



Federal/Provincial/Territorial Reports

The Federal/Provincial/Territorial (F/P/T) Task Force on Pharmaceutical Prices was established in 1996 to examine pharmaceutical pricing issues facing Canadians in general and provincial drug plans in particular. In March 1997, the Task Force prepared an overview paper which provided a description of the pharmaceutical sector in Canada and, importantly, posed a number of questions for future research and investigation.

These questions were taken up by the F/P/T Working Group on Drug Prices (WGDP). The WGDP has since produced numerous reports, which have been tabled with the F/P/T Conference of Deputy Ministers of Health and subsequently released. The reports were produced by the Patented Medicine Prices Review Board, under a Memorandum of Understanding with the Minister of Health, under the guidance and on behalf of the F/P/T Pharmaceutical Issues Committee.

The reports include detailed reporting of price and expenditure trends, price levels and cost drivers, within the six participating provincial drug plans: British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, and Nova Scotia. They are part of a step-wise investigative process intended to better understand the relative cost drivers in jurisdictions and, ultimately, the relative cost-effectiveness of drug products.

The analytical series examines a number of research and broad questions, including:

- < Why are pharmaceutical expenditures increasing so rapidly?
- < Is expenditure growth consistent across the country?
- < What are the main factors driving this growth?
- < Are there differences in the patterns of drug utilization across provinces?
- < How quickly do new medications penetrate the market in individual jurisdictions?
- < What is the expenditure impact of different approaches to covering newer medications on drug utilization and the therapeutic mix of products used?
- < What portion of the therapeutic market do newer products represent over time?
- < What are the inter-jurisdictional differences in the utilization of specific drug products?
- < At what rate have prices changed and what has been the impact of these changes on drug plan expenditures?
- < Do price trends differ by drug types? i.e., Do price trends detected in the patented sector differ from the non-patented multiple source medicines?
- < How do mark ups and dispensing fees compare across the country?

