

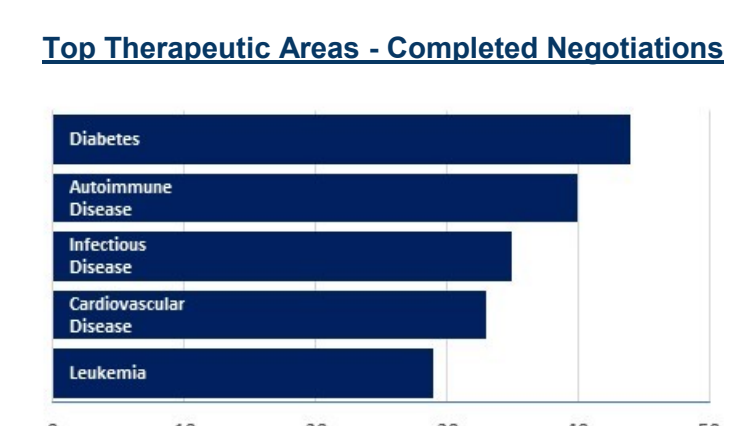
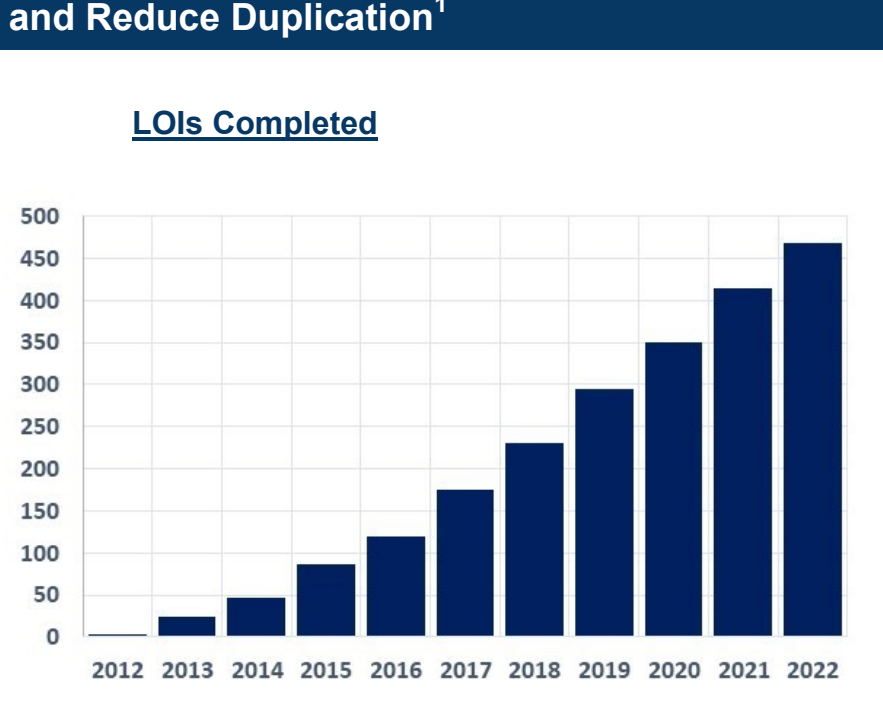
pCPA Objectives

Established in 2010, the pCPA, is a collective of all Provinces, Territories, and the Federal Government working together to:

- **Increase access** to clinically relevant and cost-effective treatments
- Achieve consistent and **lower drug costs**
- **Improve consistency** in funding decisions
- **Reduce duplication** and optimize resource utilization

Increase Access and Reduce Duplication¹

- Since pCPA's inception, **468** negotiations have reached a Letter of Intent (LOI):
 - **180** in oncology
 - **144** for biologics, including **43** for biosimilars
 - **40** for EDRDs



