

Mayor O'MARA
TEMAGAMI

Dear Mayor O'MARA,

We are writing to you today seeking the City Council of TEMAGAMI's formal endorsement of Bill C-213, the *Canada Pharmacare Act*.

Introduced in February 2020, [the Canada Pharmacare Act](#) is ground-breaking new federal legislation based on the recommendations of the Hoskins Advisory Council on the Implementation of National Pharmacare and modelled on the *Canada Health Act*.

The *Canada Pharmacare Act* specifies the conditions and criteria that provincial and territorial prescription drug insurance programs must meet to receive federal funding. This includes the core principles of public administration, comprehensiveness, universality, portability, and accessibility.

Universal public drug coverage has been recommended by commissions, committees, and advisory councils dating as far back as the 1940s. Immediately following the last election, the New Democratic Party of Canada began working to draft a legislative framework to enable the implementation of a universal, comprehensive and public pharmacare program. The *Canada Pharmacare Act* is the first piece of legislation introduced by the New Democrat Caucus in the current Parliament.

As you know, across Canada, people are making impossible choices every day because they cannot afford their prescription medications. Over the past year alone, one-in-four Canadians were forced to avoid filling or renewing a prescription due to cost or take measures to extend a prescription because they could not afford to keep the recommended dosage schedule.

Even those with private coverage are seeing their employer-sponsored benefits shrink – a trend that has accelerated due to the economic impacts of COVID-19. In fact, Canadians are twice as likely to have lost prescription drug coverage as to have gained it over the past year.

Simply put, universal public pharmacare will extend prescription drug coverage to every single Canadian, while saving billions every year. The final report of the Hoskins Advisory Council found that, once fully implemented, universal public pharmacare will reduce annual system wide spending on prescription drugs by \$5 billion. Businesses and employees will see their prescription drug costs reduced by \$16.6 billion annually and families will see their out of pocket drug costs reduced by \$6.4 billion a year.

Although a recent study from Angus Reid Institute found near universal support for pharmacare among the Canadian public, powerful vested interests in the drug and insurance industries are lobbying to block this critical program in order to protect their profits.

Indeed, the *Canada Pharmacare Act* is reaching a crucial period in the legislative process. The first hour of debate on this bill took place in Parliament on November 18, 2020. The second hour of debate and the first vote will be held in February 2021. This legislation could be enacted by next spring, allowing millions of Canadians who are struggling to pay for medication to receive the support they desperately need.

That's why we need your help to secure the adoption of the *Canada Pharmacare Act* in Parliament. We are asking your City Council to join other municipalities across Canada to formally endorse Bill C-213. We will be publicizing this support nationally.

For more information on C-213 and to sign the e-petition, please visit our website:

www.pharmacarec213.ca

Thank you very much for your consideration. Please feel free to contact us if you require further detail.

We look forward to hearing from you.

Sincerely,
Peter Julian, MP
New Westminster-Burnaby

Jenny Kwan, MP
Vancouver East

Don Davies, MP
Vancouver Kingsway

First Session, Forty-third Parliament,

68-69 Elizabeth II, 2019-2020

HOUSE OF COMMONS OF CANADA

BILL C-213

An Act to enact the Canada Pharmacare Act

FIRST READING, FEBRUARY 24, 2020

NOTE

2nd Session, 43rd Parliament

This bill was introduced during the first session of the 43rd Parliament. Pursuant to the Standing Orders of the House of Commons, it is deemed to have been considered and approved at all stages completed at the time of prorogation of the first session. The number of the bill remains unchanged.

Mr. Julian

431020

SUMMARY

This enactment enacts the *Canada Pharmacare Act*, which establishes criteria and conditions in respect of drug insurance plans established under the law of a province that must be met before a cash contribution may be made.

Available on the House of Commons website at the following address:

www.ourcommons.ca

1st Session, 43rd Parliament,

68-69 Elizabeth II, 2019-2020

HOUSE OF COMMONS OF CANADA

BILL C-213

An Act to enact the Canada Pharmacare Act

Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short Title

Short title

1 This Act may be cited as the *Canada Pharmacare Act*.

Interpretation

Definitions

2 The following definitions apply in this Act.

cash contribution means a cash contribution that may be provided to a province under any other Act of Parliament. (*contribution pécuniaire*)

drug insurance plan means, in relation to a province, a plan or plans established by the law of the province to provide for coverage of the cost of insured drugs and any related dispensing fees. (*régime d'assurance médicament*)

health care practitioner means a person who is entitled under the law of a province to prescribe drugs. (*professionnel de la santé*)

insured drug means a prescription drug or any supplies prescribed by regulations made under paragraph 18(a). (*médicament assuré*)

insured person means, in relation to a province, a resident of the province other than

