



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: 20% most generics; all other generic non-oral solid forms priced at 35% of the brand-name list price from April 1, 2014, to March 31, 2019	
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

	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</p> <p>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</p> <p>50% private & out-of-pocket</p>	<p>April 1: 25%*public</p> <p>35% private & out-of-pocket</p>	<p>April 1: 25%* public, private & out-of-pocket</p>			<p>May 15: Tiered pricing for generics†</p>
Quebec	Quebec requires that generic manufacturers provide the province with the lowest price available in other provinces.					

	2010	2011	2012	2013	2014	2015
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	
Prince Edward Island			July 1: 35%	December 1: 25%		
Newfoundland & Labrador			April 16: 45% October 1: 40%	April 1: 35% July 1: 25%		
Yukon	No generic pricing policy in place; however, pharmacies order from Alberta or B.C. wholesalers and therefore receive the prices listed in those provinces.					

* 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
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 					

	2013	2014	2015	2016	2017	2018	2019
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 biologic and biosimilar products will be negotiated and considered for reimbursement by Canada's public drug plans	March 2019: <i>Pan-Canadian Oncology Biosimilars Initiative Action Plan</i> was generated by the pan-Canadian Oncology Biosimilars Initiative (partnered by the pCPA and CCO) to provide a map for implementing oncology biosimilars across Canada

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.

* 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>