

# Pharmacists scapegoats?

## Public are losers: Cousens

By LYNN KELLY

Pharmacists are the scapegoats of proposed new legislation aimed at reducing Ontario's prescription drug prices, says York Centre MPP Don Cousens.

And "Joe Public" will be the loser if bills 54 and 55, which went to committee this week, are passed without a full and open public discussion, Mr. Cousens says. "Nothing should ever be railroaded through the legislature that's going to have such ramifications on the public needs of the province," he said in a recent interview.

"All I ask for and all our caucus is asking for... is that the public long-term interest is protected by full discussion on it, and I can say without any hesitation that the action by (Health Minister) Murray Elston and the Liberal government to pursue this and to push it through without that discussion... is wrong."

Mr. Cousens said he has heard from more than 50 of about 70 pharmacists who live in his constituency, which includes Markham, Richmond Hill and part of Vaughan.

And "at least 95 per cent of them oppose categorially the action being taken by government," he said, adding that many feel ignored by the Ministry of Health (MOH).

"If the legislation is causing that much concern to that many people, what are another three to six months going to hurt to make sure we do it right?" he asked.

In a brochure distributed at Markham's Amherst Dispensary, the Ontario Pharmacists' Association calls the legislation "the biggest pill you'll ever have to swallow."

Said OPA Executive Director Romeo Franceschini: "We certainly asked for input into the drafting of the legislation so that we could be constructive and that was denied, so now we're going to have to go ahead and tell the world what's wrong with it," Mr. Franceschini said.

But MOH Director of Drug Programs and Policy Branch Alan Burrows said that's "patently untrue." In several recent meetings, the OPA and MOH have discussed drug costs — "an obvious major concern" to both — and the wording of the legislation, Mr. Burrows said.

"And we've had very valuable input from the OPA, from the College of Pharmacists, from the



**BILL CROTHERS**  
A good move

manufacturing industry, from public groups, and this is all being assessed at the present time."

Markham pharmacist Bill Crothers said the new law, which he supports in principle, has some "technical" problems he's confident the government will try to resolve, but no surprises and "almost nothing" new.

"The OPA's way of negotiating is 'This is what we want,'" said Mr. Crothers, adding that an OPA claim that government acted unilaterally is "dishonest."

"If you say I acted unilaterally in that I introduced a piece of legislation that the other person didn't like, then you can say the act is unilateral," he said.

### Not far enough

The new legislation "doesn't go far enough," said Mr. Crothers, a pharmacist for 22 years and independent owner of Crothers' I.D.A., because most clauses apply only to multiple-source drugs (those with government-approved generic equivalents).

The intent of the law is to destroy price spreading, which enables pharmacists to charge customers more than the current \$5 maximum dispensing fee for multiple-source drugs, he said.

A government formula sets maximum retail drug prices based on what manufacturers say they will charge pharmacists, he said, but on volume sales or to increase their market share of a particular drug, manufacturers often reduce the cost to pharmacies.

And that difference — the price spread — effectively raises the dispensing fee, which includes all



**DON COUSENS**  
Druggists scapegoats

operating costs and profit. Under the law as drafted, price spreading is "going to happen, because it has happened already," he said.

The new law will permit pharmacists to set their own dispensing fees for multiple-source drugs, but it also requires them to post maximum dispensing fees and itemize total prescription costs on receipts. The fine for exceeding the fee is \$10,000 for an individual and \$50,000 for a corporation.

### Pharmacists upset

"Pharmacists, myself included, are upset and don't particularly like the provision of posting their fees, but the present system and the way pharmacists have used the present system, demonstrates it's in the public interest that they be posted," Mr. Crothers said.

But Larry Blumenfeld, Markham manager of Amherst Dispensary, (a seven-store private chain) argues the law will destroy competition because large chains, which can afford to post lower dispensing fees, will put small independent pharmacists out of business.

"I would think within six months if this does go through, 20 per cent or even more would close up," said Mr. Blumenfeld, a pharmacist for 20 years.

