

August 14, 2011

To: Government of New Brunswick

Re: Fair Drug Prices for New Brunswickers (<http://www.gnb.ca/0212/drugs/index-e.asp>)

In the online document concerning Fair Drug Prices for New Brunswickers (<http://www.gnb.ca/0212/drugs/pdf/Fair-Drug-Prices-for-New-Brunswick-e.pdf>), three reasons for growing costs are cited:

1. People are taking more drugs
2. Prescription drug costs are increasing
3. More people are covered by our drug publically-funded drug programs

Issue #1 and #3 are almost the same, and can be summarized as the issue of the “baby boomers”. As our population demographics shift, we will see more seniors than ever before. The fact of the matter is that the older we get, the more health complications we encounter, and the more drugs that are generally taken per person (#1). The more seniors we have, the more people we are going to have in “the system.” (#3) We are not going to solve the problem of aging population in this generation. Higher drug expenditures are something we must deal with. We need to engage this aging population by making them take a personal interest in their own wellness. We need to encourage disease prevention, healthy living, and health education. These are all deliverable by community pharmacists, the most accessible health care professional.

I challenge the notion that prescription drug costs are increasing. As the owner of two pharmacies, I can tell you with certainty that in my businesses, the average cost per prescription was lower in 2010 than it was in 2009. The reason for this is the increased proportion of prescriptions which are filled using generic drugs – it has approximately doubled since 2005. Total drug costs are increasing because of reasons 1 and 3, but the average cost per prescription, right now, is on the decline.

Clearly, the issue of generic drug pricing is one that needs to be addressed in light of reforms which have taken place in other provinces, but the extreme emphasis on the cost of a drug in NB compared to its cost in BC or Ontario is misleading. In all instances, generic drugs are saving money. The question that no one is asking is why the brand-name companies charge so much more. I have seen brand name drugs drop in price from over \$60/month to \$10/month overnight (Zantac). I see many drugs come off patent and the manufacturers put rebate programs in place so the public can get the brand-name drug at the generic price (why don't they just lower the price?) Then, of course, we hear stories from sales representatives of their sales meetings in Jamaica or Hawaii and see the Annual Reports of CEO's making tens of millions of dollars per year.

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Many people do not stop to consider that Community Pharmacists are private sector employees. Every pharmacy is its own business. Pharmacists are not compensated in any way through Medicare, yet the public enjoys liberal access to these health-care professionals and the “free advice” we choose to offer. For as much as we do today, we could do even more with the proper motivation. Programs such as NB Pharmacheck, trial prescriptions, payment for certain prescription adaptations, diabetes education and monitoring, cholesterol screening, anticoagulation testing and vaccination/immunization are but a few of the potential ways pharmacists are presently being underutilized, and not compensated for today.

It is my experience that the segregating of different health departments is a hindrance to pharmacists moving forward and saving the government money. The Pharmacy Act allows me to interpret a lab value, but yet the hospital corporations do not allow me to order lab tests. Recently, the province announced an expansion of the Pertussis vaccination program, but did not have the budget to allow community pharmacies to participate. I am equipped (through my own initiative) to offer INR (blood coagulation) testing at my pharmacy, but my customers have to pay for the same test that is “free” at the hospital (and probably costs Medicare more than I charge). If the present government had the foresight to allow certain departments to spend more so others would see savings down the road, instead of working year-to-year within the same government department, then we might make some real progress.

My “ask” of the current government is this. In wanting to see savings on drugs, where is the money coming from? Is it from Small Businesses such as independent community pharmacies? The Progressive Conservative Party “Aims and Principles” states that “the creation of prosperity can best be achieved by a free enterprise economy.” Keep small businesses, such as my own, viable. Trade allowances offered by generic drug manufacturers are a result of competition in a free enterprise economy and are a fundamental part of our business model. If funding disappears from one source, it has to come from another, or the business will cease to operate. If savings are delivered to the people of New Brunswick, it has to be shared among all players – pharmacies, manufacturers (both brand and generic) and doctors as well. Focused on the big picture, recognize that a more efficient drug distribution system may not be able to radically lower overall drug costs, but it will keep people home and healthy, with fewer hospitalizations and trips to the doctor. The New Brunswick Pharmacists’ Association is keenly interested in finding a solution which would allow for a stepwise reduction in generic drug costs, while allowing for other sources of revenue which allow for the sustainability of our profession.

I am a highly educated, publically accessible, medication expert with the ability and desire to function within the health care team to improve population health in a cost effective fashion for all the stakeholders I deal with. Empower and motivate me and I will show you the results.

Sincerely,

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