



Council of Senior Citizens' Organizations of BC

Representing seniors in British Columbia since 1950
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Submission to the Patented Medicines Prices Review Board from the Council of Senior Citizens Organizations of B.C.

The Council of Senior Citizens Organizations of B.C. (COSCO BC), representing 67 seniors' organizations across British Columbia is pleased to have this opportunity to respond to the Patented Medicines Prices Review Board (PMPRB) July 2021 call for submissions regarding further changes to PMPRB regulations.

As seniors we have a vested interest in ensuring that the cost of prescription drugs that many of us depend on to maintain our quality of life or even for staying alive is publicly controlled and publicly accountable. We, therefore, fully support the efforts that the PMPRB, a Canadian federal agency mandated to control the fast-rising costs of patented medicines in Canada has made over several decades to do just that. We expected that the PMPRB would be fully empowered and supported by all levels of our government to do so.

Our expectation is always that our governments will manage spending on prescription drugs in ways that ensure the sustainability of our national health care system and allow for its expansion to include national pharmacare and dental care for all Canadians who need it. That is not what we see happening.

We have watched with increasing concern the PMPRB's unsuccessful attempts to implement new regulations and guidelines

as part of its mandate to control the increasing costs of new medicines on behalf of Canadians and the increasingly successful resistance of the powerful lobby of pharmaceutical companies in Canada to accept any limits on their profits.

We are, therefore, disappointed and dismayed but unfortunately not surprised by the recent federal government decision to accede once again to the demands of the pharmaceutical lobby group, Innovative Medicines Canada, representing 47 drug companies, to postpone the implementation of the revised PMBRB regulations.

Beginning in 2018 with the public forums on Pharmacare chaired by Dr Eric Hoskins, we watched with surprise and alarm the way that pharmaceutical companies worked to derail discussion through patient-advocate groups they had funded and coached. We then saw similar incidents in December 2019 at a PMPRB consultation on the regulations with community groups like ourselves in Ottawa. This year we listened with concern to the dismissive remarks of the drug companies' representative about the PMPRB and its staff members at hearings of the House of Commons Standing Committee on Health

To get some further understanding of the issue we accessed national and international literature on the issues that demonstrate that this nefarious activity by drug companies is not confined to Canada. According to the British Medical Journal (May 22, 2019) the drug industry donated 57 million pounds to UK patient organizations from 2012 to 2016 "with priority given to a small number of organizations supporting commercially high-profile conditions like cancer." Another UK report by Emily Rickard and Piotr Ozieranski from the University of Bath (June 24, 2021) showed that 11 per cent of All-Party Parliamentary Groups had been infiltrated and reported payments from 35 pharmaceutical companies worth 1,211,345.81 UK pounds.

We have also reviewed reports on policies and regulations designed to control drug prices in other developed countries, such as Australia, New Zealand, the Netherlands, England, Scotland. Clearly, most have had greater success in negotiating with big pharmaceutical companies and controlling drug prices than has Canada.

We further note that other developed countries have taken steps to control the ever-growing power of large, multinational pharmaceutical companies. Unlike Canada, they are not afraid to levy substantial fines on these companies when they attempt to stifle competition to keep profits as high as possible.

For example, Britain's competition authority recently fined GlaxoSmithKline \$54.5million for stalling the potential entry of generic competitors. The French competition authority recently fined Novartis, Roche and Genentech a record \$500 million over market abuses in sales of macular degeneration drugs. The Dutch government watchdog fined an Italian pharmaceutical company almost 20 million euros for charging a price that was deemed "excessive and unfair."

Even the US, which pays the highest prices of any country for prescription drugs, is now attempting to control drug prices and to restrain the power of pharmaceutical companies. Biden's 2020 (web-page) election platform on health care, for example, included a promise that he would "stand up to abuse of power" by drug companies. He also pledged to bring down drug costs by 60 percent.

We are dismayed that our own politicians have not been able to protect and defend the rights of citizens of Canada against the interests of the big pharmaceutical companies as have governments in most other developed countries. We fear that the PMPRB has been completely undermined, in fact thrown to the wolves by the lack of support from our government.

We seniors, therefore, make the following recommendations to ensure that ever-rising drug costs are controlled in Canada and that our interests as citizens and access to health care based on need are protected:

- 1) Given that the credibility of the PMPRB and its ability to negotiate with pharmaceutical companies appears to have been completely undermined and that controls over ever-increasing drug prices need to be implemented, we recommend that the PMPRB staff with their considerable experience and knowledge come under the umbrella of the proposed new Canada Drug Agency with the authority to develop and implement regulations and also to negotiate prices.
- 2) The federal government commend the Board and employees of the PMPRB for their tenacity, probity and courage in the face of the concerted campaign by so many drug companies to discredit them.
- 3) The federal government commit to transparency and public accountability in all its dealings with drug companies on drug prices.
- 4) The federal government examine the policies, structures, and processes that other countries use in successful negotiations on drug prices with pharmaceutical companies and be prepared to fine drug companies for abusing their power.

Respectfully submitted
Kathleen Jamieson, Chair,
COSCO Health Committee