Council of Senior Citizens' Organizations of BC
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Submission to the Patented Medicine Prices Review Board – December 19, 2023

The Council of Senior Citizens' Organizations of BC (COSCO BC) welcomes this opportunity to provide input to the Scoping Paper for the consultations on the PMPRB Board's new Guidelines. COSCO BC, the largest umbrella organization for seniors in BC, represents the interests of 75 affiliated organizations with a combined membership of 80,000 seniors located in all parts of our province. We are a non-profit, non-partisan, independent, volunteer driven society that aims to advance the social and physical welfare of British Columbia's seniors through submitting proposals and resolutions to appropriate government bodies.

Declaration of conflict of interest: As an independent voice for seniors, COSCO relies primarily on membership dues, donations and periodic government funding, and does not accept any monies from for-profit entities including pharmaceutical companies. The author of this submission states that much of her career focused on the epidemiology of chronic disease control, primarily in cancer. Over a span of forty years, she became familiar with the complexities of Canada's drug approval process while working at Statistics Canada, Health Canada and the Public Health Agency of Canada. Her lived experience includes dealing on three separate occasions over 50 years, with close family members whose health and well-being was adversely affected because of taking too many prescribed medications. On another occasion, she was prescribed a medication which was taken off the market due to severe adverse drug reactions. Further, in her capacity as a health researcher, she observed the tactics used by pharmaceutical companies not only to influence results of research at international medical conferences, but also the career choices and residency decisions taken by Canadian medical students. Finally, when her spouse was being treated for multiple myeloma in 2003 with an off-label use of thalidomide, they were shocked to learn that the pharmaceutical companies were contemplating charging around $30,000 for this treatment because that was the cost of similar therapies then available.

COSCO previously made submissions to the PMPRB consultation processes for new Guidelines on February 14, 2020, and August 31, 2021. We strongly supported these changes as a much-needed step to implement National Pharmacare which aimed to save Canadians an estimated $6 billion or more per year. In our initial submission we supported that pricing decisions would consider both the effectiveness as well as the cost of drugs, and that impacts on quality of life would be included in the assessment process. We were and are keen to ensure that we seniors receive appropriate, effective and cost-effective drugs that enhance our overall health and well-being. COSCO also serves on the Public Awareness Committee of the Canadian Medication Appropriateness and Deprescribing Network (CaDeN), which has further informed this presentation.

This submission will first consider Theme 6, with a focus on addressing impacts and context from a senior's lens around pricing decisions. We then comment on selected questions from several other themes in the Scoping Paper.

Theme 6: Engaging with Patients, Health Practitioners, Pharmacy and Stakeholders.

COSCO BC's motto is "*plan with seniors, not for them".* Thus, we support that patients, including older adults, be included in consultations by the PMPRB along with other stakeholders. These patient reps must be chosen with full disclosure of any conflicts of interest and must be independent of any influence from pharmaceutical companies. COSCO reps have had opportunities to observe firsthand in public forums, the tactics used by pharmaceutical companies to derail discussion through patient-advocate groups the pharma companies had funded and coached. From personal observations, we are aware that pharma companies have built upon the tactics used by tobacco manufacturers to oppose smoking bans. Clearly both industries aim to maximize profits for shareholders with little if any regard for the long-term health of the consumers.

COSCO authors also witnessed dismissive remarks by pharma company representatives about the PMPRB and its staff at hearings of the House of Commons Standing Committee on Health. This does not give us confidence in the ability of industry-sponsored groups to support measures important to ensuring the overall health and economic well-being of Canadians.

Despite the disproportionate impact that the regulation of, and access to, prescription drugs have on older adults in Canada, the inclusion of representatives of independent seniors' organizations in decision-making on drug policy is miniscule compared with the influence of the many registered lobbyists from pharmaceutical companies in Canada. This inequity is not the mark of a democratic society that values the knowledge, experience and human rights of older adults and this must change.

Question 6.3ii. What quality of evidence should the Board consider when conducting its scientific review of new high-priced drugs?
Approvals and price-setting for these drugs should require a very high quality of scientific evidence. Valid and clinically significant outcome measures should be used when evaluating results of clinical trials. Assessments should consider the value added over best available treatments including not just other drugs but also other non-pharmaceutical approaches including diet and exercise. Attention should be given to Indigenous approaches using the medicine wheel which addresses factors affecting the body, mind, soul and spirt. Pharmaceutical approaches that treat the underlying cause of the condition and not just the symptoms should also be given greater consideration.

Question 6.4: How can the PMPRB better engage with you?

First, we urge the PMPRB to convene policy advisory tables which would aim to listen to the voices of seniors and retiree organizations and other marginalized groups, and especially those who are independent of pharma company influence. These often non-profit organizations understand the desperation facing low income seniors and others across this country and especially the one in four seniors reporting not having prescription drug coverage https://www150.statcan.gc.ca/n1/daily-quotidien/221102/dq221102a-eng.htm For older adults *face to face* contact and ability to share information in safe spaces in public forums are important and much more valuable than engaging on social media. (To be clear, Twitter is not very helpful to many of us).

