

Biosimilars' pricing policies in Canada: A new challenge to provincial governments

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Ageing population, rising health care expectations and now, new-marketed biologic drugs are all factors that contribute to mushrooming drug expenditures. Over the last decades, provincial governments have implemented cost-containment policies in order to control these expenditures. Health technology assessment for new drugs and pricing caps for generics certainly represent the most aggressive policies aimed at reaching that goal.

Pricing policies for new biologic drugs and biosimilars pose a new challenge to provincial governments: both new biologics drugs and biosimilars cost more to develop than chemical new and generic drugs. This is particularly due to a complex and long development time. The high prices of biologic new drugs have the potential to lead to non-acceptable cost-effectiveness ratio. To palliate this problem, we notice that some provinces have started entering into Product Listing Agreements (PLAs) with pharmaceutical companies. PLAs allow for price negotiations between a company and the government. So far, PLAs policies have been exclusive to brand name drugs.

Our conference aims at explaining why rigid pricing caps policies for generics cannot survive the entry of new biosimilars into the Canadian market. We propose that provinces implement more flexible pricing policies as well as a transparent and extended PLAs process in order to promote access to new and affordable biosimilars in Canada.

Biography

Mélanie Bourassa Forcier has completed her Ph.D in Law at the McGill University. She holds a Master in International Health Policy from the London School of Economics and Political Science and a Master in Biotechnology Law from the University of Montréal. Professor Bourassa Forcier is associated to the Chair in Health Law and Governance, at her university as well as to the Center for Interuniversity Research and Analysis on Organizations in Montreal. Author of several peer reviewed articles in the field of pharmaceutical policies, she is now the principal investigator of a research project that aims at elaborating transparent conditions for risk-sharing agreements between the Quebec government and pharmaceutical companies.

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