"That's bull..." said Mr. Crothers, who claims independents make three times as much money as franchise operators because they pay no franchise fees.

It's a valid argument in a competitive system, he said, "but for 10 years there has not been competition in the marketplace in pharmacy."

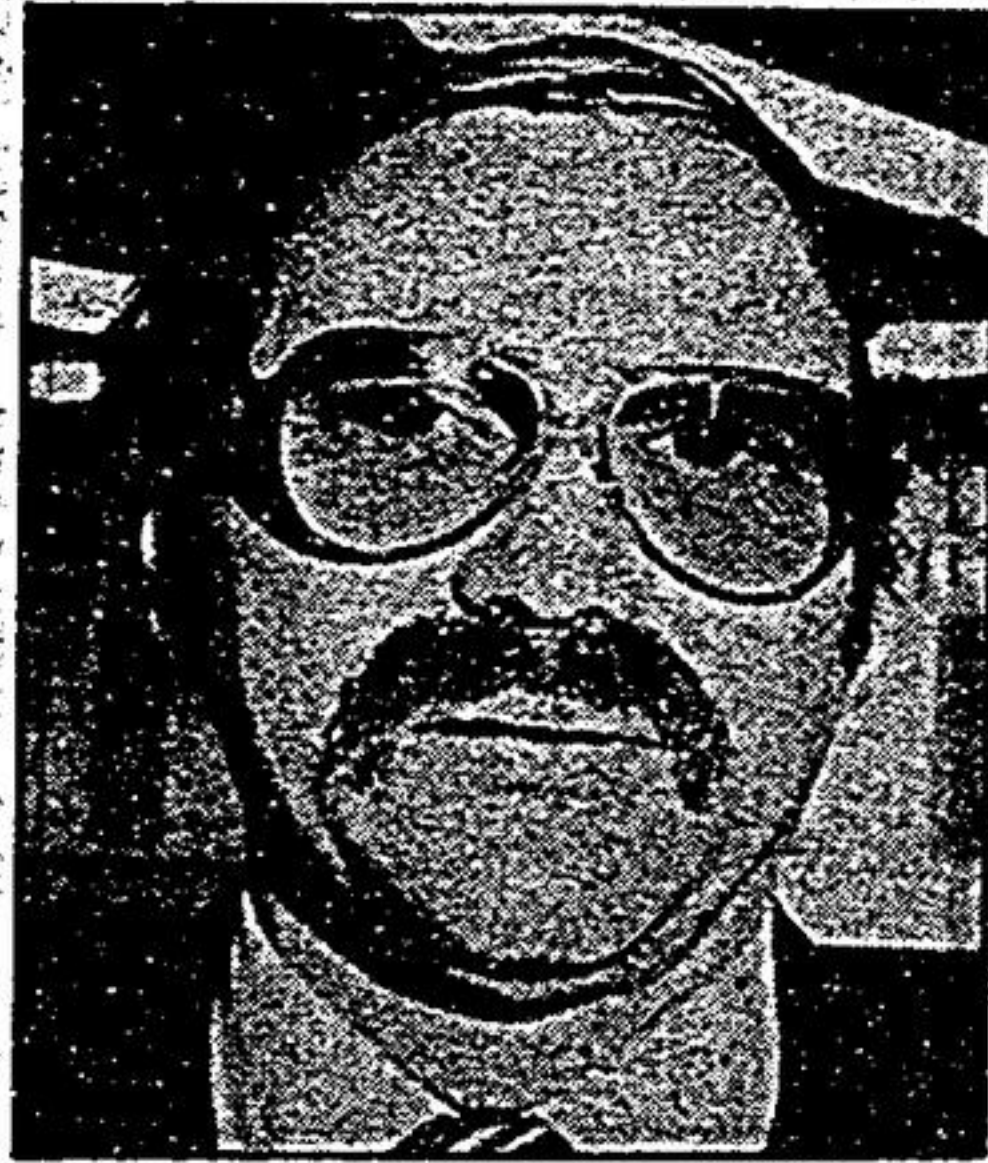
About 95 per cent of the profit large pharmacies make comes from the dispensary, he said, and reduced fees mean reduced revenue — a sacrifice no one wants to make.