We further urge the PMPRB to consider the impacts of their policies and programs in the context of lives of real people in the Canadian population. As examples, here are some ***key ways the high cost of drugs affects seniors.***

First, COSCO understands that to improve the overall health of all Canadians, our civil society must focus attention on the ***economic security*** of those facing a perfect storm of low income, poor health, food insecurity, housing insecurity, and social isolation. We know that about 500,000 seniors in BC alone (that comprise 10% of all British Columbians) have after tax incomes of $32,000 or less per year, with about 250,000 seniors living on about $22,000 or less. Single renters are most at risk. These seniors often live with multiple chronic conditions requiring medications, yet many must choose between paying their rent or cutting back on their prescriptions. When a group of low-income seniors in Langley was asked what they would spend their money on if they had $300 extra per month, 7 in 10 would buy better food and 4 in 10 would spend it on health care items. To pay the rent on time, 3 in 10 reported cutting back on filling prescriptions. The depth of poverty was such, that some did not have enough money to pay for incontinence supplies and others reported not being able to buy a birthday card to mail to a grandchild.

Second, ***seniors are major consumers of prescription drugs***. In 2016 CIHI reported that seniors aged 65 and over accounted for about 40% of all spending on prescription drugs, and 55% of public drug program spending. In 2021, CIHI further reported that one in four Canadian seniors was prescribed 10 or more drug classes in 2021, ranging from almost one in five at ages 65 to 74 up to more than one in three for those aged 85+. Notably, those in the highest income quintile had lower use at just 16.5% compared to the lowest income quintile 25.5%.

Use of multiple drugs results in a higher risk of Emergency Department visits and hospitalizations due to adverse drug events. https://www.cihi.ca/en/changes-in-drug-prescribing-to-seniors-in-canada These data show the ***adverse impacts of polypharmacy*** on the ability of our already strained health system to meet the demands of the population at large as well as the adverse impact on seniors themselves.

Third, the ***sustainability of extended health benefit plans*** to meet the needs of those seniors and retirees fortunate to have access to one, is also at risk. One major Canadian plan requires payments of close to $1,000 per year. There are additional deductibles, co-pays and benefit ceilings which mean that even after any refunds, beneficiaries still pay for health care costs above and beyond that amount.

Of concern is that as costs for extended health benefits rise, the total costs to the insurance companies also balloon. This results in higher premiums, which can price some lower income seniors out of the program. A stark warning was given in the report from the House of Commons Standing Committee on Health that *employers were finding it difficult to maintain such programs.* The excessively high cost of drugs strains our health care system with profits benefitting the shareholders.
https://www.ourcommons.ca/Content/Committee/421/HESA/Reports/RP9762464/hesarp14/hesarp14-e.pdf

Theme 1: Efficient Monitoring of Prices without Price Setting

COSCO commends the staff of the PMPRB for their ongoing tenacity and professionalism in continuing with the excessively long journey that they have had to endure to implement the revised guidelines, which despite best efforts, have been considerably watered down due to the relentless lobbying by well-funded pharmaceutical corporations. Nevertheless, we are very pleased to see the changes in the International Price Comparisons for patented medicines along with the results presented in Box 1 of the Scoping Report. Notably under the new basket of 11 countries, which no longer includes two of the highest price countries, about one quarter (28% of all patented medicines) have a higher price in Canada than in any other of the 11 countries, and seven in ten medicines are higher than the median price. These data reflect the very high prices paid by Canadians for their drugs, offering considerable scope to reduce prices.

Question 1.4: For commencing investigations, what price levels with the PMPRB11 should be used as the triage measure?

Thinking of the impact of high costs of drugs to Canadians and to seniors, priority should be given to those drugs which account for the greatest total excessive cost by considering total sales multiplied by the difference between the market price in Canda and benchmark prices which could be the HIP, the MIP or perhaps some intermediate benchmark such as 75% of the HIP. In other words, a drug with $200 million in total sales which is perhaps $10,000 above the MIP of $20,000 should be given priority over a drug with perhaps $1 million in sales although the price of $500 is much higher on a percentage basis to the MIP of say, $100. This example highlights the need to consider the absolute difference in dollars as well as the percent difference in setting priorities.

Question 1.2, regarding categorizing medicines by factors such as the Level of Therapeutic Improvement.

We reiterate from COSCO's previous submissions, the critical importance of conducting pharmacoeconomic assessments by independent agencies to ensure that the eventual price bears some relation to the effectiveness of the drug as determined by the overall therapeutic improvement. We note that the excellent work on these topics conducted by the BC Therapeutics Initiative has directly contributed to the province of BC enjoying some of the lowest drug prices across Canada.

Question 1.5 regarding methods to conduct reviews and monitor patented medicines which have few or no international prices:

This statement is noteworthy as it implies that at least some new drugs are introduced into the Canadian market before they appear in other countries in contradiction to some pharma company statements. COSCO urges the PMPRB to consider the cost-effectiveness of new drugs in conducting assessments.

