

pCPA Update

Session for Patient & Caregiver Groups

June 16, 2015



Agenda

1. Welcome & Introductions
2. Update on stakeholder engagement
3. Update on progress of the pCPA
4. Share proposed mission, mandate of the Office
5. Share proposed guiding principles for the pCPA process
6. Share proposed governance structure of pCPA & Office
7. Consult on 2 key issues
8. Q&A Session

Evolution of P/T Collaboration on Pharmaceuticals

Brand: Pan-Canadian
Pricing Alliance

Announced by Premiers
in August 2010

- Goals – to negotiate collectively to:
 - Increase access to drugs
 - Improve consistency of decisions
 - Achieve consistent and lower drug costs
 - Reduce duplication & improve use of resources

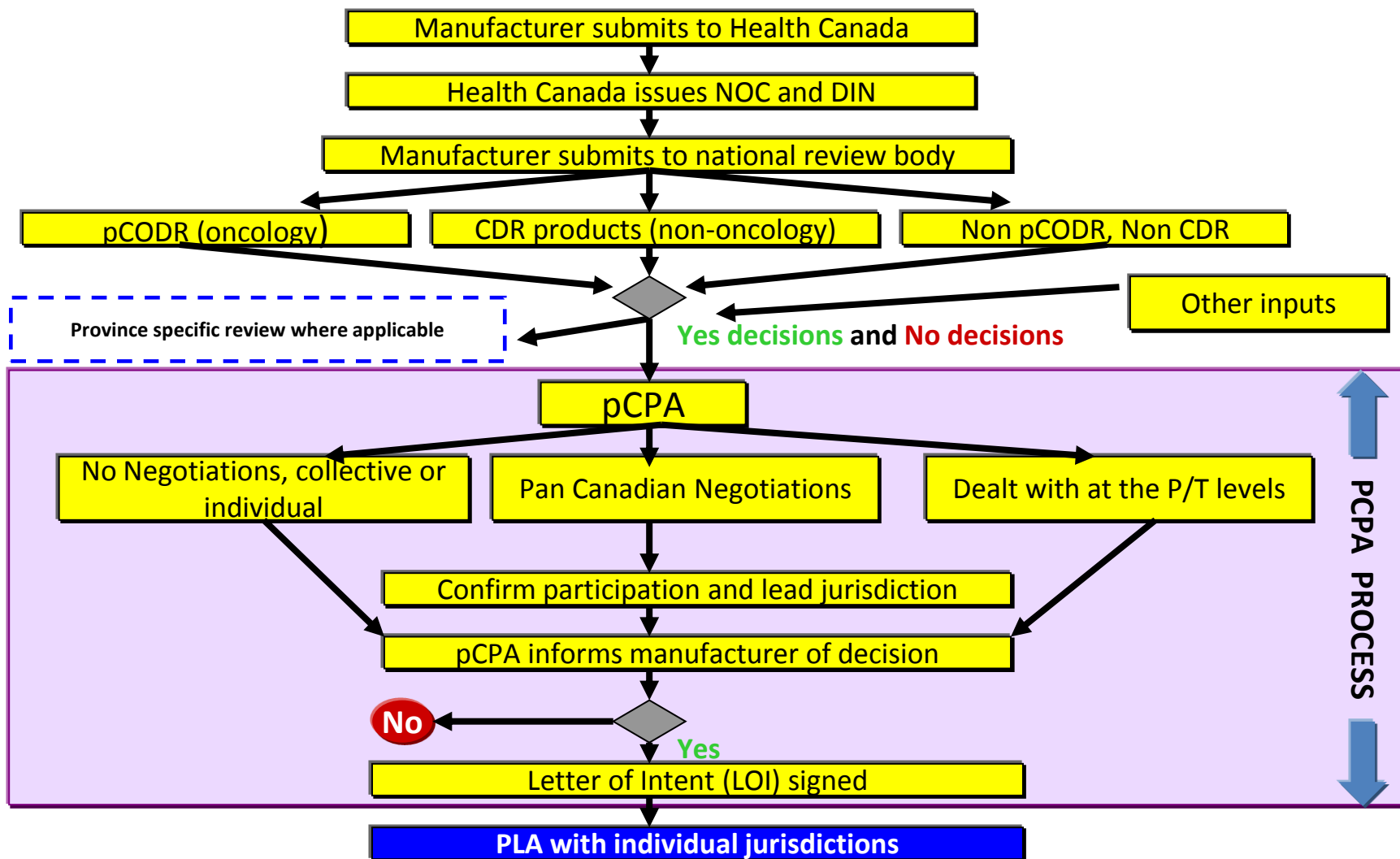
Generic Value Price
Initiative

Announced by Premiers
in July 2012

- Goals:
 - Achieve better prices for generic drugs
 - Improve consistency in pricing and approach

