

DEC 7 2014

Minister of Health



Ministre de la Santé

Ottawa, Canada K1A 0K9

File #C14-017

DEC - 3 2014

His Worship Robert Bratina
Mayor of the City of Hamilton
71 Main Street West, 2nd Floor
Hamilton, Ontario L8P 4Y5

Dear Mr. Mayor:

Thank you for your letter of September 30, 2014, concerning the approval of the Canadian Medical Association's (CMA) proposal for provincially supported universal drug programs.

Our government recognizes the importance of affordable access to drug therapies as part of a quality healthcare system. Pharmaceuticals are a shared responsibility between the federal, provincial and territorial governments, and there are several important ways that the respective governments take action on ensuring affordable access to pharmaceuticals.

The federal government regulates the price of patented drugs in Canada through the Patented Medicine Prices Review Board, ensuring that prices are not excessive. Health Canada is responsible for assessing the safety, efficacy and quality of drugs approved for sale in Canada, and for monitoring the post-market safety of these drugs. In the near future, Health Canada will implement a new Orphan Drug Framework which will improve the availability of drugs for patients with rare diseases.

Through the Canada Health Transfer, the Government of Canada also provides significant funds to the provinces and territories, which in turn are responsible for healthcare delivery, including the determination of drug coverage for their eligible populations.

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Additionally, the federal, provincial and territorial governments (except Quebec) jointly fund the Canadian Agency for Drugs and Technologies in Health's Common Drug Review (CDR), which evaluates the clinical and cost-effectiveness of medications and considers patient input before it makes listing recommendations to the public drug plans. The plan managers use the CDR recommendations to guide drug listing decisions, and the Pan-Canadian Pricing Alliance uses the information in price negotiations.

Recently, the Pan-Canadian Pricing Alliance announced preferred price agreements for a number of branded and generic drugs. Health Canada is in discussions with the Alliance to explore ways that federal drug plans could participate in joint drug price negotiations. Combining the buying power of the federal, provincial and territorial jurisdictions will help achieve greater value for all publicly funded drug programs and patients.

Our government will continue to seek opportunities to work with its provincial and territorial counterparts to strengthen our healthcare system.

Thank you for writing.

Yours sincerely,

A handwritten signature in black ink that reads "Rona Ambrose". The signature is written in a cursive, flowing style.

The Hon. Rona Ambrose, P.C., M.P.