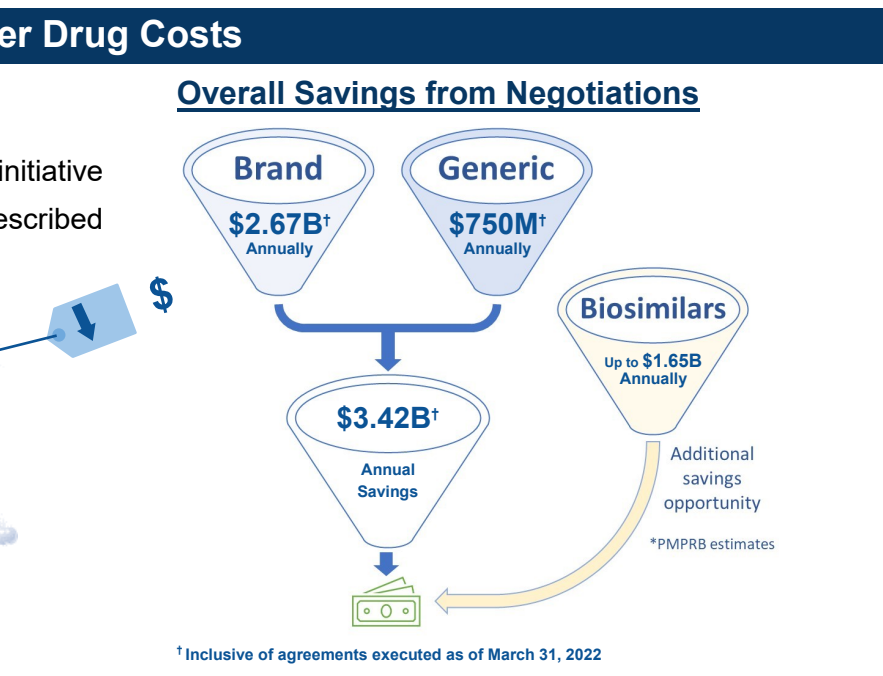
Lower Drug Costs

Generic Drugs

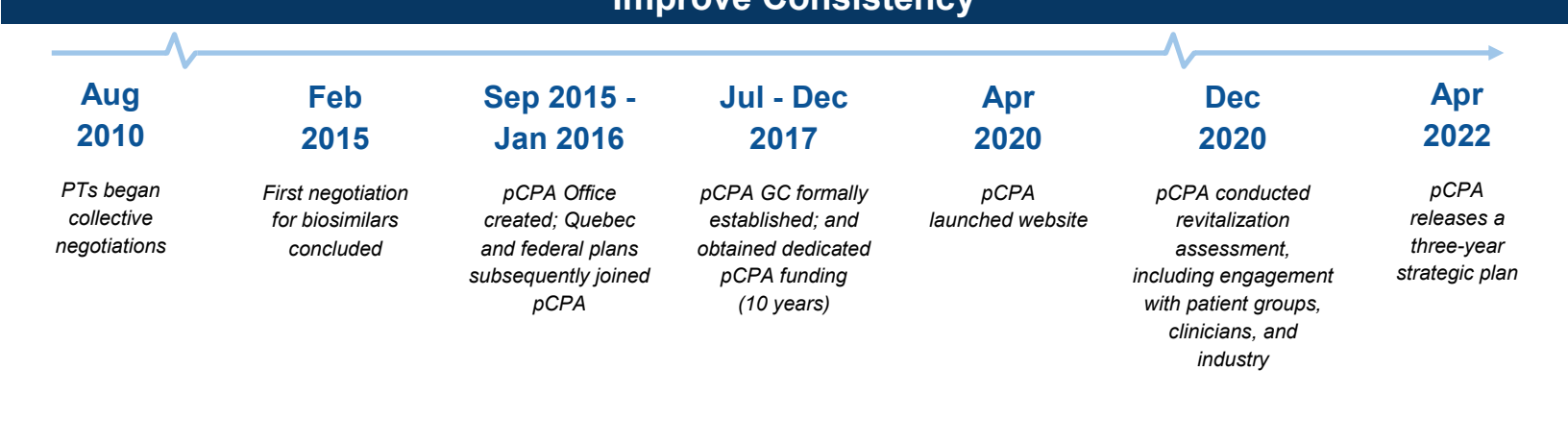
Apr 2018: The pCPA and CGPA negotiated a 5-year initiative reducing prices of nearly 70 of the most commonly prescribed generic drugs by up to 90%