"That's why big stores are so afraid of the legislation, because it puts them on an even keel with the small independent guy and they don't like that prospect," he said.

### Little guy scared

"So they're going to scare the hell out the little guy and get the little guy to scream because the government is not going to listen to any objections from (big chains), but they're going to be extremely sensitive if the little wee tiny independent says you're putting me out of business because no government can afford to be portrayed as the slayer of a small businessman."

Neil Katzman, independent owner of three Savex Drug Mart stores in Markham, Stouffville and Unionville, resents a new "dispense as written" clause requiring pharmacists to fill entire prescription amounts unless the customer authorizes in writing a



**NEIL KATZMAN**  
Loss of independence

lesser quantity, because "my professional judgment as a pharmacist will be taken away."

"If somebody came into my store for six gallons of morphine, according to the new legislation I would have to fill that six gallons of morphine," said Mr. Katzman, a pharmacist for 25 years.

"If the government wants to pass this legislation, they don't need pharmacists. All they need is technicians to pour, lick and stick."

But Mr. Burrows said nothing in the new law prevents pharmacists from refusing to fill entire quantities if they fear possible drug abuse, and that a decision to alter prescriptions is governed by the Health Disciplines Act.

He said the new law "is clearly to preclude that decision from being taken for economic reasons," and is neither designed nor to be interpreted "as altering the professional responsibility of the pharmacist."

Mr. Blumenfeld opposes provisions that permit government-appointed inspectors to examine and remove patient records while conducting an audit because it threatens confidentiality.

But Mr. Crothers stressed "there's not a single bit of information that these inspectors can pick up of a confidential nature that the government doesn't already have. That's a red herring and that one's used because this is the one that will catch the public's eye and make people upset and apprehensive about this."

### Access already

A pharmacist and former ministry inspector, Mr. Burrows confirmed that current law already gives the College of Pharmacists access to all documentation related to a pharmacist's practice.

The college, the profession's governing body, only enforces current dispensing fee legislation when fees exceed \$5.75, said Mr. Crothers, who supports proposed

new clauses that will permit the government to appoint alternative inspectors.

A new proposal that pharmacists charge customers their "actual acquisition cost" for multiple-source drugs will erode profits and kill incentive to buy in volume at reduced cost, argues Mr. Katzman. The result, he said, is smaller inventories and higher retail prices.

But while he agrees profits may drop, Mr. Crothers said part of the incentive to buy in volume is to pass savings to customers, which few pharmacists do.

The Pharmaceutical Manufacturers' Association of Canada declined comment on the proposed legislation until it is revised at committee.

A provision intended to help reduce retail drug prices requires pharmacists to advise customers of all generic equivalents and their costs for every prescription filled, unless the doctor stipulates "no substitution."

Mr. Blumenfeld said that will increase workload and minimize counselling time.

"Or I think we'd get to the point where we'd be charging for advice. Time is money. People take it for granted that they can phone up and ask our advice on drugs or whatever and we give it freely. Where does it say that we have to give that out free?"

The clause "is a pain..." said Mr. Crothers, who wants it amended to exclude refills. To save time, signs or brochures listing the most popular 25 drugs (which account for 70 per cent of all prescriptions filled), their generic equivalents and price of both, could also be displayed, he said.

### Touchy subject

Mr. Crothers noted "it's a little bit touchy," in Markham because the town's large population of brand-name manufacturer employees "are offended if you suggest a generic."

The government will continue to reimburse pharmacists for only the lowest-priced generic equivalents of drugs dispensed under the Ontario Drug Benefit program.

But Mr. Blumenfeld said most people prefer brand-name drugs, because they believe they are better quality. "As far as I'm concerned, there's no comparison at all. I have no doubt that if my child needed an antibiotic I would give him brand-name no matter what the cost was."

Mr. Crothers said there is no therapeutic difference between brand-name and generic equivalents, and that he would not dispense a drug that he's not prepared to give his children.

## Ed and Claudette



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