

**Ross Drug Co. Limited**  
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**Fredericton, NB**  
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August 15, 2011

Honourable Madeleine Dube  
Minister of Health  
Government of New Brunswick  
Fredericton, NB

Dear Minister Dube,

I am writing in response to a call for submissions regarding fair drug pricing for New Brunswickers. I am a community pharmacist and have been practicing in New Brunswick since graduating from Memorial University in 1997. My family and I currently own and operate three pharmacies in Fredericton. While I understand and appreciate the current debt situation the province is in, I also believe there is a responsibility to provide sound financial solutions to resolve that debt. There are several points I wish to address in regards to fair drug pricing for New Brunswickers.

Pharmacists are the most trusted professionals according to a 2011 Ipsos Reid poll. Pharmacists are the most accessible health care professionals. We are often the first contact for a person with health concerns. We provide counselling to our patients often preventing the need for further health care services in our emergency rooms, after hours clinics and doctors offices. This advice is provided without reimbursement.

Pharmacists in New Brunswick have enjoyed an enhanced scope of practice including prescribing, adapting prescriptions, immunizations, medication reviews, collaborative practices etc. These expanded services have been provided to all New Brunswickers at no charge. These services need to be funded.

Direct pharmacy reimbursement in New Brunswick has lagged. As the cost to operate escalated over the last ten years, dispensing fees only recently saw 2 small increases. A number of studies peg the cost to dispense as at least \$12.00 yet in New Brunswick our dispensing fee is \$9.40. This \$9.40 does not include any inventory management fee. Managing an inventory to meet the consumers demand comes at a cost and the mark-up or inventory management fee needs to be reintroduced to the New Brunswick reimbursement model.

Generic rebates or professional allowances have provided an indirect source of funding to our pharmacies. This indirect funding has helped close the gap between the actual cost to dispense and what was actually being reimbursed. This indirect funding closed that gap on both generic and brand name prescriptions being dispensed in our stores. Changes

made within the New Brunswick Prescription Program will impact the balance of our business as well. As lower generic prices reach all New Brunswick markets, such as Medavie Blue Cross, the indirect funding will continue to diminish. Unlike the Department of Health's commitment to reinvest in pharmacy, private providers are not currently obliged to reform their pharmacy reimbursement models, further compounding our losses.

This indirect funding also subsidizes nursing home services by allowing pharmacies to provide educational allowances, medication carts, compliance packaging and routine pharmaceutical consultations at no charge to the province. Many of our patients also receive extra, unpaid services in our stores such as compliance packaging, home delivery, medication and sharp's disposal whose funding is subsidized by professional allowances. Other beneficiaries of this indirect funding include local charitable organizations and athletic organizations. Any reduction in indirect funding needs to be added to the direct funding model to allow us to maintain these important services for our patients.

Some suggestions to reduce drug cost include:

- Trial prescriptions on expensive and poorly tolerated drugs
- Therapeutic substitution
- Prescriber education to allow more cost effective decisions when prescribing
- Enhance pharmacists ability to immunize
- Streamline the generic drug approval process
- Amend the Regional Health Authority Act to allow pharmacists to order and interpret lab results

Our pharmacies would embrace any of these suggestions with the proper funding which would help to reduce drug costs on both generic and brand name drugs.

In conclusion, please recognize the value pharmacy brings to the health care system. This value can be maintained and even enhanced if the Department of Health and pharmacy work in collaboration to develop a funding model that fairly compensates pharmacy while providing the savings the Province requires.

Sincerely,  
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Cc: Kirk MacDonald, MLA  
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