- **Significant savings** for Canadians who use prescription generic drugs
- Up to **\$3 Billion** in savings to Public Drug Plans over the ensuing 5 years

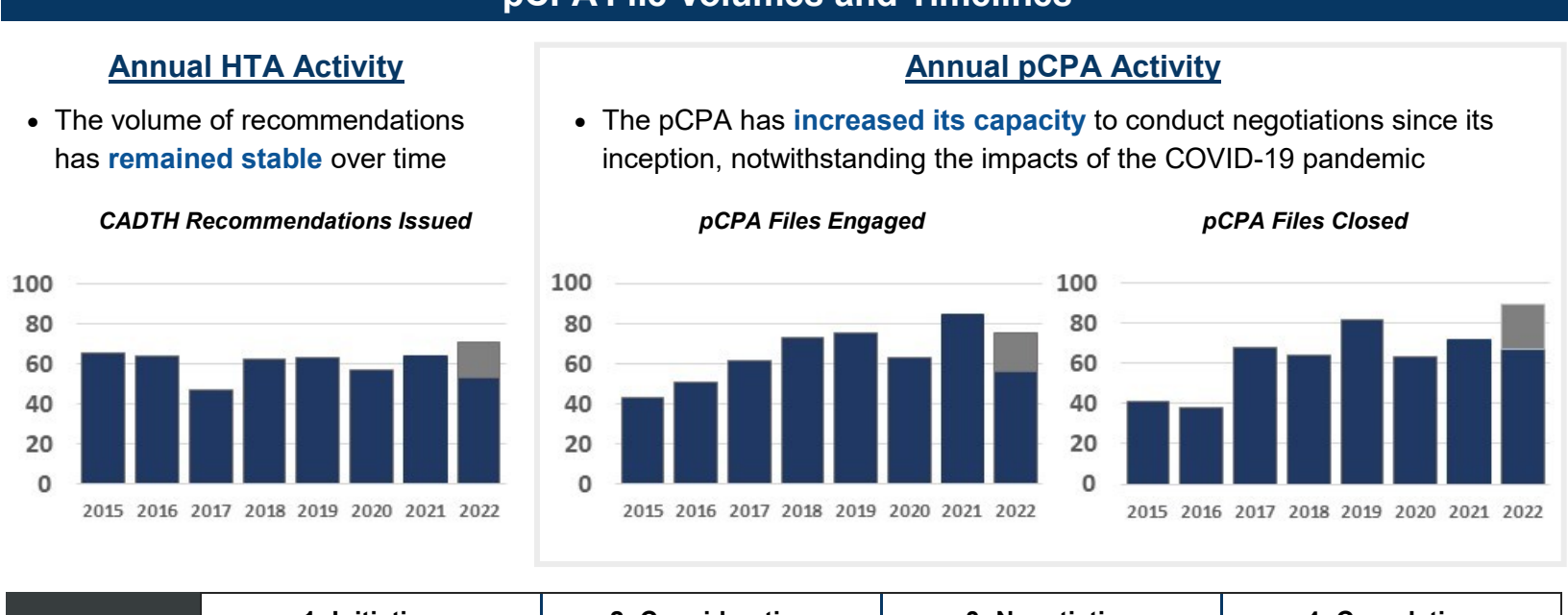
> 4000 pCPA generic price assessments¹



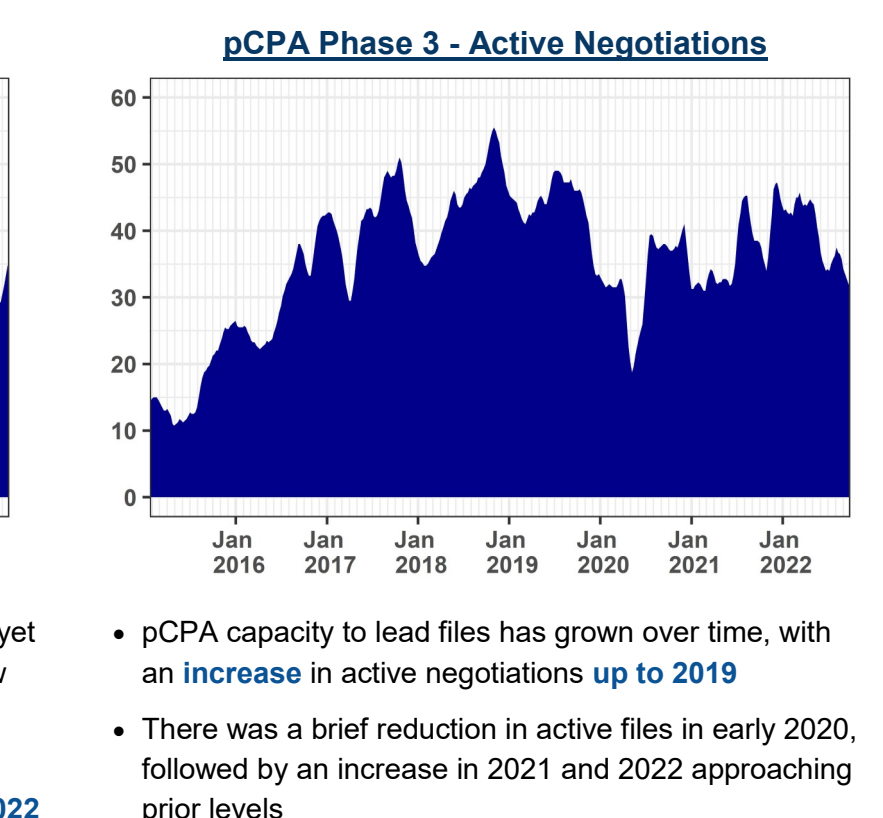
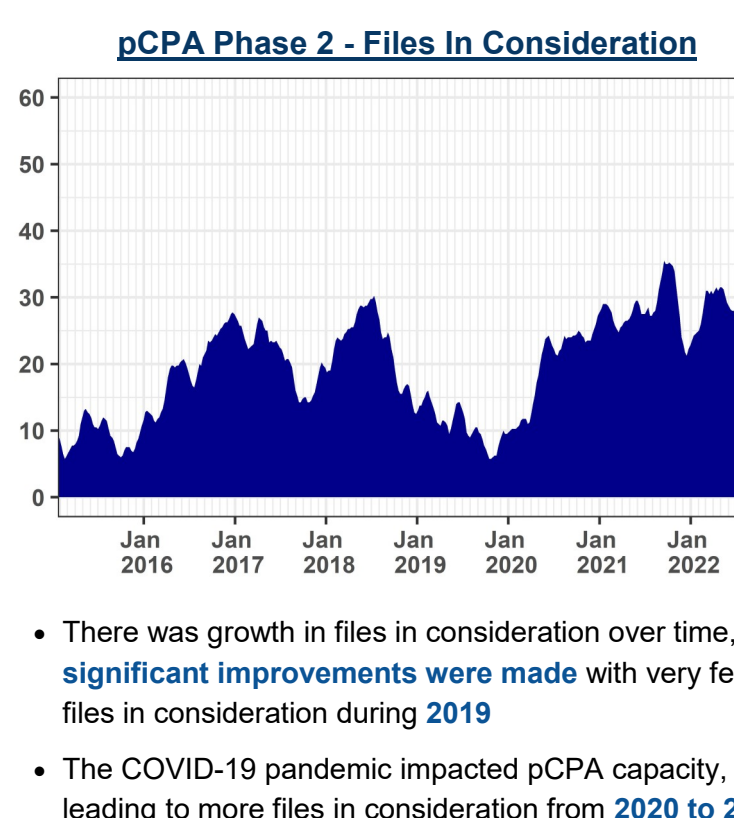
Improve Consistency



pCPA File Volumes and Timelines¹



pCPA Phases	1: Initiation	2: Consideration	3: Negotiation	4: Completion
<small>(See Brand Process Guidelines)</small>	The pCPA evaluates whether new drugs, existing drugs, or line extensions require pCPA consideration	The pCPA gathers information informing whether a drug should enter negotiations	pCPA and the Manufacturer negotiate clinical and financial terms for listing the drug	The negotiation leads to either agreement and a fully executed LOI, or it ends with a close letter
	Acknowledgment Letter (LOA)	Engagement Letter (LOE)	Initial Agreement	Letter of Intent (LOI)



