

Canada—‘Drug-Free’ or ‘Free Drugs’ Zone?

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The federal NDP is pushing for a national pharmacare plan that would see the high cost of many prescription drugs carried by a pooled taxpayer base, rather than by the individuals for whom these drugs are prescribed.

On the surface, the plan seems compassionate and fair and in many cases it could relieve suffering and anxiety for Canadians struggling with an illness treatable by drugs. For some, it might even be seen as a life-saving measure, as statistics indicate that many Canadians can’t afford to fill their prescriptions.

Before we write a blank cheque for pharmacare, however, we should consider some of the potential unintended consequences of such a policy. The first is a simple demonstration of the maxim: you get more of what you subsidize and less of what you tax. In other words, behaviours are influenced by the perceived costs and benefits.

Today, physicians and patients alike may think long and hard before embarking on a pharmaceutical path which has a hefty price tag. If that keeps people from getting the care they need, that’s bad. If, on the other hand, it encourages ‘sober second thought’ about adding one more daily drug input to a patient’s life (and let’s face it, many seniors already have a hefty regimen of pharmaceuticals) it may help patients and doctors to focus on other aspects of health—like exercise, nutrition and rest.

Most people, including doctors, will admit that pharmaceuticals are not without side-effects, sometimes damaging organs, disturbing sleep patterns, disrupting digestion or other processes. We take them—when prescribed—because we judge the benefits to outweigh the risks and we judge the cost of buying them to outweigh the consequences of not having them. By eliminating the household economics angle of decision-making, we immediately ratchet up the likelihood of embarking on a pharmaceutical path, rather than pursuing alternative therapies or alternative prevention programs. Most alternative therapies are currently not covered under any government-subsidized programs. Some of them should be. In many cases, lifestyle adjustments can mean longer, more productive and fulfilling lives and lower costs to taxpayers and state-run medical plans.

The second big risk in having pharmaceutical drugs covered by the state (other than the OBVIOUS increase in taxes and premiums for all citizens) is the tendency for prices to rise based on the human tendency to happily spend money that we did not have to earn. We have it now with our emergency rooms and drop-in clinics: if there is little or no cost to using a service, people will use it more freely and with less self-assessment. Once that principle is applied to drugs, Big Pharma is likely to respond by pushing their products even harder. Doctors will be asked more often for prescriptions and some will more cheerfully give them out, knowing that it won’t cost their patient anything.

Then there are the social pressures that can be brought to bear when drugs are “free”: we’ve already seen the push for government-paid Gardasil in Canada. Since 2007, when the federal Conservatives approved a 3-year program of vaccinating girls as young as 9 against sexually-transmitted HPV, the push for extending the program to include women and young males has increased.

The initial commitment in 2007 was \$300 million. The treatment cost per person for Gardasil is approximately \$500. I do not have current figures for how many Canadian young people have been vaccinated but I do know that Merck,

the company that produces Gardasil has made \$1.5 billion (yes, with a 'b') on its Gardasil program alone. No wonder they like to put pressure on politicians to cover the cost of drug purchases.

All this expenditure to control only some of the many strains of HPV which are passed from one to another through intimate sexual contact.

As has been frequently pointed out, abstinence before marriage and fidelity within marriage provide better protection for young people and at NO cost. The other outcomes of their decisions are all better as well: longer, happier lives, fewer divorces, higher incomes. Why wouldn't we use our resources to help young people make better decisions rather than help them try to avoid the consequences of bad ones?

Canadians also pay now for transgender surgeries, a lifestyle choice made by individuals. Why should all Canadians be forced to pay for something they disagree with and wouldn't choose for themselves? All of us pay for abortions and when some of those abortions increase the incidence of breast cancers, we pay for those treatments too. The chilly silence regarding the abortion-breast cancer link is a reminder that in health care, as in other disciplines, the "agenda" has a life of its own. The tragedy of breast cancer is that some cases could have been prevented. Yes, work for the cure but at the same time acknowledge facts and share information that could help with prevention.

Interestingly enough, with "medical marijuana" now being prescribed, Canadians under a public-funded drug plan could find themselves funding marijuana use. Only a few years ago we were paying to restrict its use. Meanwhile, at places like Vancouver's InSite, public funds now provide clean needles and a secure location for the injection of non-prescription drugs. Are we helping or hurting? Whatever the risks and benefits, we know one thing: we're paying.

Of course, all of us want to help those suffering or dying from debilitating disease. Our fellow-citizens who need a proven treatment and who can't afford it deserve our help and our compassion. This can be accomplished through targeted support, customized for patients needing care and unable to afford the standard medications.

CHP Canada offers another initiative which could help individuals while strengthening the population as a whole: *our Better Solution¹ proposes a universal Personal Income Security Account, combining health care and unemployment insurance with a universal pension plan to which everyone contributes 10 percent of income (5% from the employee and 5% from the employer). The PISA could be invested, tax-free, in registered securities, vested in the name of each citizen. In addition, individuals would be free to purchase health-care insurance to protect their family income and their PISA investment account; and doctors would be free to offer their services on any basis agreed to by the patient.*

The first \$1,000 a year of medical expenses or loss-of-employment costs would be borne by the individual (with provision for the government to pay for indigent citizens) or by their private insurance. Expenses beyond that could be paid from savings, private insurance, or from the individual's PISA, up to 10 percent of the PISA balance in any year. Catastrophic medical expenses beyond the PISA limitation would be covered by a universal insurance plan. This would give Canadians, young and old, more control over their savings and health care decisions and would eliminate the need for a massive government program subject, too easily, to Big Pharma's corporate greed.

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Footnotes

¹ www.chp.ca/platform/category/healthcare/health-care-reform

² www.chp.ca/get-involved