(a) a member of the Canadian Forces;

(b) a person serving a term of imprisonment in a *penitentiary* as defined in Part I of the *Corrections and Conditional Release Act*; or

(c) a person who has not completed the minimum period of residence or waiting period that may be required by the province for eligibility to its drug insurance plan. (*assuré*)

Minister means the Minister of Health. (*ministre*)

resident means, in relation to a province, a person who is ordinarily resident in the province. (*résident*)

Canadian Pharmaceutical Policy

Policy

3 It is declared to be the policy of the Government of Canada to facilitate access to prescription drugs without financial or other barriers in order to protect and promote the physical and mental well-being of Canadians.

Purpose

Purpose of this Act

4 The purpose of this Act is to establish criteria and conditions that must be met before a cash contribution may be made in respect of public drug insurance plans.

Cash Contribution

Cash contribution

5 Subject to the other provisions of this Act, a cash contribution may be made to each province for each fiscal year.

Criteria for Payment

Criteria for payment

6 In order that a province qualify for a cash contribution for a fiscal year, its drug insurance plan must, throughout the fiscal year, satisfy the criteria described in sections 7 to 11 respecting the following matters:

- (a)** public administration;
- (b)** comprehensiveness;
- (c)** universality;
- (d)** portability; and
- (e)** accessibility.

Public administration

7 (1) In order to satisfy the criterion respecting public administration,

- (a)** the drug insurance plan of a province must be administered and operated on a non-profit basis by a public authority appointed or designated by the government of the province;
- (b)** the public authority must be responsible to the government of the province for that administration and operation; and
- (c)** the public authority must be subject to audit of its accounts and financial transactions by the authority that is charged by law with the audit of the province's accounts.

Designation of agency permitted

(2) The criterion respecting public administration is met even if the public authority referred to in subsection (1) has the power to designate any agency

- (a)** to receive on its behalf any amounts payable under the drug insurance plan of the province; or
- (b)** to carry out on its behalf any responsibility in connection with the receipt or payment of accounts rendered for insured drugs, provided that it is a condition of the designation that all those accounts are subject to assessment and approval by the public authority and that the public authority must determine the amounts to be paid in respect of those accounts.

Comprehensiveness

8 In order to satisfy the criterion respecting comprehensiveness, a drug insurance plan must provide for full coverage of the cost of all insured drugs prescribed by a health care practitioner and of any related dispensing fees.

Universality

9 In order to satisfy the criterion respecting universality, a drug insurance plan must entitle every insured person of the province to be covered by the plan on uniform conditions.

Portability

10 In order to satisfy the criterion respecting portability, a drug insurance plan

(a) must not impose any minimum period of residence or waiting period of more than three months before residents of the province are covered by the plan;

(b) must provide for and be administered and operated so as to provide for the payment of amounts for the cost of insured drugs provided to insured persons of the province while they are temporarily absent from the province on the basis that

(i) if the insured drugs are provided in Canada, payment for the drugs is at the rate that is approved by the drug insurance plan of the province in which the insured drugs are provided unless the provinces concerned agree to apportion the cost between them in a different manner, or

(ii) if the insured drugs are provided outside Canada, payment is made based on the amount that would have been covered under the drug insurance plan of the insured person's province of residence for similar drugs prescribed in that province; and

(c) must provide for and be administered and operated so as to provide for the payment, during any minimum period of residence or waiting period imposed by the drug insurance plan of another province, of the cost of insured drugs prescribed to persons who have ceased to be insured persons by reason of having become residents of that other province as though they had not ceased to be residents of the province.

Accessibility

11 In order to satisfy the criterion respecting accessibility, a drug insurance plan

(a) must provide for insured drugs on uniform conditions and on a basis that does not directly or indirectly impede or prevent, by charges made to insured persons or otherwise, reasonable access to those drugs by insured persons; and

(b) must provide for payment for insured drugs in accordance with a tariff or system of payment authorized by the law of the province.

Condition for Cash Contribution

Condition

12 In order that a province may qualify for a cash contribution, the government of the province must, at the times and in the manner prescribed by the regulations, provide the Minister with the prescribed information that the Minister may reasonably require for the purposes of this Act.

