

July 11, 2008

Helen Stevenson, Assistant Deputy Minister and Executive Officer
Ontario Public Drug Programs
80 Grosvenor Street
9th Floor, Hepburn Block
Toronto Ontario, M7A 1R3

Dear Ms. Stevenson:

The Canadian Association of Chain Drug Stores (CACDS), the Ontario Pharmacists' Association (OPA) and the Independent Pharmacists' Association of Ontario (IPO) acknowledge and support the intent of the Government of Ontario to move toward a transparent, sustainable and accessible drug system for the residents of Ontario and seek to work collaboratively with the Ontario Public Drug Program (OPDP) to help the Ministry achieve its goals. However, we strongly recommend that you delay moving forward with the introduction of a process for Competitive Agreements in Ontario, based on the following concerns:

- In the absence of a consultative process or adequate time for evaluation the MOHLTC has developed a framework which could negatively affect patient care, and is missing key information that has led to an incorrect assumption that the proposed framework will be revenue neutral for community pharmacy.
- Ministry's lack of understanding of the significant funding gap that already exists between community pharmacy costs and funding by the OPDP. The results of the *Costs of Community Pharmacy Services Study* will be unveiled to the Ministry on July 25th and are critical to your understanding of the economics of pharmacy.
- In spite of assurances that pharmacy reimbursement would remain whole, the formula for the calculation of the maximum amount of professional allowances to be received indicates otherwise.
- An inability of pharmacy to accurately calculate, for the purposes of this submission, a financial assessment of the impact of competitive agreements on the four molecules identified for "Wave 1".

You will find further details of our concerns in the attached submission. In the meantime, we ask that you to delay the process to allow pharmacy and other stakeholders the opportunity to work with you, through a true consultative approach and with collaborative discussions, to fully assess the potential impact of the proposed framework. We would also like to discuss alternate means to help the Ministry achieve its objectives without significant negative consequences to patients, community pharmacy, manufacturers, and in the medium to long term, the health care system.

Sincerely,



Nadine Saby
President and Chief Executive Officer
Canadian Association of Chain Drug Stores



Ben Shenouda
President
Independent Pharmacists Association of Ontario



Denis Darby
Chief Executive Officer
Ontario Pharmacists Association

c.c.: Mr. Ron Sapsford, Deputy Minister, MOHLTC