Alberta College proposal to ban prescription-drug reward programs fosters public debate

“We need to focus on ethics and the new responsibilities of pharmacists”

— Greg Eberhart,
Registrar, Alberta
College of
Pharmacists

A proposal from the Alberta College of Pharmacists (ACP) to prohibit inducements for prescriptions and professional pharmacy services has generated a public debate in the province — with some retailers and loyalty-program providers saying such a ban would be unfair to consumers.

The issue of inducements has been on the ACP’s radar for several years, says registrar Greg Eberhart, but the College decided it was now time to move forward, given the evolution of pharmacists’ role in the health care system.

“With the advent of the new service model in July 2012, where pharmacists are no longer paid for dispensing, our Council decided to take a closer look at this,” he says.

The College is concerned that inducements for pharmacy goods and services, including rewards, loyalty-program points and coupons, may lead patients to make unhealthy choices — for example, waiting to fill a prescription until a time when they could earn extra points. When it surveyed pharmacists and pharmacy technicians, the ACP found 70% of respondents in favour of prohibiting inducements.

The regulator had invited feedback on its proposed ban from registrants and other stakeholders, and by mid-December of 2012 was evaluating the comments.

A number of stakeholders went public with their opposition to a ban, arguing that inducements provide consumers with a financial benefit that helps offset their medication expenses — something especially important for people on low incomes. Opponents expressing their concerns about a prohibition included Shoppers Drug Mart, Safeway, Air Miles Canada and patient advocacy groups, including the Chronic Pain Association of Canada.

According to Mr. Eberhart, the College’s decision would be guided by professional practice standards — and not by commercial arguments.

“We need to focus on ethics and the new responsibilities of pharmacists,” he says. “We need to consider what the environment looks like as we talk about such matters as patient-focused care, team-based care and objective decision-making.”

It was unfortunate that some stakeholders chose to engage the public in the issue, he adds. “I think the discussion has been highly slanted towards loyalty programs in the public arena. This is really a discussion about pharmacist practice and about pharmacists conducting themselves appropriately in establishing relationships with patients and with other health professionals.”

DOI: 10.1177/1715163512473932

PEI government signs new services agreement with PEI Pharmacists Association

The Government of Prince Edward Island and PEI pharmacists have signed a new Pharmacy Services Agreement that will allow the province to achieve savings in public drug plans, while setting the stage for expanded pharmacy services in the future.

Under the terms of the new agreement, a working group will be set up with a mandate to determine which additional professional services will be publicly funded, said Erin MacKenzie, the executive director of the Prince Edward Island Pharmacists Association (PEIPA), in an e-mail to *CPJ*.

The government has agreed to support expanded scope of practice for pharmacists and is expected to introduce enabling legislation next spring. The Prince Edward Island Pharmacy Board has proposed authority for a number of additional services, including immunizations and prescribing for minor ailments.

“Funding has been set aside for our reimbursement package in advance of any legislative change, as the new agreement is in effect until 2016,” said Ms. MacKenzie. “We needed a framework, so that we weren’t waiting until the next round of negotiations to start seeing any payment for services.” ▶

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.

DOI: 10.1177/1715163512473937

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