Now collectively referred to as the pan-Canadian Pharmaceutical Alliance

Scope of pCPA Process



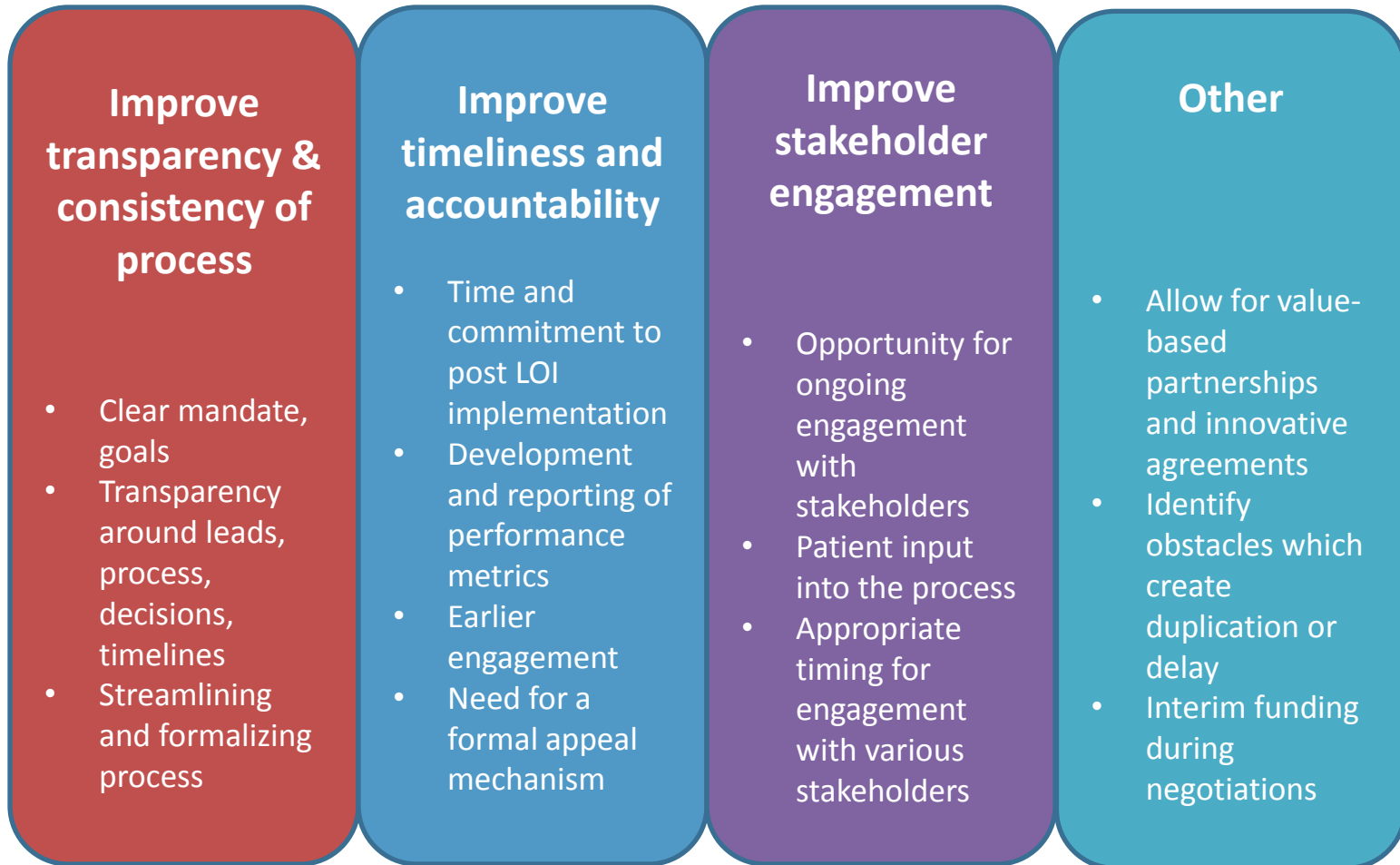
pCPA

Stakeholder engagement

Stakeholder Engagement

- IBM Consultation:
 - In-person sessions and interviews with over 20 stakeholder groups
 - Written feedback invited through IBM consultations: 20 responses
- Numerous individual meetings held between drug plan staff, Senior Executives and stakeholders
- Since Health Ministers announced the establishment of the Office of the pCPA (Oct 2014):
 - Feedback solicited through pCPA webpage: 10 responses
 - Over 20 presentations and interviews to public forums by co-lead jurisdictions

