



WRITTEN SUBMISSION

ONTARIO GOVERNMENT 2023 PRE-BUDGET CONSULTATION

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## INTRODUCTION

Innovative Medicines Canada (IMC) is the national voice of Canada’s pharmaceutical industry representing 50 research-based companies. With an economic impact of \$15 B in Canada (\$8.5B in Ontario) and \$2B spent in R&D, the sector supports nearly 100,000 high value jobs with 58,000 of those jobs in Ontario.<sup>1</sup>

The sector is fully committed to collaborating with the federal and provincial government to build a thriving life sciences sector, one which will ensure patients’ access to the newest most innovative medicines, which will attract investment to Canada, foster innovation and contribute to domestic manufacturing capacity.

IMC is supportive of the patient-centric policies as outlined under ***Ontario’s Plan to Stay Open***. Specifically, IMC applauds the significant efforts and on-going announcements to preserve hospital capacity, provide the right-care in the right-place, reduce surgical waitlists, ease pressure on emergency departments and address Ontario’s health workforce.

Ensuring timely access and availability of innovative medicines and vaccines is a critical component. Not only will this support important provincial patient needs, it will also create an environment which is more open to future healthcare research and investment. To position Ontario as a leader in healthcare, IMC has a few recommendations.

## RECOMMENDATIONS

### 1. Implement “30-day listings”

Ontario represents the largest volume of Canadian patients subject to the terms of pan-Canadian Pharmaceutical Alliance (pCPA) negotiations. Patient access begins once a Product Listing Agreement (PLA) with the Ministry of Health to formally list a new treatment is completed. Canadians waited an average of 122 days for new drugs to be available to publicly insured patients after a completed pCPA negotiation (which took approximately 369 days for drugs which became available in 2021).<sup>2</sup> In 2021, Ontarians similarly waited on average 123 days for the province to implement a finalized pCPA negotiation (letter of intent to product listing agreement).<sup>3</sup> Quebec has a goal of listing within 30 days after a completed pCPA

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<sup>1</sup> Statistics Canada, 2022. [The Canadian Research and Development Pharmaceutical Sector, 2019.](#)

<sup>2</sup> Overall Canadian rates based on a conservative threshold of 50% of patients. Innovative Medicines Canada, 2022. [Public Reimbursement Timelines: A Pandemic Snapshot.](#)

<sup>3</sup> IMC analysis of IQVIA Public Reimbursement data.



negotiation. IMC commends the Ontario Drug Programs in pursuing a six-sigma initiative with the Lean & Continuous Improvement Office to reduce the red tape and bring medicines to patients after a pCPA negotiation is completed.

***IMC asks that there continue to be tangible improvements, which will yield important patient health benefits, and drugs be listed within 30 days of a pCPA negotiation.***

## **2. Modernize Public Access and Reimbursement Pathways for Ontario Patients**

New medicines aren't always available or accessible when Canadian patients need them. In fact, less than 20 percent of new medicines launched globally are available on Canadian public plans.<sup>1</sup> And for those that are, patients wait almost twice as long to access them compared to peer countries. As such, Canada ranks last in the G7 and 19<sup>th</sup> out of 20 when compared to peer OECD countries in the time it takes for public patients to access new medicines. Ontario patients wait an average of 704 days after health Canada's regulatory approval to gain public access to innovative medicines on public plans.<sup>4</sup> Without improved availability and timely access to new medicines, health and life sciences programs designed to help Ontarians will fail to attract investment, save money and most importantly – save lives. If Ontario can contribute to reducing Canada's total time to patient, this achievement will also create a more attractive destination for research investment, clinical trials and biomanufacturing.

***IMC requests that the government support an Accelerated Patient Access Program parallel to pCPA, so that once a drug has received a positive recommendation from the Canadian Agency for Drugs and Technologies in Health (CADTH), Ontario would reimburse the drug on a conditional basis while the pCPA negotiation is underway.***

***IMC also requests the government ensure the jurisdictional resources are in place to improve the pCPA office performance to align with their internal targets.***

## **3. Provide funding for diagnostic testing**

The 2022 government announcements to fund a number of cancer tests was welcome news for clinicians and patients since the next generation of cancer therapies will require significant enhancements in the province's genetic testing capabilities.

***The Ministry of Health should consider providing funding to establish a single-entry program for the prioritization and implementation of an advanced genetic (metabolic, cell-based, and***

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<sup>4</sup> Canadian Health Policy Institute (CHPI) (2022). Access to new medicines in Canada 2016-2021 Federal-provincial public drug programs and private sector drug plans. Canadian Health Policy, APR 2022.



*molecular) testing program for all eligible Ontario patients. (See IMC's [position](#) on precision medicines and diagnostic testing).*

#### **4. Accelerate work on Take-Home Cancer Drugs (THCD)**

Access to cancer treatment in hospital is seamless versus oral or THCD treatment. Ontario is one of a few provinces that does not have a program to fund THCD for patients.

***IMC commends the Government for announcing in the March 2022 Budget an Advisory Table to explore improvements to access THCD and urges the government to strike this Table.***

#### **5. Establish the Life Sciences Council**

IMC applauds the government's development of a Life Sciences Sector Strategy and commitment to establishing a Life Sciences Council. Importantly, the Council should encompass a whole-of-government approach working alongside industry leaders to co-create strategy priorities and public-private partnerships under Phase 2. Given IMC's broad experience and "know-how", we look forward to being an active member of the council and supporting the implementation of the strategy goals.

***IMC recommends the Ministry of Economic Development, Job Creation and Trade expedite the creation of the Life Sciences Council.***

#### **6. Continue to advocate for PMPRB pricing reforms consistent with mandate**

IMC welcomes the delay in the implementation of the draft PMPRB Guidelines. PMPRB is urged to meaningfully consult with industry, patient groups and other stakeholders to support sustainable access to lifesaving drugs and a thriving life sciences sector. Ontario and the provinces already have access to pCPA negotiated prices. Health Canada should ensure that PMPRB's regime is consistent with its lawful mandate as set out in recent judicial decisions.

***IMC asks that Ontario continue to play a leadership role within Canada, and work with other provinces and the federal government to ensure the pricing reforms do not jeopardize patient access to new medicines and Ontario's competitiveness as a global destination for clinical trials, research and development and manufacturing.***

## **CONCLUSION**

As the province develops its budget for 2023, we urge the government to implement these recommendations and endorse policies which support investment in innovative medicines and vaccines. By doing so, Ontario will:

- Help patients avoid illnesses, live longer, and enjoy a better quality of life;



- Improve efficiencies in healthcare spending and health human resources; and
- Foster a robust domestic life sciences sector, drive economic development, and create jobs.

For more information, please contact

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<sup>i</sup> [https://innovativemedicines.ca/wp-content/uploads/2022/10/20221007\\_FINAL\\_PreBudget\\_Consultation-1.pdf](https://innovativemedicines.ca/wp-content/uploads/2022/10/20221007_FINAL_PreBudget_Consultation-1.pdf)