

# PHARMACARE BRIEFING NOTE

## SEPTEMBER 2025

“Medicare saved my daughter. Pharmacare will keep her alive,” wrote Scott MacMillan, a father who watched his baby in diabetic ketoacidosis be airlifted from an emergency room in Fredericton to Halifax last year.

“Type 1 diabetes can cost up to \$18,306 per year out-of-pocket. Millions of Canadians ration insulin, cut pills in half or go without medication because they can’t afford it.”<sup>1</sup>

### What is the situation of prescription drugs in Canada?

In the Organization for Economic Co-operation and Development (OECD) countries that have a national public health care system, prescription drugs are an integral part of it. But not in Canada.

In Canada, we have 100 public drug plans and over 100,000 private plans.<sup>2</sup> We have provincial plans (seniors, children, social assistance recipients, etc.), but the majority of Canadians have to rely on individual private plans, workplace plans, or go without.

In Canada, 10.4 % of the population go without their medicine because of cost.<sup>3</sup>

Canada’s drug prices are the fourth highest among the OECD countries. The median price in the 11 countries that Canada is compared to is

15 per cent below the price of patented drugs in Canada. Canada’s high drug prices make medicine inaccessible to many people in Canada, making them sicker, more costly patients.<sup>4</sup>

### What is national universal pharmacare?

Pharmacare is Canada’s publicly funded insurance program for medications. On October 10, 2024, the *Pharmacare Act* became law in Canada.<sup>5</sup> The first phase of pharmacare sets out to provide universal, single-payer access to a range of contraception and diabetes medications.

Pharmacare rolled out in Prince Edward Island on May 1, 2025, and is helping diabetics manage blood sugars, preventing complications like blindness, kidney failure, heart attacks and strokes. It’s giving people reproductive choice and coverage to treat conditions like endometriosis.

The Federal Health Minister has been tasked with working with provinces and territories to achieve bilateral pharmacare agreements. Prince Edward Island, British Columbia, Manitoba and Yukon have all signed pharmacare agreements that cover contraceptives, diabetes medication and in some cases hormone therapies.

According to federal government projections, when pharmacare is fully implemented, 9 million people will benefit from improved access to contraception, and 3.7 million people living with diabetes will have access to a range of medications to improve their quality of life. \$1.5 billion over five years was earmarked for pharmacare in the 2024 federal budget. The agreement with New Brunswick is estimated to be worth \$136 million.<sup>6</sup>

1 MacMillan, S. (2025, April 11). *My baby girl almost died. That’s why national pharmacare will decide my vote.* CBC.

2 Hoskins, E. (2019, June). *A Prescription for Canada: Achieving Pharmacare for All. Final Report of the Advisory Council on the Implementation of National Pharmacare.* Government of Canada.

3 Gagnon, M-A. (2024, Nov. 27). *Pharmacare and Access to Medicines in Canada: Is Bill C-64 a Step in the Right Directions?* Perspectives.

4 Lexchin, J. (2025, July 24). *Canada’s new drug pricing guidelines are industry-friendly.* The Conversation.

5 *Bill C-64 – An Act Respecting Pharmacare.*

Before last October, Canada was the only country with a comparable public health care system that did not cover medicine. Former Ontario Health Minister Dr. Eric Hoskins wrote the pharmacare blueprint.<sup>7</sup> It makes the moral and economic case for pharmacare. **Pharmacare not only saves money. It saves lives.**

Prior to 2024 provincial election, the Liberal Party of New Brunswick committed to “making contraception free to ensure women have more choice with their reproductive health care.”<sup>8</sup>

## What do we want?

We want our provincial government to negotiate a pharmacare agreement with the federal government. Prince Edward Island, British Columbia, Manitoba and Yukon have all signed pharmacare agreements that cover contraceptives, diabetes medication and in some cases hormone therapies. We ask the government of New Brunswick to consult with us, as key stakeholders, coalitions of health care workers and patient advocates, on pharmacare plans.

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## WHY IS PHARMACARE IMPORTANT FOR NEW BRUNSWICKERS?

### New Brunswickers are not taking their medicine due to costs

Compared to the rest of Canada, more New Brunswickers are not taking their medicine as prescribed, according to an [Environics Poll](#) commissioned by the Canadian Health Coalition.

Of the New Brunswickers surveyed in a 2024 Environics poll<sup>9</sup>:

- 24 % said they are not filling/renewing a prescription, or they are making it last longer (e.g., skipping doses, splitting pills) due to cost – the highest in Canada.
- 27 % said they hesitated about quitting/ changing jobs because of worries about losing prescription drug coverage – the highest in Canada.
- 56 % said not being able to afford their prescription drugs or medical devices was a health care concern.

### New Brunswickers support pharmacare

According to the same Environics poll:

- 81 % said they supported the first step of the federal government’s pharmacare program and that they wanted pharmacare expanded to include more drugs.
- 21 % said they or someone in their household would personally benefit from pharmacare.

6 Staples, S. (2025, July 17). [Most provinces are refusing hundreds of millions in federal pharmacare funding](#). Canadian Centre for Policy Alternatives.

7 Hoskins, E. (2019, June). [A Prescription for Canada: Achieving Pharmacare for All. Final Report of the Advisory Council on the Implementation of National Pharmacare](#). Government of Canada.

