Thank you for taking the time to consider my input. I have two areas of concern that I wanted to ensure has some consideration as we move toward the more equitable and sensible approach to regulating patented medicine prices in Canada.

1. Do Brand Name Pharmaceutical Companies Use Compassionate Access Programs as a Tax Haven?

My remedial understanding of corporate accounting is that drugs provided freely to patients through special or compassionate access programs and samples can be considered "gifts." The tax code allows the organization providing the "gift" to write off the full list price of a drug on corporate taxes, rather than just the cost of goods sold (though this would also be valuable information to acquire). As such, drug companies gain goodwill despite the fact that it is ultimately taxpayers who pay for this largesse through forgone tax revenue.

This should be studied to determine if it is, indeed, the case and whether it should be considered when setting prices on new drug entries.

2. Teaching Old Drugs New Tricks

How does PMPRB identify resurgent older drugs repackaged as "new?"

A case in point is Qvar, a preparation of beclomethasone dipropinate, first patented in 1962. Yet, it was reintroduced as "new" after the original patent holder, Glaxo, dropped it in favour of its newer medication, Pulmicort or budesonide. When I was prescribed Qvar, the price was near $100, not a price you'd expect for a medication that is 58 years old. The difference seems to be that Teva, turned the then suspension into a solution. Thus, they effectively managed to get a patent on salt water. They are now selling the same medication in a new format , the "Redihaler" and with it a jump in price that is not in line with the actual cost of development.

I hope that there is a mechanism in place to consider old drugs that take on new life.

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