

Provincial Drug Coverage for Vulnerable Canadians

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Access to pharmaceuticals is a critical component of a properly functioning health care system. The reality that some Canadians have difficulty paying for their medications, combined with unqualified claims regarding Canada's approach towards drug coverage compared to its international peers has led to a perception that governments in Canada do not currently help Canadians—particularly vulnerable populations—pay for their prescription medications. Given the increasing importance and prominence of this public policy issue, an accurate understanding of existing provincial programs is critical.

First and perhaps most critically, a review of provincial drug plans finds extensive coverage for lower-income Canadians. Provinces, of course, differ with regards to their approach towards both general coverage and shared costs as well as how to support vulnerable groups like lower-income Canadians.

For example, British Columbia's Fair PharmaCare plan, the province's main drug coverage program, covers 70 percent of the cost of eligible prescription drugs for families with a net income less than \$15,000. Once a family has spent approximately 2 percent of their net income on drugs or related costs, the province pays for 100 percent of any subsequent costs for the rest of the year. The province offers coverage to families with higher incomes but requires them to first pay out-of-pocket for their drug costs (up to 2–3 percent of their income) before any provincial coverage kicks-in.

In Alberta, families (with children) earning less than \$39,250 can access the province's Non-Group coverage plan by paying a monthly premium of \$82.60. Prescription drugs covered under the program are subject to a 30 percent co-payment up to a maximum of \$25 per prescription. Higher-income families in Alberta can also access this program but with higher premiums. Lower-income Alberta families as well as a number of additional covered circumstances such as pregnancy, high ongoing prescription needs, and disability are exempted from premiums and any co-payments for many prescription drugs as well as some over-the-counter products. For example, a single parent with one child in Alberta with income less than approximately \$26,000 would be exempt from the premium and co-pays under the Adult Health Benefit.

