

Dear Ms. Callahan,

Thank you for your correspondence dated March 23, 2022, concerning national universal pharmacare to the Honourable Jean-Yves Duclos, Minister of Health. We appreciate you taking the time to share your views with us about the positive impacts such a program would have on the overall health of Canadians and your interest in seeing it put in place soon.

As you mentioned, no Canadian should have to choose between paying for prescription drugs and putting food on the table. Unfortunately, many are still forced to make this impossible decision. That is why the Government of Canada continues to work with provinces, territories and stakeholders to ensure that Canadians have better access to the drugs they need.

As outlined by the Prime Minister on March 22, 2022, this includes continuing progress towards a universal national pharmacare program by passing a Canada Pharmacare Act by the end of 2023 and then tasking the National Drug Agency to develop a national formulary of essential medicines and bulk purchasing plan by June 2025.

On August 11, 2021, the Government of Canada announced the signing of the first [agreement with the Government of Prince Edward Island \(PEI\)](#) to inform the advancement of national universal pharmacare. Through this agreement, PEI will receive \$35 million over four years in federal funding, to add new drugs to its list of covered drugs, and lower out of pocket costs for drugs covered under existing public plans for Island residents. The Government of Canada will use early lessons from PEI's efforts to inform its ongoing work to advance national universal pharmacare.

This agreement will also build on the foundational steps that are already in progress, including establishing a national strategy for drugs for rare diseases, a Canadian Drug Agency and a national formulary.

Budget 2019 proposed to invest up to \$1 billion over two years, starting in 2022-2023, with up to \$500 million per year ongoing, to help Canadians with rare diseases access the drugs they need. We recognize that for many Canadians who require prescription drugs to treat rare diseases, the cost of these medications can be astronomically high.

To support the development of a national strategy for drugs for rare diseases, a public and stakeholder engagement process was launched in early 2021 and concluded on March 26<sup>th</sup>, 2021. A What We Heard report summarizing key themes and feedback that emerged during the public and stakeholder engagement has been published on the engagement webpage [here](#). We anticipate that there will be further opportunities to provide input on a comprehensive model for the national strategy in the spring, with the strategy expected to launch in 2022.

Launched in 2021, the Canadian Drug Agency Transition Office (CDATO) is overseeing the creation of the Canadian Drug Agency (CDA) based on engagement with provinces, territories, and stakeholders. The Transition Office is providing dedicated capacity and leadership to develop a plan to establish the CDA in order to improve pharmaceutical system coordination and bolster related functions. Budget 2019 provided Health Canada with \$35 million over four years, starting in 2019–20, to establish the CDATO.

Work is also underway with partners to develop a national formulary. A national formulary would provide a comprehensive, evidence-based list of prescribed drugs and related products to support consistent patient access to treatments across the country. In July 2021, an arms-length organization, the Canadian Agency for Drugs and Technologies in Health (CADTH), established a multidisciplinary national panel to develop a draft formulary framework for consultation this winter and will provide its recommendations later this spring. More information is available on the CADTH website [here](#).

We would like to thank you again for taking the time to write to us on these very important issues, and for sharing your views. We hope this information is helpful to you or at least assures you that we hear you, as well as other Canadians.

If you require further clarification or have questions about the information provided in this reply, you can contact Michelle Boudreau, Executive Director of the Office of Pharmaceuticals Management Strategies, Strategic Policy Branch, at [michelle.boudreau@canada.ca](mailto:michelle.boudreau@canada.ca).

Yours sincerely,

Strategic Policy Branch

Health Canada