

Grand Bay Pharmacy Ltd.

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Honourable Madeline Dube
Minister of Health, Gov of NB
Dept of Health
P.O.Box 5100
Fredericton, NB
E3B-5G8

Dear Minister, as a pharmacist and pharmacy owner, I am writing you today with my thoughts, inputs and concerns regarding "Fair Drug Prices" in New Brunswick. First of all, I'm quite sure that all pharmacists and pharmacy owners are not opposed to this concept. However, to accomplish this, we need fair compensation for our services at the pharmacy. The **cost** of doing a prescription is over \$14 and the regular fee in NB is only \$9.40. In fact, the fee has raised only \$1 in the last 10 years! Likewise, we are the only province that does not pay a mark-up on government funded prescriptions. Mark-ups are supposed to be in place to help cover the carrying costs associated with stocking these medications, but the NB government currently pays zero. Professional allowances were used to indirectly fill this shortfall for not only NBPDP insured patients, but for the private third party providers and patients without drug coverage. No other business is expected to provide a service, regardless if it is professional in nature or not, at a loss. In our current remuneration model, reduction of these allowances would be destructive and total elimination of these allowances would be catastrophic to this pharmacy.

The recently accepted contract in Nova Scotia appears to be fair to both the province and their pharmacies. Pharmacies understand the government's need to reduce their costs AND the NS government is recognizing that pharmacy must be sustainable in order to continue to provide their unique professional services to patients in their respective communities. This contributes to improved patients' health and well-being and a reduction of future health care expenditures. In contrast, in Ontario the total elimination of allowances will be phased in over the next couple of years and the full impact of this route will not be seen for some time after that. Why would this province adopt a policy without a proper impact study? One thing is for sure; if our pharmacy was located in Ontario we would slowly deteriorate until store hours and services were virtually non-existent with little or no staff remaining.

In the near future, there are a lot of "Brand Name" pharmaceuticals coming off patents. The resulting generics will provide significant savings to the NB government, third party payers and patient's without drug insurance. Interestingly, NS seniors pay a percentage of

their prescription, not a flat rate like here in NB. As a result, NS patients often demand lower priced alternatives from their physicians which lower the amount that they are required to pay for their prescription. In NB, a program containing “first line”, “second line” meds, etc could be developed (with the co-operation of the medical society) allowing therapeutic substitution within a class of medication to the lowest priced product. Similarly, trial prescriptions for defined and more expensive products could be developed to minimize wastage and drug costs. As you are probably aware, pharmacists are the most accessible health care professionals. We provide advice and counselling to countless individuals on a daily basis. This leads to less emergency room and doctor visits. Likewise, we provide other services such as blister packaging, distribution and collection of sharps containers for diabetic patient’s needles, collection and proper disposal of unwanted and expired medication, refilling and prescribing medications which would otherwise require an emergency room or doctor visit. We also deliver to seniors and individuals who are physically unable to get to the pharmacy or obtain transportation in a timely manner. Again, the province and third party providers do not pay the pharmacy a fee for providing these services to patients they insure. Professional allowances indirectly help fund these services as well as bridging the gap between actual and required dispensing fees/mark-ups as discussed earlier.

In summary and to put it bluntly, for pharmacies such as ours to take on any reduction of allowances and to be sustainable within the province of New Brunswick, dispensing fees need to go up and mark-ups need to be re-established just like in the other provinces.

Thank you for your time and please take my thoughts and ideas into consideration.

Sincerely,

Bill Andrews
Pharmacist Owner
Grand Bay Pharmacy Ltd.