

LAW AMENDMENTS PRESENTATION
MAY 6, 2011

I am writing this in response to Bill 17. As a pharmacist and a tax payer in Nova Scotia I am acutely aware of the need to find savings and efficiencies in the health care system. But I share some major concerns with Bill 17 and the negative impact it will have on the profession of pharmacy, on my business and on the lives of many Nova Scotians. While reducing prescription drug costs is necessary there are other components in the provision of pharmacy service that have not been addressed. Bill 13 offers expanded scope of practice for pharmacists but offers no compensation. The professional services fee which does not cover the cost of dispensing has not been negotiated. But Bill 17 has been introduced to dramatically change the funding of pharmacy in Nova Scotia. The existing professional fee to pharmacies in Nova Scotia is well below the actual cost of dispensing. It is essential that the 3 components listed be considered as one package. I request for a delay of Bill 17 until a fair Tariff and expanded services funding model is established. In addition, it is essential that the time frame of Bill 17 be expanded to 3 years to enable the development of new business models.

The impact of Bill 17 on my business is in excess of 150,000 in the first year with larger losses the year after. This is if only the MSI book of business is considered. The ramifications of this Bill across the whole business will be devastating. I do not feel it is fair or prudent for government to ask pharmacy to take such a major hit. Pharmacist in Nova Scotia proposed changes 3 years ago that resulted in millions of dollars in savings to the government and now 3 years later are being asked for even more. This major loss in revenue is a direct result of decreased rebates paid to us by generic manufacturers, which have essentially been making up for the shortfalls already mentioned in dispensing fees and costs of providing expanded services. What business or government can realistically meet its mandated services with such a sizeable decrease in revenue?

In the past we have contributed thousands of dollars annually to the community. Whether it is the local university clubs and student union, the local Rotary Club, the Farmers Market, the Valley Marathon or the church tea and sale we have been there with our support. All this has to be re-evaluated and I have already had to tell some groups that our support is no longer available. As a business owner I feel it is critical to give back to the community but with Bill 17 that support will be very limited.

Another controllable expense, representing the largest one on our statement, is the cost of people. We employ over 50 people in our company, ranging from Pharmacists, Pharmacy Assistants, front store staff, and support staff. A reduction in revenue of this scale will most certainly mean a reduction in hours of operation, a decrease in our workforce, and reduction in the services offered to our communities. We have already

posted reduced hours for our Hantsport store. Indeed, it is common knowledge that many smaller rural Pharmacies may no longer be viable, and thus forced to close. Legislation which does not recognize these far-reaching effects on employment – especially in our rural communities – needs further consideration and review.

A third controllable expense relates to the many Expanded Services we provide our customers. Our blood collection service and foot care service will have to be re-evaluated. Presently the fee we charge just covers the expense of the service. On several occasions our nurse had discovered problems with a patient in their home and passed on the information to their physician. This resulted in an earlier commencement of treatment and reduced need for hospitalization. If these services are cut they will have a major effect on the senior population we serve.

Pharmacists are qualified to counsel patients on how to get the best possible benefit from their medications, and often sit with them to do a thorough review of their medication therapies. Pharmacists can often be seen speaking with the patient's Family Doctor on the phone, identifying anything from possible drug conflicts to alternative dosage sizes. The licensed Pharmacist will typically spend a significant portion of their work day, dispensing knowledge and advice free of charge, on both prescription medications and over-the-counter drugs. These interactions are key to health programs of most Nova Scotians, and compromised staffing levels will most certainly have a negative impact.

As a pharmacist I fear for the development of the profession. As a business owner I am terrified of the impact this legislation will have on my business. As a taxpayer I see major reductions in tax dollars coming into government as a result of decreased pharmacy revenue.

I earnestly ask of you that you delay the passing Bill 17, until the components of the Tariff Agreement on Dispensing Fees and a fair Compensation Schedule for Expanded Services is agreed upon. Unless these items are addressed as a whole, Nova Scotians can expect greatly reduced access to Pharmacy Services, and a sizeable negative impact on their overall health care programs. Please, do not pass Bill 17 in its current form, without first considering the legitimate impact on our ability to deliver quality, comprehensive health services to Nova Scotians.

Sincerely,

John McNeil, B.Sc (Pharm)
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