

A Plan to Address Issues in Prescription Drug Coverage & Access in Canada – Analysis

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PRESCRIPTION DRUG COVERAGE & ACCESS IN CANADA

The plan is intended to address these issues by recommending a three-point solution to the Parliament of Canada:

- expanding federal drug coverage,
- lowering uncovered drug pricings, and
- limiting pharmaceutical influence

Analysis

1. Expanding federal coverage for drugs is difficult in part due to the limited jurisdiction and budget the federal government has over healthcare (Oliver, Lee, & Lipton, 2004). The federal and provincial governments must agree on a standardized policy for it to be implemented. A way to accelerate the agreement is to convert the few provinces that are governed by non-Liberal parties, which brings them to the same political base (Morgan & Boothe, 2016). Concerns about the costs of universal drug coverage include that they might be expensive, uncontrollable, and detracting funding from other focuses. Research is to be carried out for an evidence-based expert consensus, a subsequent shift in public opinion could also address the lack of electoral incentives and interest that the proposal is facing. Expanded federal coverage for drugs would ensure complete access and an equal coverage, but the later the policy is put into effect, the more difficult the attempt would be because the current prescription drugs situation still improves over time as a patchwork.
2. Lowering uncovered drug pricings involves direct bargaining with the pharmaceutical companies, which could be time consuming, and results of negotiations might not always be satisfying. Targeted negotiation can be used when there is thin competition,

high profit margins and high out-of-pocket spending on a drug, to shorten the administration process. To ensure the quality of negotiation, after setting an upper bound for drug prices based on dollars-per-quality-adjusted life-year, the federal government could be given the power to impose some sort of penalty on pharmaceutical companies that price their drugs excessively high and have third-party arbitration where a conflict is not being resolved (Frank & Nichols, 2019). Lowered pricings for uncovered drugs would make them more affordable and therefore more accessible, but a balance between drug affordability and incentives for pharmaceutical innovation is necessary.

3. When limiting pharmaceutical influence, directly limiting what pharmaceutical companies can do is difficult, but advertising cheaper generics over branded counterparts can be publicly funded. Complete transparency of pharmaceutical advice to physicians might not be feasible but could be increased by limiting incentives to suppress or falsify information from physicians' side. Limiting pharmaceutical influence is critical to prevent misunderstanding of drugs and illnesses because of their social nature (Greenslit, 2002). Accurate understanding of drugs leads consumers to the most cost-efficient and accessible options. On the other hand, it is important to note that branding and marketing are instruments of ensuring market quality for drug safety and efficacy that would be lost, if entirely discouraged (Katz, 2016).

References

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