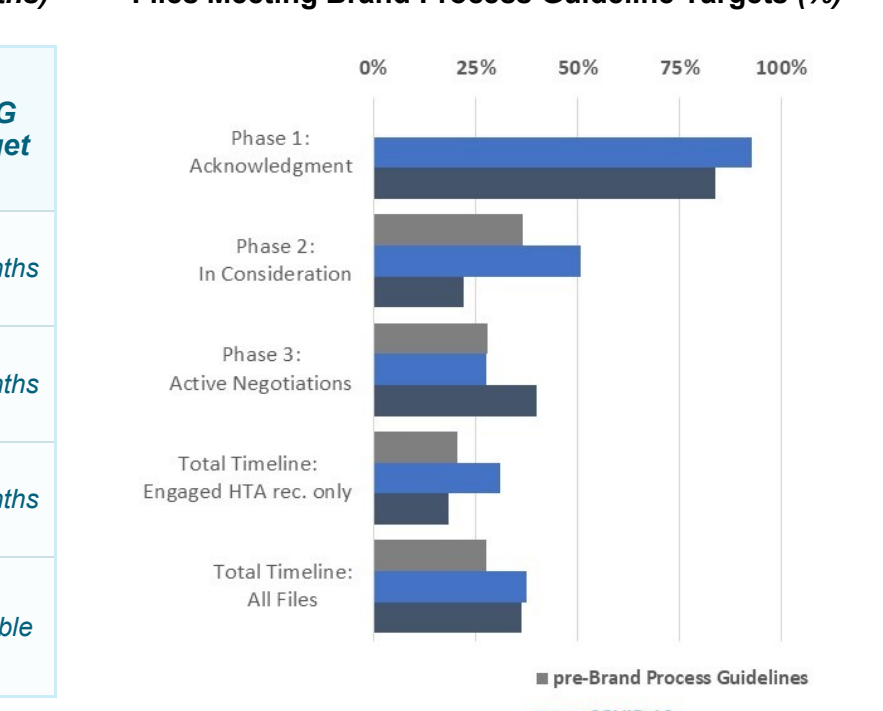
pCPA Negotiation Timelines

- Median negotiation timelines **improved** with the introduction of the Brand Process Guidelines, but have **been impacted** by the COVID-19 pandemic
- Most files complete Phase 1 within target timelines; a minority of files are within target timelines for engagement, negotiation, and overall timelines

Median Time To Complete Negotiation Stages (Months)

	Pre-BPG ²	Pre-COVID-19 ³	During COVID-19 ⁴	BPG Target
Time to Engage	3.4	1.9	4.4	2 months
Active Negotiation	6.9	5.2	4.4	4 months
Total Time (Engaged HTA only)	10.5	8.4	10.2	6 months
Total Time (All Files)	8.9	6.4	6.7	Variable

Files Meeting Brand Process Guideline Targets (%)



(1) All data effective Sep. 30, 2022; (2) Pre-Brand Process Guidelines (BPG): Jan. 1, 2015 — June 30, 2018; (3) July 1, 2018 to March 11, 2020; (4) March 12, 2020 to present

Negotiation Timelines—Mutual Responsibility

Negotiations can be complex endeavors comprised of many processes and factors with all parties sharing a role in working towards a timely agreement.

All negotiating parties play an important role in reaching agreement and achieving timely outcomes.



COVID-19 Pandemic Response

Jurisdictions have responded to shifting drug plan responsibilities

Oversight of pharmacy-based **distribution of COVID-19 Vaccines & therapeutics (Paxlovid™)**

Adjustment to **remote work** and **claims volatility** during lockdowns

Monitoring and management of **drug shortages**

Review of clinical criteria for special authorization to **respond to COVID-19-related conditions**

The pCPA has implemented measures to address capacity constraints and manage negotiations

Prioritization

A principled approach to prioritizing negotiations using clinical and economic considerations

Increased Lead Capacity

The pCPA Office prioritized staffing up to lead negotiations; and jurisdictions shifted resources away from policy development and process improvement

Targeted Negotiations

Structured process where pCPA and manufacturers adhere to specific timelines to streamline negotiations