

December 7, 2020

Dear Premier and President of the Council of the Federation,

I am writing to you and your colleagues today on behalf of members of Innovative Medicines Canada (IMC), and the patients we serve, in advance of your meeting with the Prime Minister on December 10.

As the country responds to the second wave of the pandemic, the work of your governments, and the health care systems you are responsible for is more important than ever before. I can assure you that our industry remains committed to standing with you in this effort, working as a partner in the response to the most dangerous global health crisis in our lifetime.

In this spirit, I want to raise two issues created by the federal government that would touch provincial responsibility for the delivery of health care, but that will also have a negative impact on the patients in your province. Specifically, they are:

- Firstly, the federal government's ongoing interest in a national pharmacare plan presents a risk to the current system that benefits most Canadians. Your provinces have strong public plans available to all residents which are often used in combination with their private insurance coverage. We continue to be supportive of measures to help address affordability gaps but remain of the view that private plans are a necessary part of a sustainable public program. We are prepared to work with your governments, and the federal government, to ensure a system that meets the needs of all Canadians, including the un- or under-insured.
- Secondly, the federal government has stated clearly that it intends to proceed with the January 1, 2021 implementation of the Patented Medicine Prices Review Board's (PMPRB) amended Regulations and Guidelines. If implemented, these changes will have a negative impact on patients' access to new medicines, including, potentially, for COVID-19, to the number of clinical trials in your province, and to investment in your life sciences sector. In fact, the negative impact of these regulations is already being felt. Please see the attached document for more specific details on the impacts being felt in Canada.

Fortunately, there is still time for a better path forward. On behalf of our members, IMC has provided the federal government with an alternative approach that would help it achieve its public policy objectives without hurting patients, or the life sciences economy across the country. Our approach would lead to more than \$20 billion in savings for government and includes measures to address the need for a strategy for drugs for rare diseases. It also includes a commitment to invest \$1 billion in medicines and vaccines manufacturing and commercialization accelerator. Unfortunately, the federal government has disregarded the proposal in favour of the PMPRB changes.

With this in mind, we respectfully request that when you meet with Prime Minister Trudeau on December 10, you ask that the federal government pause the January 1, 2021 coming-into-force date of the PMPRB's amended Regulations and Guidelines until after the pandemic has passed so that we can focus on fighting



COVID-19, and create the time needed to chart a better path forward, that puts patients, the provinces and our life sciences sectors first.

I thank you for your consideration, your support of the life sciences sector, and your contribution to the fight against this devastating virus.

Sincerely,

Pamela C. Fralick
President