



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. The tables are updated annually.

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: 20% most generics All other generic non-oral solid forms are priced at 35% of the brand-name list price since April 1, 2014.	
Alberta	April 1: 56% existing generics 45% new generics		July 1: 35% all generics	May 1: 18%	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	

	2010	2011	2012	2013	2014	2015
Saskatchewan		<p>April 1: 40% new generics</p> <p>May 1 and June 1: 45% existing generics</p> <p>April 1 and October 1: 35% generics in former Standing Offer Contract categories</p>	April 1: 35%			<p>April 1: 25% for oral solids 35% for other forms</p>
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	<p>July 1: 25%*public 50% private & out-of-pocket</p>	<p>April 1: 25%* public 35% private & out-of- pocket</p>	<p>April 1: 25%* public, private & out- of- pocket</p>			<p>May 15: Tiered pricing for generics†</p>

	2010	2011	2012	2013	2014	2015
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% for solid oral form 35% for non-solid oral form	
Prince Edward Island			July 1: 35%	December 1: 25%		
Newfoundland & Labrador			April 1: 45% October 1: 40%	April 1: 35% July 1: 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
Generic price reductions compared to brand reference price*	April 1: 6 of the most common generic drugs are reduced to 18% of the brand reference price	April 1: 4 additional common generic drugs are reduced to 18% of the brand reference price for a total of 10	April 1: 4 additional common generic drugs are reduced to 18% of the brand reference price for a total of 14	April 1: 4 additional common generic drugs are reduced to 18% of the brand reference price for a total of 18	April 1: One-year bridging period during which the price 6 molecules are further reduced to 15% of the brand reference price	April 1: Prices of nearly 70 of the most commonly prescribed drugs are reduced by 25% - 40% , resulting in up to 90% off the price of their brand-name equivalents
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 “First Principles for Subsequent Entry Biologics” to guide negotiations		

Note: After April 1, 2013, the general provincial generic pricing policies no longer apply to the drugs subject to the 18% pricing policy as per the Council of the Federation.

*Molecules 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.

Molecules further reduced to 15%

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