



GENERIC AND BIOSIMILAR PRICING POLICIES FOR CANADIAN PUBLIC DRUG PLANS

This reference document summarizes (a) provincial generic pricing policies implemented between 2010 and 2015 and (b) the pan-Canadian Pharmaceutical Alliance policies on generics and biosimilars initiated beginning in 2013.

TABLE 1: PROVINCIAL GENERIC PRICING POLICIES, GENERIC PRICES AS A PERCENTAGE OF THE BRAND-NAME PRICE, 2010 TO 2015

	2010	2011	2012	2013	2014	2015
British Columbia	October 15: 50% existing generics 42% new generics	July 4: 40% all generics	April 2: 35% all generics	April 1: 25% most generics	April 1: 25%* for oral solids 35% for other forms	
Alberta	April 1: 56% existing generics 45% new generics	April 1: 45% new generics	July 1: 35% new generics	May 1: 18% all generics	April 1: Lowest available price for existing generics; tiered pricing for new generics: 70% one generic 50% two generics 25% three generics 18% four or more generics	April 1: Adopts Tiered Pricing Framework
Saskatchewan		April 1: 40% new generics May 1 and June 1:	April 1: 35%			April 1: 25% for oral solids 35% for other forms

	2010	2011	2012	2013	2014	2015
		45% existing generics April 1 and October 1: 35% generics in former Standing Offer Contract categories				
Manitoba	Generic drug pricing is subject to utilization management agreements with the manufacturers, which declare that the price of a generic is equal to that of other select provinces.					
Ontario	July 1: 25% †public 50% private & out-of-pocket	April 1: 25% †public 35% private & out-of-pocket	April 1: 25% † public, private & out-of-pocket			May 20: Tiered pricing for generics‡
Quebec	Quebec requires that generic manufacturers provide the province with the lowest price available in other provinces					
New Brunswick			June 1: 40% December 1: 35%	June 1: 25% for solid oral forms 35% for non-solid oral forms		
Nova Scotia		July 1: 45%	January 1: 40% July 1: 35%		November 12: 25% solid oral form 35% for non-solid oral form	

	2010	2011	2012	2013	2014	2015
Prince Edward Island			July 1: 35%	December 1: 25%		
Newfoundland & Labrador			April 16: 45% October 1: 40%	April 1: 35% July 1: 25%		
Yukon	There is no generic pricing policy in place; pharmacies order from Alberta or British Columbia wholesalers and therefore receive the prices listed in those provinces					
NIHB	The NIHB Program reimburses the lowest-cost alternative product in a group of interchangeable drug products and therefore adopts the pan-Canadian Tiered Pricing Framework where applicable					

* Effective April 1, 2019, changed from 20% to 25%.

† Generic pricing policies apply to oral solid forms; all others are 35%.

‡ Changes to regulations applicable to generics listed on the Ontario Drug Benefit (ODB) Formulary on or after April 1, 2013.

TABLE 2: PAN-CANADIAN PHARMACEUTICAL ALLIANCE INITIATIVES

	2013	2014	2015	2016	2017	2018	2019	2020
Generic price reductions compared to brand reference price*	April 1: 6 of the most common generics are reduced to 18% of the brand reference price	April 1: 4 additional common generics are reduced to 18% of the brand reference price for a total of 10	April 1: 4 additional common generics are reduced to 18% of the brand reference price for a total of 14	April 1: 4 additional common generics are reduced to 18% of the brand reference price for a total of 18	April 1: One-year bridging period during which the prices of 6 existing generics are further reduced to 15% of the brand reference price	April 1: Prices of 67 of the most commonly prescribed generics are reduced by 25% to 40% , resulting in up to 90% off the price of their brand reference		
Tiered Pricing Framework		<ul style="list-style-type: none"> • Tier 1 (single source) – one generic: 85% of brand reference price if a Product Listing Agreement (PLA) does not exist for the brand product; 75% if there is a PLA • Tier 2 (dual source) – two generics: 50% of brand reference price • Tier 3 (multi source) – three or more generics: 25% of brand reference price for oral solids; 35% for non-oral solids 						
Biosimilars				April 1: Issued the <i>First Principles for Subsequent Entry Biologics</i> to guide negotiations		September 2018: The pCPA's <i>Biologics Policy Directions</i> document was created to guide and define the process that will govern how	March 2019: <i>Pan-Canadian Oncology Biosimilars Initiative Action Plan</i> was generated by the pan-Canadian	February 2020: pCPA engaged with the Canadian Agency for Drugs and Technologies in Health (CADTH) and released the final report <i>National</i>

	2013	2014	2015	2016	2017	2018	2019	2020
						biologic and biosimilar products will be negotiated and considered for reimbursement by Canada's public drug plans	Oncology Biosimilars Initiative (partnered by the pCPA and CCO) to provide a map for implementing oncology biosimilars across Canada	<i>Consultation on the Use and Implementation of Biosimilars</i>

Note: After April 1, 2013, the general provincial generic pricing policies no longer apply to drugs that are subject to the 18%, 15%, or 10% pricing policies set by the pan-Canadian Pharmaceutical Alliance.

* Generics under the 18% rule by date of implementation:

- April 1, 2013: atorvastatin, ramipril, venlafaxine, amlodipine, omeprazole and rabeprazole.
- April 1, 2014: rosuvastatin, pantoprazole, citalopram, and simvastatin.
- April 1, 2015: clopidogrel, gabapentin, metformin, and olanzapine.
- April 1, 2016: donepezil HCl, ezetimibe, quetiapine, and zopiclone.

Generics further reduced to 15%:

- April 1, 2017: atorvastatin, amlodipine, simvastatin, pantoprazole, ramipril, clopidogrel.

Generics further reduced to 10% and additional generics reduced to 18%:

- April 1, 2018: 67 of the most commonly prescribed generics in Canada were priced at approximately 10% to 18% of the brand reference. For a full list of affected drugs, see the pCPA website: <https://www.pcpacanada.ca/generic-drug-framework>