Themes of Stakeholder Feedback



Approach to addressing key challenges

Office of the pCPA: establishes dedicated resources to work towards addressing, where possible, the challenges raised below

Improve transparency and consistency of process

- Website launched
- Monthly updates on status of negotiations
- Transparency and consistency incorporated into proposed guiding principles
- Office key deliverables: Development of 'Playbook' and formal process, best practices, standardization of process & tools, negotiation support

Improve timeliness and accountability

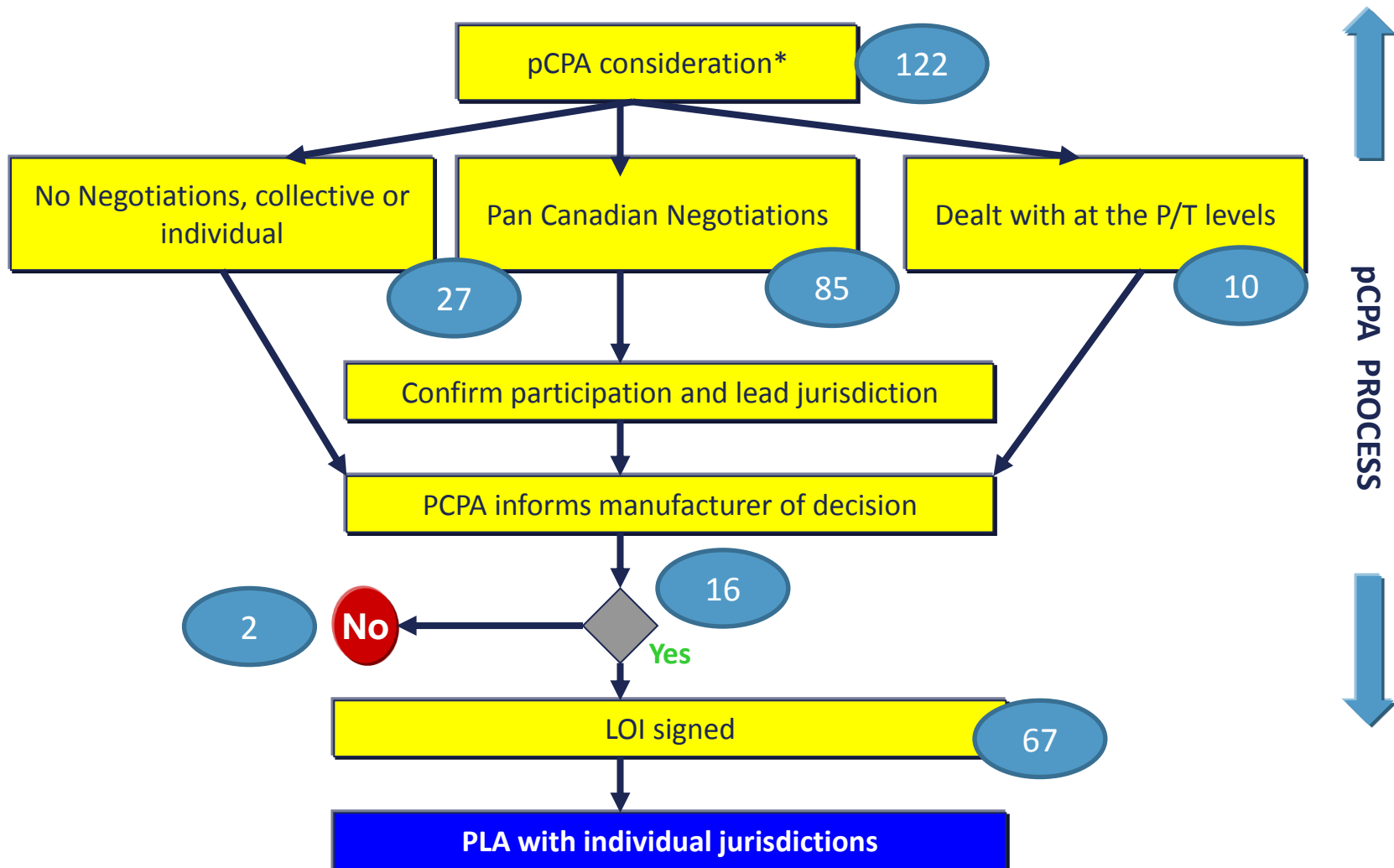
- Areas identified for input from Senior Executives of pCPA: framework/principles/accountability
- Stakeholder sessions in fall to focus on co-development of performance metrics
- Development of governance structure

