



November 27, 2019

Ministry of Health
Drugs and Devices Division
5700 Yonge St., 3rd Floor
Toronto ON M2M 4K5
Sent via email

Re: O. Reg. 201/96, Ontario Drug Benefit Act 'Improving Value of Pharmacy Payments'

On behalf of the Canadian life and health insurance industry, I would like to thank you for the opportunity to provide input into the proposed regulatory changes identified on October 28, 2019, which are meant to replace the tiered mark-up and MedsCheck budget proposals with a time-limited (until March 31, 2023) reconciliation adjustment process.

The CLHIA is a voluntary trade association with member companies that account for 99 percent of Canada's life and health insurance business. In Ontario, at the end of 2017, the health insurance industry provided 9.8 million Ontarians with extended health care coverage and made payments of \$5.1 billion in prescription drug benefits. Private drugs plan accounted for over 35% of the spending on prescription drugs in Ontario.

While we expect that the proposed changes will have no impact on private drug plans, we are cautious about the potential for unintended consequences when public plans reduce spending significantly and encourage the provincial government to engage CLHIA in the discussion as you look to implementation.

We remain available to assist as needed as you move forward with this proposal.

Yours sincerely,

Original signed by

Joan Weir
Director, Health and Disability Policy

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