

Mr. Keon cites a study by health economists Paul Grootendorst and Aidan Hollis, which estimated the EU proposals would delay introduction of generic pharmaceuticals by an additional 3.5 years in Canada, increasing drug expenditures by \$2.8 billion a year. It has been reported that federal studies have estimated the extra drug costs would be up to \$900 million each year.

The Europeans are pushing patent protection that goes beyond not only current World Trade Organization (WTO) requirements, but also beyond Europe's own IP standards, says the CGPA president. "Many brand-name drug companies are headquartered in Europe, so what they are doing is advocating on behalf of those companies and trying to get maximum profits and business for them in Canada," he says. "Not only would these measures increase drug costs, but they would

harm the generic industry in Canada — generic manufacturers would move their development and manufacturing to other jurisdictions, where they could begin exporting their products earlier."

Concerns about drug-patent proposals not grounded in evidence: CHPI

Dr. Brett Skinner, with the Canadian Health Policy Institute (CHPI), has a different perspective on the impact of the patent proposals on Canadian health care costs. The Canadian government might lose the chance to make a deal with the Europeans, he says, by worrying about drug costs that are "exaggerated."

"If we are not willing to accept these drug IP proposals, we are risking an opportunity to build a trade agreement with the world's wealthiest market," says Dr. Skinner. "Such an agreement will increase jobs, investment and economic activity in Canada that will dwarf any concerns about patented drug prices."

Dr. Skinner analyzed provincial/territorial drug and total health care spending for the past 38 years. He found that although drug spending as a proportion of total health care budgets increased from 1.2% to 8.0% over that period, there was no correlation with the rate of growth in overall health care expenditures.

"Despite a steadily increasing share of total health expenditures going toward drugs over time, there was no relationship between the percentage spent by provinces in any given year on drugs and the rate of growth in overall health expenditures in that year," he says. Spending more on drugs tends to produce compensating savings elsewhere in the system, he argues.

Additionally, says Dr. Skinner, since 1987 — when Canada last increased patent protection for

brand-name drugs — Canadian prices for those drugs have increased 1.9 percentage points slower than the general rate of inflation and Canadian patented drug prices have averaged below median international prices since 2001.

“The argument that adopting stronger IP rights for pharmaceuticals will drive up health care costs is not supported by the evidence,” he says.

Meanwhile, Canada’s generic industry plans to continue to make its concerns known to the

federal government and to advocate for a deal that doesn’t extend drug-patent protection.

“Going into the final days of negotiating, we will continue promoting our interests and remain hopeful that Canada will sign a trade deal with the Europeans,” says Mr. Keon. “We support the government’s trade agenda — we are free traders ourselves — but we don’t want these heavy-handed restrictive aspects for pharmaceuticals.”

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Saskatchewan pharmacists pleased with demand for prescribing services, but seek to expand assessments for minor ailments

The numbers are in for the first 6 months of pharmacist prescribing services in Saskatchewan, and they show strong uptake of “level-1” services — including renewals, changes to dosage form and provision of emergency supplies of medications.

About 48,000 Saskatchewan residents accessed these types of prescribing services between January 1 and June 30, 2012, according to figures released by the province’s health ministry on October 23. The numbers are much smaller, however, for minor ailments prescribing, accessed by approximately 550 people from February 1 to June 30. Reimbursements to pharmacists in the minor ailments category cost the government \$10,000 over the 5-month period.

“It wasn’t a surprise that the numbers were somewhat low on the minor ailments side,” says Dawn Martin, executive director of the Pharmacists’ Association of Saskatchewan (PAS). “This is still a very new program and the minor conditions included in the authority remain quite limited.”

The statistics also reflect the fact that pharmacists receive the \$18 minor ailment assessment fee only when the assessment results in a prescription. “The billing statistics don’t tell us about the cases where the pharmacist ends up providing the patient with an OTC medication or referring them to a physician,” says Ms. Martin.

Meanwhile, PAS is pleased that Saskatchewan residents are turning to their pharmacists for prescription refills and similar services, says the executive director. “We have a diverse rural and remote population and pharmacists had struggled to help their patients in communities with small

numbers of physicians. It appears we are indeed filling some gaps in patient care with these new services.”

A survey conducted for PAS last summer showed that 95% of people in the province felt comfortable approaching their pharmacist to discuss health issues.

Moving to expand minor ailment services

The association launched a public education campaign in late October to make Saskatchewan residents more aware of the minor ailments prescribing services — using newspaper ads, posters and brochures for pharmacies, and promotional radio programs.

The next step, says Ms. Martin, is to expand the services to cover more minor ailments. Currently, the services cover prescriptions related to minor acne, insect bites, cold sores, canker sores, allergic rhinitis, oral thrush and diaper rash.

The Saskatchewan College of Pharmacists has put together an interdisciplinary committee that includes pharmacists, physicians and other health care stakeholders and its mandate is to recommend additional minor conditions to be added to the current list of 7. Pharmacists are also advocating for an expansion of the assessment fee to cover all outcomes: prescriptions, OTC medications and referrals to another health care provider.

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