Theme 2: Transition to PMPRB11 - New vs Existing Medicines

Box 2 in the Scoping Report indicates there may already be some influence of new guidelines, in that new patented medicines are more likely than existing medicines to be introduced at levels below the MIP. COSCO recommends that both new and existing medications be treated the same in terms of prioritizing for price reviews as outlined in our response to Theme 1. The patented medicines introduced into sometimes smaller markets

prior to July 2022 at lower prices than in Canada, are presumably profitable to the company. Thus, for many if not all existing medicines, it should be possible to lower prices in Canada to those that are profitable for pharma companies in other markets.

Theme 3: Price Reviews during Product Life Cycle

Data presented in Box 3 of the Scoping Report appear to demonstrate that current methods for pricing reviews in Canada have had less impact than those conducted in most other comparator countries. The environment for patented medicine introduction and use is clearly subject to ongoing and unpredictable change. Prices may increase or decrease in other comparator countries and these trends are presumably monitored on a regular basis. Any significant deviations should trigger a review.

Similarly, new research results that demonstrate changes in effectiveness of a given patented medicine after it is introduced to the market must be taken into account as the results are published. The PMPRB needs to consider that the effectiveness of a medicine may be lower under actual conditions in the population at large, compared to the relatively controlled environment of a clinical trail. This is of special concern to older adults, as clinical trials are often conducted on persons below an age of perhaps 65 years, who may have no other chronic conditions. Yet, we know that people as they age may often develop multiple chronic conditions that may require treatment with several drugs for each condition, which may affect the effectiveness of the drug in question. Notably, it may be that the effectiveness is reduced to the point where the new drug is less cost-effective than an existing medication.

Theme 5: Relationship to pan-Canadian Health Partners, Insurers and alignment with broader Government Initiatives.

COSCO participated in a number of public forums on Pharmacare including one in Vancouver chaired by Dr Eric Hoskins and another in December 2019 at a PMPRB consultation on the regulations that involved community groups. We followed discussions of the Health Committee of the House of Commons which released a report entitled *Pharmacare Now* in April 2018. The Advisory Council on the Implementation of Pharmacare chaired by Dr Eric Hoskins then produced the report: *A Prescription for Canada: Achieving Pharmacare for All. See: https://www.canada.ca/content/dam/hc-sc/images/corporate/about-health-canada/public-engagement/external-advisory-bodies/implementation-national-pharmacare/final-report/final-report.pdf*

Our vision for how the Canadian pharmaceutical landscape could be structured follows the lines recommended by the Advisory Council to enable streamlining of the drugs approval process while at the same time ensuring that safe and reasonably priced drugs are available to Canadians.

Key to this vision is that a Canada Drug Agency be established in collaboration with federal, provincial and territorial governments to incorporate a one-stop shopping approach. This work is underway in part with the Canada Drug Agency Transition Office (CDATO). COSCO supports the work of the CDATO to bring these groups together and recommends that the PMPRB work towards being part of the Canada Drug Agency.

We envision the comprehensive range of functions for the Canada Drug Agency will be to:

1. Assess the clinical effectiveness of drugs compared to other treatment options - *a role traditionally carried out within **Health Canada;***
2. Assess the cost-effectiveness of drugs compared to other treatment options, *which is carried out by the **Canadian Agency for Drugs and Technologies in Health (CADTH**) nationally (as well as provincial groups such as the **BC Therapeutics Initiative and the Institute national d'excellence en sante et services sociaux (INESSS) i**n Quebec);*
3. Decide which drugs and related products (such as devices and supplies) should be on the national formulary – *this is a relatively new role that is being developed by the CDATO;*
4. Negotiate prices and supply arrangements with manufacturers – *a current function of the **pan-Canadian Pharmaceutical Alliance** for drugs purchased by provincial governments;*
5. Provide advice to prescribers, pharmacists and patients on how best to use drugs; and
6. Monitor the safety and effectiveness of drugs in real-world use. *This newer function is currently mostly conducted in provinces due to access to databases needed to conduct this research. **The Canadian Institutes of Health Research and the Canadian Institute of Health Information** have roles to play as collaborators*

Finally, COSCO envisions that the work in 5 and 6 above can be supplemented and complemented by including the functions of the Canadian Medication Appropriateness and Deprescribing Network (CaDeN) as discussed and debated at the November 7&8 2023 National Meeting held in Montreal. CaDeN, established in 2015, has shone a spotlight on the harms of over-prescribing and inappropriate prescribing not just on the health and well being of older adults but also the costs to the health care system and to society as a whole.

In closing thank you for the opportunity to express COSCO's views on this important policy debate. We look forward to seeing positive steps being taken by the PMPRB to reduce excessive drug pricing for the benefit of all Canadians.

Submitted by Leslie Gaudette, President, Council of Senior Citizens' Organizations of BC.