Defaults

Referral to Governor in Council

13 (1) If the Minister is of the opinion that a drug insurance plan does not satisfy all the criteria described in sections 7 to 11, or that a province has failed to comply with section 12, the Minister must, subject to subsection (4), refer the matter to the Governor in Council.

Conditions

(2) The Minister may refer the matter to the Governor in Council only if

(a) the Minister has consulted with the minister responsible for health care in the province in accordance with subsection (3); and

(b) the province has not given an undertaking satisfactory to the Minister to remedy the default within a period that the Minister considers reasonable.

Consultation process

(3) Before referring the matter to the Governor in Council, the Minister must

(a) send a notice of concern with respect to any problem foreseen, by registered mail, to the minister responsible for health care in the province;

(b) seek any additional information available from the province with respect to the problem through bilateral discussions and make a report to the province within 90 days after sending the notice of concern; and

(c) if requested by the province, meet within a reasonable period of time to discuss the report.

When no consultation can be achieved

(4) The Minister may act without the consultation referred to in paragraph (2)(a) if the Minister is of the opinion that sufficient time has passed since reasonable efforts were made to achieve consultation and that consultation will not be achieved.

Order reducing or withholding contribution

14 (1) If, on the referral of a matter under section 13, the Governor in Council is of the opinion that a drug insurance plan does not satisfy all the criteria described in sections 7 to 11, or that a province has failed to comply with section 12, the Governor in Council may, by order,

(a) direct that any cash contribution to that province for a fiscal year be reduced in respect of each default by an amount that the Governor in Council considers appropriate, given the gravity of the default; or

(b) direct that the whole of any cash contribution to that province for a fiscal year be withheld.

Amending order

(2) The Governor in Council may, by order, repeal or amend any order made under subsection (1) if the Governor in Council is of the opinion that the repeal or amendment is warranted in the circumstances.

Notice of order

(3) A copy of each order made under this section, together with a statement of any findings on which the order was based, must be sent without delay by registered mail to the government of the province concerned, and the Minister must cause the order and statement to be laid before each House of Parliament on any of the first 15 days on which that House is sitting after the order is made.

Commencement of order

(4) An order made under subsection (1) must not come into force earlier than 30 days after the day on which a copy of the order has been sent to the government of the province concerned.

Reimposition of reductions or withholdings

15 If a drug insurance plan continues to fail to satisfy all of the criteria described in sections 7 to 11, or if a province continues to fail to comply with section 12, the Minister must reimpose, for each succeeding fiscal year, any reduction or withholding of a cash contribution to the province under section 14 for as long as the Minister is of the opinion, after consultation with the minister responsible for health care in the province, that the default is continuing.

When reduction or withholding imposed

16 Any reduction or withholding of a cash contribution under section 14 or 15 may be imposed in the fiscal year in which the default that gave rise to the reduction or withholding occurred or in the following fiscal year.

Federal-Provincial Arrangement

Drug agency

17 The Minister may, with the approval of the Governor in Council, enter into an arrangement with one or more provincial governments to establish an independent drug agency, whose mandate is, among other things, to

- (a)** assess the clinical effectiveness and the cost effectiveness of prescription drugs compared to other treatment options;
- (b)** advise on which prescription drugs and supplies should be insured by a drug insurance plan;
- (c)** negotiate prices and supply arrangements of prescription drugs with manufacturers;
- (d)** provide advice to health care practitioners and patients on how best to use prescription drugs; and
- (e)** using fact-based evidence, monitor the safety and clinical effectiveness of prescription drugs.

Regulations

Regulations – Governor in Council

18 The Governor in Council may make regulations for the administration of this Act and for carrying its purposes and provisions into effect, including regulations

- (a)** prescribing the prescription drugs that are to be insured by a drug insurance plan and the supplies that are essential for the proper administration of those drugs; and

(b) prescribing the information that the Minister may require under section 12 and the times at which and the manner in which that information must be provided.

Report to Parliament

Annual report by Minister

19 (1) As soon as feasible after the end of each fiscal year but no later than December 31 following the end of that fiscal year, the Minister must make a report respecting the administration and operation of this Act for that fiscal year, including all relevant information on the extent to which the drug insurance plans of the provinces have satisfied the criteria, and the provinces have satisfied the conditions, for payment of cash contributions under this Act.

Tabling in Parliament

(2) The Minister must cause the report to be laid before each House of Parliament on any of the first 15 days on which that House is sitting after the report is completed.