



April 30, 2021

Government of New Brunswick

By email: healthplansante@gnb.ca

To whom it may concern,

Re: Consultation on *Striving for Dependable Public Health Care 2021*

On behalf of the Canadian Life and Health Insurance Association (CLHIA), we are pleased to have the opportunity to provide our comments on the consultation *Striving for Dependable Public Health Care 2021*.

The CLHIA is a voluntary trade association with member companies that account for 99 per cent of Canada's life and health insurance business. In 2019 the life and health insurance industry provided approximately 530,000 New Brunswick residents with supplementary health benefit coverage and reimbursed roughly \$849 million for healthcare goods and services, including prescription drugs, dental, mental health services, nursing, hospital and vision care.

Background

We commend the New Brunswick government for building a five-year provincial health plan that supports a health-care system that is responsive to the needs of patients, providers, and communities now and into the future. As part of this review, you are seeking input from New Brunswickers as well as stakeholders such as CLHIA.

Recommendations

The area of focus on **affordable prescription drugs** is of keen interest to private plans today. All Canadians should have access to affordable prescription medicines regardless of where they live. Canada's life and health insurers play an important role in providing prescription drug coverage to Canadians. Life and health insurers provide more than 26 million Canadians with access to a wide range of prescription drugs and other health supports through extended health care plans.

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The industry believes that there are three key elements that any reform of the prescription drug system must embody. These include:

Protecting and enhancing existing health benefit plans

Today, life and health insurers work together with employers to offer access to a wide variety of prescription drugs through employer sponsored benefit plans. New Brunswick residents value their benefit plans that provide them with access to a wide variety of health services, including prescription medicines, vision care, dental care, and mental health supports. These services both treat illness and contribute to overall wellness for the residents of New Brunswick.

With COVID-19, employers have faced increasing pressure and life and health insurers have stepped up to help them maintain, and in some cases augment, their health benefit programs through premium reductions and deferrals. Working together with all levels of government we will continue to help maintain benefits for workers in New Brunswick and across the country. Workplace plans have shown remarkable resilience, with industry-wide data collected by the CLHIA showing that 98.5 per cent of the 26 million Canadians who had extended health benefits at the beginning of March continued to have coverage in December.

Drug coverage for everyone

The discussion paper mentions that in New Brunswick, approximately 20 per cent of the population has neither public nor private coverage. It is important to identify these individuals along with those who are underinsured and have to pay excessive out-of-pocket costs. As actions are put in place to achieve sustainability of the public drug plan, savings may be directed at providing coverage to the uninsured and underinsured.

The industry believes that federal, provincial and territorial governments and private insurers should work together to develop a standard list of medicines that all Canadians can access regardless of where they live or whether they have workplace benefits. Private insurers want to work with governments to ensure access across the country not only to this standard list of medicines but also to high cost medicines used to treat chronic and rare diseases.

Governments should work together to make sure anyone who needs coverage can get it while ensuring that out-of-pocket costs are not a barrier. Canadians need to be better able to navigate existing public plans so that they can access the coverage they are entitled to. We recommend that all Canadians be covered through a plan offered either by an employer, union, or other professional organization or by the government. This would address access issues, ensure that Canadians with existing plans do not see their coverage reduced while also using public funds in the most efficient and effective way.

Ensuring affordability for consumers and taxpayers

We know Canadians pay some of the highest prescription drug costs in the world. We believe that meaningful reductions in prescription drug prices and improving access for all New Brunswick residents can be achieved today by working within our current system. For instance, specialty drugs, including those used to treat chronic and rare diseases, accounted for just two per cent of total prescription claims in 2019 but made up 33 per cent of the costs. High-cost drugs are a challenging and evolving class of prescription drugs. Their unique characteristics and high costs may require a separate strategy around coverage in order to ensure that Canadians have access – for example, by harmonizing catastrophic drug coverage across the country.

Federal, provincial, and territorial governments need to work together, along with private insurers, to find the best way to increase access to high cost medications in a fiscally sustainable way. The life and health insurance industry looks forward to working with the federal government through their consultation process as they develop a strategy for high cost drugs for rare diseases.

The Canadian life and health insurance industry strongly supports the federal Patented Medicine Prices Review Board (PMPRB) reforms which were to be implemented on July 1, 2020 but which have been delayed until July 2021.

The life and health insurance industry has participated in consultations with provinces on the supplemental process for expensive drugs for rare diseases (EDRDs), as well as the recent federal consultation. We hope to work together with you to establish affordable access to medicines for rare disease patients.

Addressing Objective 3, **improve addiction and mental health outcomes**, employers, through group benefit plans offered by insurers frequently offer a number of options to access mental health treatment. Employee Assistance Programs (EAP) are typically offered as a starting point or entry pathway to treatment. In addition, a sum of money is generally offered for the services of regulated mental health providers such as psychologists, psychotherapists and social workers. Many employers also offer the additional benefit of access to cognitive behavioural therapy (iCBT) virtually through organizations that specialize in this area.

With that in mind, the industry would be pleased to provide further information to assist with planning as New Brunswick looks to offering a pathway to stepped mental health care (appropriate care provided at the appropriate stage) for the uninsured and the underinsured including implementing the measurements of success indicated in your review.

Another focus of the review is the **delivery of services virtually**. Technology has developed to the point where a number of treatments and services can be delivered on-line, including cognitive behavioural therapy (CBT) and other mental health treatment, access to apps hosting virtual healthcare visits for treating minor ailments, as well as the development of

custom physiotherapy programs monitored virtually. The industry has experience in this area many private insurers have embraced virtual services to assist with increased access to care across Canada.

This became increasingly important over the last year given COVID restrictions. At the start of the pandemic, insurers were quick to modify their claims processes in order to allow plan members to be reimbursed for virtual services provided by regulated health professionals. Assessments, coaching and rehabilitation programs were just a few programs to move online. As scopes of practices of other practitioners were revised to include online care, insurers adapted to this change.

Thank you for the opportunity to provide comments on behalf of the insurance industry. We would be pleased to discuss further or provide any other information as needed. Please feel free to contact me at jweir@clhia.ca or 416-359-2003.

Sincerely,

Signed by Joan Weir

Joan Weir
Director, Health and Disability Policy