Improve stakeholder engagement

- Increase in stakeholder engagement over last 6 months
- June sessions (today)
- Commitment to round-table sessions in Fall 2015 once Office is staffed.
- Office deliverable: Stakeholder engagement plan including determining appropriate avenue for ongoing stakeholder engagement

pCPA Progress

pCPA Brand Initiative



*as of April 30, 2015

pCPA Generic Initiative

- Implemented a tiered pricing framework for generic drugs
- Established a central price-submission process in SK to be transitioned to pCPA Office
- As of May 21, 2015, 99 price submissions have been actioned through the central process
- Continue to work on implementation issues, develop key performance indicators and plan for framework evaluation

Establishment of the Office

- Hiring underway with job postings for all (5) Office FTEs
- Space secured for Office staff
- Transition team leading development of:
 - Guiding principles for pCPA process
 - Mandate and Mission of the Office
 - Governance structure for pCPA & Office
 - Initial stakeholder engagement sessions (today)
 - Phased implementation approach to the Office's mandate
- Negotiations continue while these activities are underway

pCPA Office

Proposed Mission, Mandate, Guiding Principles, Governance

pCPA Office: Mission & Mandate

Mission:

Driving collective pCPA success through achievement of value-driven, effectively communicated and evaluated outcomes

Mandate:

Providing leadership and operational excellence to participating public drug plans to collectively achieve the objectives of the pan-Canadian Pharmaceutical Alliance

Guiding Principles for the pCPA process

Holistic: consideration of value from multiple perspectives

Predictable: communication of process, timelines, participation, decision making

Consistent: consistent process & approach, recognizing unique nature of negotiations

Transparent: timely and regular public reporting

Efficient & Effective: reduce duplication and align with current national HTA review

Collaborative and representative: cross-jurisdictional engagement with stakeholders

Respectful: Recognition of different perspectives and needs amongst stakeholders

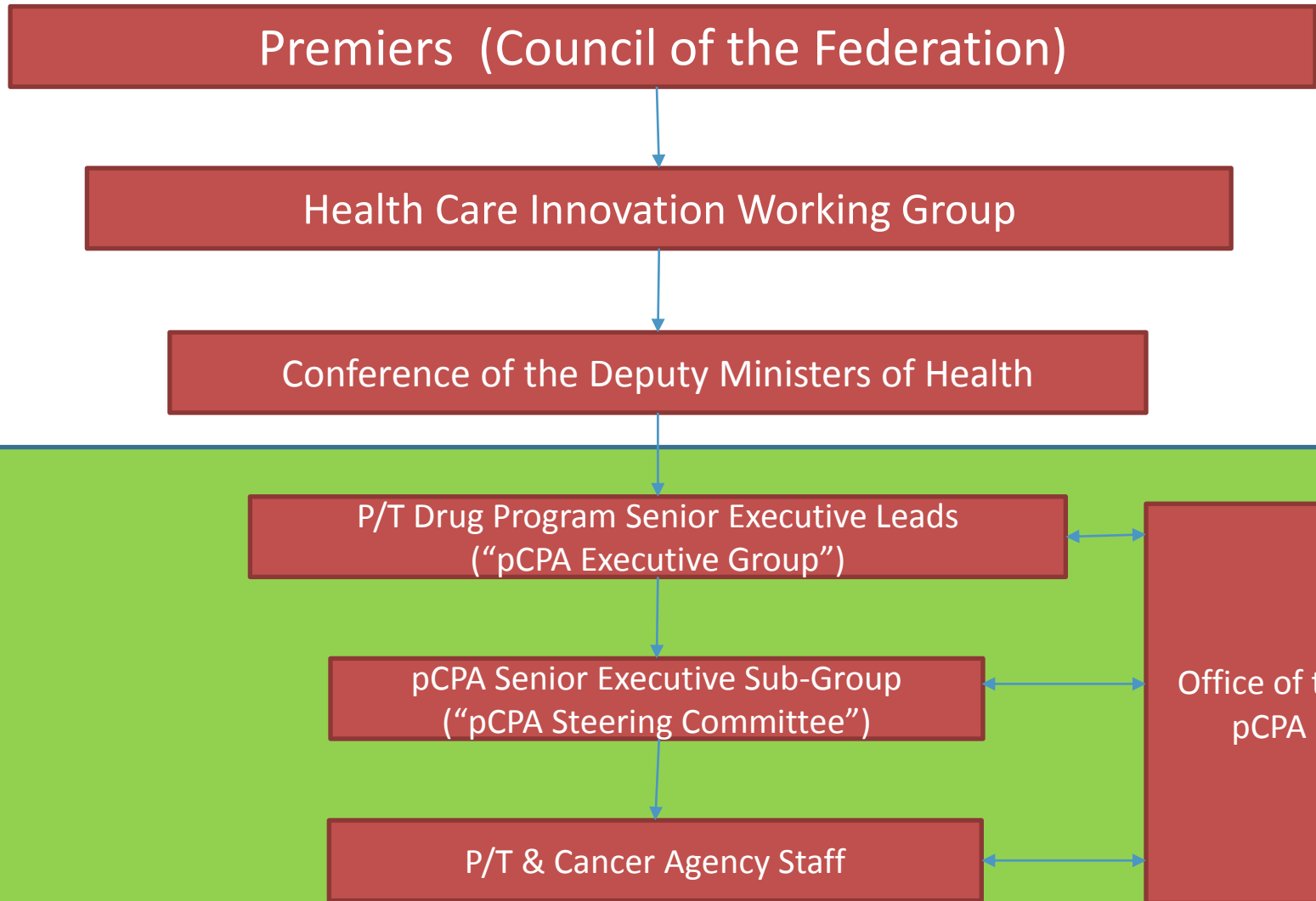
Ethical: reflect ethical principles such as validity, veracity and autonomy