8 Liberal Party of New Brunswick. (2024, October 11). [Holt Government to Invest in Women’s Healthcare](#).

9 Environics. (2024, July). [Attitudes Towards Health Care](#). Summary Report. Commissioned by the Canadian Health Coalition.

## PERSONAL HEALTH CARE EXPERIENCES

In the past year, have you or anyone in your household experienced any of the following?

	TOTAL CANADA (n=2,125)	Newfoundland and Labrador (n=84)	Nova Scotia (n=164)	New Brunswick (n=151)	Quebec (n=401)	Ontario (n=500)	Manitoba (n=154)	Saskatchewan (n=154)	Alberta (n=234)	British Columbia (n=264)
Hesitated about quitting / changing jobs because of worries about losing prescription drug coverage	19%	15%	22%	27%	14%	21%	18%	23%	21%	16%
Not filling / renewing a prescription, or make it last longer (e.g., skip dose, split pills) due to cost	18%	22%	21%	24%	18%	18%	21%	22%	18%	15%

CREDIT : ENVIRONICS RESEARCH, JULY 2024

### Indigenous people, immigrants and racialized people are especially disadvantaged by no pharmacare

Racialized Canadians are less likely to have employment-based drug coverage.<sup>10</sup> Structural racism and implicit biases affect racialized people's access to medicine.<sup>11</sup>

### Skipping medications harms the patient and costs the health care system more

Skipping medications leads to more ER visits, costly hospital stays, longer waiting periods, and worse patient health outcomes. Drug coverage can save doctor's time and ease their administrative burden and paperwork, allowing them to focus on patient care.<sup>12</sup>

10 Cortes, K. and Smith, L. (2024). [Pharmaceutical access and use during the pandemic](#). Statistics Canada.

11 Moscou, K., Bhagaloo, A., Onilude, Y., Zaman, I., & Said, A. (2024). Broken promises: Racism and access to medicines in Canada. *Journal of Racial and Ethnic Health Disparities*, 11(3), 1182-1198.

12 Hoskins, E. (2019, June). [A Prescription for Canada: Achieving Pharmacare for All](#). Final Report of the Advisory Council on the Implementation of National Pharmacare. Government of Canada.

13 Ibid.

# MYTHS VS REALITY

## MYTH 1: Pharmacare is too expensive

**Reality:** Pharmacare will save us money.<sup>13</sup>

There are economies of scale in bulk-buying medications, and universal pharmacare is designed to take advantage of lower costs that come with bulk-buying power. Additional savings for provincial health care budgets will be realized through increased medication adherence by patients, reducing the demand for more costly treatment of preventative conditions.<sup>14</sup>

## MYTH 2: Pharmacare will harm existing drug coverage

**Reality:** Pharmacare will not harm anyone's drug plans. People have a choice over which drug plan they wish to use. Private drug plans are also inadequate. The patchwork of drug plans that exist come with eligibility criteria or upfront costs that make medicine inaccessible to many. Workplace benefits do not cover everyone, and exclude those experiencing unemployment, disproportionately affecting certain populations, including racialized communities.<sup>15</sup>

## MYTH 3: Pharmacare will reduce the choice of drugs

**Reality:** Public and private drug plans have a list of drugs eligible for coverage. With pharmacare, people will continue to have the choice of which drugs they wish to access. Pharmacare does not stop anyone from buying a more expensive drug, but it does allow for free medicine for those who cannot afford to buy medicines. Also, a private

drug plan is not a guarantee of unlimited drug choice. Many private plans are reducing the list of eligible drugs they cover, raising premiums or co-payments, and reducing benefits, in response to soaring drug costs.

## MYTH 4: Canadian drug prices are relatively cheap

**Reality:** According to expert Dr. Joel Lexchin, Canada's drug prices are the fourth highest in the OECD nations and prices could soar with reduced powers of the Patented Medicines Prices Review Board.<sup>16</sup> When comparing drug prices internationally, the PMPRB uses "list" prices. Drug prices are negotiated between sellers and purchasers and is not transparent. Drug manufacturers offer purchasers confidential discounts in exchange for listing their drugs. Pharmacare would allow for bulk purchasing of medications, significantly reducing costs for governments and individuals.

## MYTH 5: Pharmacare will result in less pharmaceutical industry investment in Canada

**Reality:** Research and development expenditures in Canada are relatively low compared to other OECD nations.<sup>17</sup> The location of head offices, trial infrastructure and scientific clusters are shown to determine investment. There is no evidence that pharmaceutical manufacturers choose not to market drugs in Canada because of regulation or pricing policies. In fact, we need more regulation and lower drug prices.<sup>18</sup>

14 Persaud N, Bedard M, Boozary A, et al. Effect of Free Medicine Distribution on Health Care Costs in Canada Over 3 Years: A Secondary Analysis of the CLEAN Meds Randomized Clinical Trial. JAMA Health Forum. 2023;4(5):e231127.

15 Cortes, K. and Smith, L. (2024). Pharmaceutical access and use during the pandemic. Statistics Canada.

16 Lexchin, J. (2025, July 24). Canada's new drug pricing guidelines are industry-friendly. The Conversation.

17 Government of Canada. (2021). Pharmaceutical research and development (R&D) investment and number of clinical trials in Canada.

18 Boothe, K. (2018). Debunking the myths about a Canadian pharmacare program. The Conversation.