

Hi.

I am a pharmacist/owner in Miramichi, NB.

I have several ideas and comments I would like to share.

The first issue I want to bring up is this idea of limiting generic rebates. I seem to be missing something here, but I can't understand how this practice could possibly save the government one penny.

If the generic company can't pass along the rebate to pharmacy then the generic company keeps that money, and how has the government or the people of NB benefited?

I fully understand that by lowering the prices of generic drugs, then it only makes sense that the rebates will be lowered, but there is certainly no reason to legislate this practice. As well, in just about every industry I can think of, rebates are common practice. It occurs with car dealerships, furniture stores, convenience stores, restaurants, bars, and on and on.

Other suggestions for increasing savings in the province of NB:

- 1) Bring generics to market faster. Here I am talking about when a generic drug gets added to the NB formulary. Apparently the group that determines interchangeability meets on a regular basis (quarterly I believe), and then will sometimes add other meetings if needed. I propose that if a drug represents a significant market share (which doesn't have to be that high), then within 5 business days the formulary group should get together to add it to the formulary. When Lipitor came off patent and generic versions of Atorvastatin were made, it was at least 2 months before it was added to the formulary. Every day that went by, represented a **huge loss** of revenue to New Brunswickers. Even a drug that only represents \$1Million/yr to NBPDP, could result in savings of approx \$1500 per day when changed from brand coverage to generic. So waiting, instead of acting loses money. It would make sense to pay extra to get this group together to get the drug on the formulary.
- 2) Don't cover every "me-too" drug. Currently almost every new "statin" drug I receive a prescription for is for Crestor. However, the generic Atorvastatin along with the other generic "statins" will provide the same benefits in most people, most of the time. This is an example of manufacturers sending reps to visit physicians and convincing them to prescribe the most expensive drugs available. So, I propose to make these more expensive drugs either special auth status (and don't approve it easily -- make sure the patient has tried alternatives and genuinely needs this more expensive drug), or don't cover them at all.
- 3) This relates to point #2. Enforce the rule about physicians not being able to receive manufacturer kick-backs due to conflict of interest, as this is directly why so much Crestor is being prescribed. The amount of the kick-backs would make generic rebates look insignificant.
- 4) Give more responsibilities to pharmacists. Currently, many of the things Physicians do could be done by Pharmacists. I don't propose doing these things for free, but perhaps at 80% of the doctor's rate (as doctor's receive 80% of pharmacist's rate for dispensing). This could include independent prescribing, giving vaccinations, PharmaCheck Meds Check, monitoring warfarin, monitoring thyroid, ordering blood work, taking blood pressures, (a pilot project our pharmacy is working on is measuring ABI, to help to diagnose Peripheral Arterial Disease), payment for pharmacist call-backs to patients, payment for extended counselling such as when a patient is discharged from hospital, payment for switching to lower-priced alternatives, etc.....

As well, please have an accountant or proper individual do the math on the consequences of lower generic prices. Since the price of drugs mostly affects government with NBPDP Rx's, but yet about 80% of Rx's filled are for non-NBPDP, consider the loss of revenue in corporate income taxes because pharmacies are now less profitable or not profitable at all. Add up this loss of revenue for the province along with just factoring in about half a dozen closures (so loss of income taxes from these stores) and see how significant this is. It will be quite significant.

It must be understood that the generic companies have been subsidizing the profitability of pharmacies for many years. The costs associated with filling a Rx are not lies or myths. There is staff, rent, power, software, hardware, phones, internet, cleaning, insurance, stolen merchandise, and on and on..... Speaking for my own pharmacy, the profitability of the store has always been because of generic rebates. In fact every year since I have been an owner (since 2002), the pharmacy would have lost money if not for generic rebates. So please be fully aware that as dollars are being taken away, this will have a direct impact on whether or not some pharmacies can remain open if opportunities to make money through other streams are not provided. If pharmacies close, then there are more people without jobs, and more people without jobs can end up being a burden on governments.

Please take the time to talk to pharmacists and listen to our concerns. If you can save money working with us, then why try to work against us?

Thank-you for listening.

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