Value-driven: achieving value for the health care system

Delivering on our Mission & Mandate

1. Leadership
2. Negotiation Expertise
3. Centralized support for generics initiatives
4. Communications
5. Quality
6. Strategic linkages
7. Support pCPA Steering Committee and Executive Leadership Team
8. Standardization
9. Monitoring, performance benchmarking and reporting
10. Negotiation, analytical and administrative support

pCPA - Governance Structure



pCPA Governance: Authority

The pCPA operates under the authority of the **Council of the Federation’s Health Care Innovation Working Group.**

- The Conference of Deputy Ministers of Health has *delegated* the strategic and operational responsibility for the pCPA to the P/T Drug Program Senior Executive Leads (“ADM Table”) from each participating jurisdiction.
- This group proposed to be known as the **pCPA Executive Group**

pCPA Governance: Executive Group

- The pCPA Executive Group includes the Drug Program Senior Executive Lead from each participating jurisdiction; due to differing P/T structures, may include ADMs, Executive Directors, Directors and Managers.
- Will meet up to twice annually and on an “as-needed” basis to provide strategic guidance through the pCPA Steering Committee and where applicable, through the Drug Plan Directors and Staff.

pCPA Governance: Steering Committee

- A sub-set (4 or 5 members) of the pCPA Executive Group will assume responsibility for directing and supporting pCPA initiatives; this group is to be known as the pCPA Steering Committee.
- Will meet quarterly and on an “as-needed” basis to provide general oversight, direction and executive-level support for the pCPA initiatives.

pCPA Office: Operational Governance

- The pCPA Office is NOT a decision making authority but provides administrative, analytical, negotiations, measurement, policy and communications support to pCPA participating jurisdictions.
- The pCPA Office Manager is the “public face” of pCPA, liaises with a variety of “internal” and “external” stakeholder groups and reports:
 - Functionally to the Director, Drug Program Services - Ontario MOHLTC
 - Operationally to the pCPA Steering Committee

pCPA

Consultation on key issues

Key issue #1: Transparency

Issue: Improving transparency of the process

Questions:

1. What parts of the process should be transparent?
2. How can industry improve the transparency in their part of the process?
3. Are there other suggestions for ways to improve transparency recognizing confidential nature of individual negotiations?

Key issue #2: Patient Input

Issue: Patient groups have indicated their desire to have patient input incorporated into the pCPA process and to have a “seat at the table”

Questions:

1. How do you think patient input can be incorporated into the pCPA process in a meaningful way, keeping in mind timelines and confidentiality of individual negotiations?
2. How would this input differ from that given during the HTA patient input process?

Q&A Session

