

## Response to the New Brunswick Drug Plan

The New Brunswick Nurses Union (NBNU) is pleased to see the Government of New Brunswick announce it will be rolling out a prescription drug plan to cover uninsured New Brunswickers. NBNU believes this plan is an important first step in improving the ability of citizens to manage their health and congratulates the government for making accessible catastrophic drugs and other medications for serious illness a priority. We encourage government to consider beginning the first phase of the plan earlier than May, 2014, so that those who wish to enroll during the voluntary period need not wait. The sooner people no longer need to rely on hospitalization or social assistance to receive the medication they need, the sooner higher costs associated to the health care and social systems can be saved.

NBNU is keen to see how the plan will operate in practice, as we are concerned that while the proposed details are a good start, the plan still has gaps to be filled and will require additional measures to be truly comprehensive. There are exclusions in the formulary, such as smoking cessation products, medical equipment and prostheses, as well as many unlisted medications which could further improve citizen health and reduce healthcare costs. The limitations of the formulary may also prove problematic for individuals who have allergic or other adverse reactions to the drugs that are covered.

Setting premiums on a sliding scale based on income is a measure NBNU believes is key to ensure the plan is affordable and we appreciate that government has chosen this strategy. However, the additional cost of co-pays may become onerous for individuals and families with modest incomes that are not quite low enough to qualify for subsidies. While the increased participation in the plan (once it becomes mandatory) is expected to allow for a reduction in fees, without knowing what the eventual cost will be, we remain cautiously optimistic as to the overall affordability and fairness of the plan.

Employers can benefit from the drug plan through improved employee wellbeing and a reduction in absenteeism. Given this, they have a responsibility to share in covering the cost of the plan. However, if employer rates are not scaled to be affordable for small businesses this could create an unfair burden on them and subsequently harm the local economy. Rates for both employers, individuals and families must be set so that responsibility for subsidizing prescription drugs for those in need does not fall disproportionately on the shoulders of the working class or small business owners. Employers with higher revenues should be paying higher rates, just as higher income individuals and families will be.

NBNU would like to see government build its own ability and expertise to administer the plan, as opposed to contracting this work out to a private insurance company. If government develops capacity to administer the plan, it could do so on a non-profit basis. Without a private company taking a portion of the revenue generated through the implementation of the plan as profits, the plan could be administered more affordably and sustainably.

The introduction of this plan is an improvement to the current system which has approximately 70,000 New Brunswick families living with no drug coverage at all. NB was the last remaining province to implement some form of catastrophic drug coverage. However, NBNU believes there must be measures put in place to improve equity and cost-containment of the current proposal. It is also our recommendation that the province urge the Federal Government to take a leadership role in developing a national prescription drug plan by sharing responsibility

amongst the provinces. This would help to ensure that the medication needs of all Canadians citizens were met.