

B R E A T H E
the lung association

R E S P I R E Z
l'association pulmonaire

Written Submission for the Pre-Budget Consultations in

Advance of the 2019 Budget

By: The Lung Association

August 3rd, 2018

The Lung Association is pleased to provide input to the House of Commons Standing Committee on Finance as part of its 2019 budget consultation:

RECOMMENDATION: The Lung Association recommends that the federal government implement an annual licence fee for tobacco companies to fully recover costs of federal activities under the strategy.

RECOMMENDATION: The Lung Association calls on the Government of Canada to address the affordability of medicines for all Canadians in a manner that enhances access to medically necessary prescription medications that achieve the best possible health outcomes for Canadians.

RECOMMENDATION: The Lung Association recommends that the palliative care framework legislated with the passage of Bill C-277 include increased investments via an expanded Canada Health Transfer to P/T governments to improve the standardization of delivery of services of palliative care for all Canadians.

About us

The mission of the Lung Association is to help all Canadians breathe easily. For more than 100 years, the Lung Association has been fighting for healthy lungs and healthy air. We are the leading organization working to help Canadians breathe by preventing lung disease and improving lives through research, education and support.

Initially founded in 1900 in Rideau Hall to fight tuberculosis, the mandate of the Lung Association has since expanded considerably; we remain one of Canada's oldest health charities. The Lung Association depends on donations from the public to support our mission to lead nationwide and international lung health initiatives, prevent lung disease, help people manage lung disease, and promote lung health.

Breathing is essential and should not be a luxury afforded only to some. Yet, lung disease takes the breath away from thousands of Canadians daily. Every day thousands of Canadians are pulled out of their workplaces, schools and homes and into doctors' offices, emergency rooms and hospital beds by a myriad of respiratory illnesses: asthma, chronic obstructive pulmonary disease (COPD), sleep apnea, lung cancer, cystic fibrosis, influenza, tuberculosis, pneumonia and other diseases. Without continuing and concerted action, the cost of asthma, COPD and lung cancer alone will rise to over \$18 billion by 2020 and \$27 billion by 2030. (Board)

The good news is that many of these conditions are preventable and treatable with early diagnosis and proper care. The bad news is that millions of Canadians continue to be exposed to risk factors, such as smoking, air pollution and toxic substances. Yet often, the lung diseases that might result from any of these are neither diagnosed early enough nor properly treated and managed. As a result, the incidence of lung disease and its treatment costs are extremely high, placing a heavy burden on our health and our economy.

Tobacco Industry Accountability

Smoking is still the number one cause of preventable lung disease in Canada. While smoking rates continue to gradually decline, aggressive policy actions can reduce smoking rates even further. In order to reduce the Conference Board's projected economic burden in 2030 of \$24.1 billion from chronic lung disease, effective prevention strategies by all levels of government, and with The Government of Canada, as a leader, need to be implemented.

The 2018 announcement of a new Federal Tobacco Strategy with the goal of less than 5% smoking rate by 2035, brought forward an ambitious but achievable public health goal in Canada. Appropriate policy measures now need to be implemented in order to reach this goal. One key policy measure will be tobacco industry accountability, including mechanisms through which the industry could make a direct contribution toward the costs of tobacco control and public health activities.

In order to build capacity within the new federal tobacco strategy, industry accountability has to be front and center. An annual licence fee on tobacco companies is needed to fully recover the costs of the strategy, which is estimated to be \$215 million for the five year period 2017-18 to 2021-22, according to the Treasury Board of Canada Secretariat. In the United States, the FDA has required tobacco manufactures to pay a licence fee to recover the annual cost of the FDA's tobacco initiatives. Similar bills

have been proposed in Canada and many provinces have levies in other sectors. For example, costs associated with oil spills are often paid by the polluting organization.

RECOMMENDATION: The Lung Association recommends that the federal government implement an annual licence fee for tobacco companies to fully recover costs of federal activities under the strategy.

Government of Canada leadership role in achieving access to medicines for all Canadians

The Government of Canada should take a leadership role in achieving access to, and ensuring the affordability of medicines for all Canadians. The federal government's Budget 2018 made important strides in focusing resources and policy capacity on national pharmacare with the establishment of the Advisory Council on the Implementation of National Pharmacare. This key work needs to be continued in Budget 2019 by implementing a national pharmacare program that enhances access to medicines for all Canadians.

Unlike other mainstays in our healthcare system, such as access to hospital and physician care, prescription medications are not covered under the Canada Health Act unless they are administered in a hospital. As a consequence, access to prescription medications is inequitable across provinces and territories, delivery settings, diseases states and conditions.

One in five Canadians report having difficulty paying for prescription medications because they have no coverage and one in ten Canadians have difficulty paying for prescription medications even when they have health benefits coverage. While some Canadians cannot afford their prescriptions because they have no medication coverage, even patients with insurance can experience financial barriers when they must pay deductibles and co-payments. Ability to pay for prescription medicines within asthma and COPD populations has been shown to have a non-adherence rate of 10%. COPD is the number one cause of hospitalization in Canada outside of childbirth and asthma is one of the top hospitalization causes in childhood (CIHI 2018).

A responsive and progressive national pharmacare program should enhance access for Canadians living with respiratory diseases, including life-saving therapies for people living with cystic fibrosis and lung cancer as well as those living with chronic diseases such as asthma and chronic obstructive pulmonary disease (COPD).

RECOMMENDATION: The Lung Association calls on the Government of Canada to address the affordability of medicines for all Canadians in a manner that enhances access to medically necessary prescription medications that achieve the best possible health outcomes for Canadians.

Improving palliative care access for all Canadians

As a member of the Quality End-of-Life Care Coalition of Canada, the Lung Association supports the collective approach in improving palliative care access for all Canadians.

Quality palliative care is an essential part of healthcare, and governments must guarantee that all Canadians have affordable access to it, including vulnerable and underserved populations. Equitable access can be achieved through greater allotment of resources within the existing healthcare systems to

address specific concerns. Without a strong nationwide response, this growing challenge will result in a potentially devastating burden on patients, families and the healthcare system.

The Lung Association supports the current Common Statement of Principles on Shared Health Priorities between the federal government and provincial and territorial governments, in which access to palliative and end-of-life care are named.

RECOMMENDATION: The Lung Association recommends that the palliative care framework legislated with the passage of Bill C-277 include increased investments via an expanded Canada Health Transfer to P/T governments to improve the standardization of delivery of services of palliative care for all Canadians.

Board, Conference. n.d. <https://www.conferenceboard.ca/e-library/abstract.aspx?did=4585>.

CIHI. 2018. *Hospital Stays in Canada*. <https://www.cihi.ca/en/hospital-stays-in-canada>.