

April 30, 2009.

Ms. Sylvie Dupont  
Secretary of the Board  
Patented Medicine Prices Review Board  
Box L40,  
Standard Life Centre  
333 Laurier Avenue West, Suite 1400  
Ottawa, Ontario K1P 1C1

Green Shield Canada is pleased to be given the opportunity to respond to the March 2009 Patent Medicine Prices Review Board *Notice and Comment* document entitled “*Draft Revised Excessive Price Guidelines.*”

### **Background Information**

Green Shield Canada specializes in group and individual health and dental benefits programs and administration. We are recognized as a leader and innovator in the provision of health and dental benefits administration to a growing number of plan members in a variety of industries from manufacturing, public service, education, union and other employer and association groups. We also provide health and dental adjudication for a number of insurance companies. As Canada’s only national not-for-profit health and dental benefits carrier, our mission is to serve the public interest by providing the most efficient customer service and the most effective benefits programs.

Green Shield Canada has responded to numerous PMPRB initiatives in the past, the most recent being detailed responses in March 2008 to the discussion document *Options for possible changes to the Patented Medicines Regulations, 1994 and the Excessive Price Guidelines*, and October 2008, comments on *the Draft Revised Excessive Price Guidelines*.

Green Shield Canada has advocated for equitable access to affordable health care at the local, provincial and federal level since our inception in 1957. We have taken active roles in public policy discussions and have provided input to many committees, commissions and legislative reviews. We believe that only through active participation will we ensure that all Canadians continue to have access to affordable health care.

**Comments:**

The Board has requested stakeholder comments back specifically on Schedule 13 – Offset of Excess Revenues.

Green Shield Canada supports the Board's position and the addition of a Policy on the Offset of Excess Revenues in Part 11, Section 7 of the document.

On reviewing the balance of the document, we have considered the points and philosophies put forth by the Board, and have no further comments to make.

We would like to take this opportunity to reiterate some of our comments from our *submission in October to the Draft Revised Excessive Price Guidelines*.

*“Section 7: Issue—Any Market Price Reviews*

*Green Shield Canada strongly feels that when calculating excessive revenues as part of an Any Market Price Review, that excess revenues should be calculated based only on the market in which the price was excessive.*

*Stakeholders have expressed concern that benefits offered to some classes of customers could result in excessive prices for other customers. Stakeholders clearly fear that “foregone revenues in markets where benefits were offered” will*

*be not fully foregone, but simply shifted to other markets. The calculation of excess revenues based on national ATP will do little to allay this concern of stakeholders. A solution could be obtained through the development of public reporting methodologies that indicate market pricing investigations. Private payers deserve to know if public sector savings are negatively impacting private payers by displacing costs to the private sector or the cash paying customer.*

*We continue to be very concerned that existing PMPRB regulations do not permit the recovery of excess revenues by an aggrieved market. Voluntary Compliance Undertakings are payable to Her Majesty in Right of Canada with those in markets that have overpaid having no opportunity for redress.”*

### **Closing Comments**

We applaud the PMPRB for your ongoing efforts in protecting the interests of both Canadian patentees and their customers, and support the Board in their efforts to revise and clarify the pricing mechanics utilized for patented medicines.

Thank you for your consideration of our comments. We would be pleased to offer any further clarification of our submission as needed. Please contact us at either of the e-mail addresses listed below.

Sincerely,

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