

Consumers' Association of Canada (Alberta)
Box 11171, Edmonton, Alberta, T5J 3K4

The Honourable Ujjal Dosanjh
Minister of Health
House of Commons
Ottawa, Ontario, K1A 0A6

30 August, 2005

Re: Withdrawal of Essential Insulins from the Canadian Market

Dear Mister Minister:

There is no single expense that can devastate a family's finances and quality of life more than illness or injury. This is particularly true when a family member has a chronic medical condition such as insulin-dependent diabetes and requires daily doses of an essential and expensive drug.

Since the early 1960s, our association and affiliates have been actively involved in both national and provincial arenas - championing Canadians' rights to safe, affordable and effective drugs. The availability, safety and price of essential drugs has been at the top of our list of members' concerns for many decades. However, despite these efforts, the 1990s brought an increasing imbalance in the often competing interests of consumers and the industry in federal drug policy. .

Nowhere is this more evident than in the experiences over the past 15 years of the tens of thousands of Canadians dependent on insulin, and the announced intention of suppliers to remove all (safe, effective and affordable) animal-sourced insulins from the market. Decisions of drug companies to withdraw, not only animal insulins, but many first generation synthetic insulins have forced many diabetics to continually change their therapies and purchase newer and more expensive - and sometimes less effective - insulins. Since 1995, prices have increased from approximately \$11 for a vial of Connaught Novo NPH beef/pork insulin to \$19 to \$25 per vial of Humulin N, an equivalent recombinant human insulin. Now consumers are being encouraged and forced to use even more expensive synthetic insulin analogues at up to \$60-\$65 per vial.

The burden of these increases are falling on patients that have to pay for the insulin out of their own pocket unless they are indigent and covered under provincial social welfare plans or are hospitalized or lucky enough to be covered under a group plan. Even those that can access a group plan are facing co-pays and/or deductibles.

The net result is that a number of patients cannot afford to pay for the daily dosages prescribed by their physicians along with the accompanying costs of injection and glucose monitoring supplies. The frequency and associated costs of glucose monitoring may also depend on the effectiveness of particular insulins. Taking insulin on alternate days or doing without for the last week of the month is the grim reality faced by a number of these people.

The inability of diabetics to successfully manage their condition because they are using a type of insulin that is inappropriate or because they cannot afford a type to which they are better suited results in higher rates of kidney, heart and vision problems requiring services of our health care

system in earlier stages of their disease. This results in premature unnecessary health care spending.

It is respectfully suggested the failure of the provincial and federal governments to resolve the pricing and access to animal insulin problems is unacceptable. An increasingly alienated Canadian population simply can not understand how such a situation can be allowed to occur.

The financial concerns faced by diabetics as a whole due to the price impacts associated with strategies of drug companies withdrawing older drugs off the market and introducing ever more expensive substitutes is a serious issue. However, consider the plight of the patients that must use animal based insulins (due to a serious adverse response to the chemical make-up of synthetic insulins) and are told that manufacturers will no longer provide the product. This group of diabetics faces major safety issues affecting their very survival as well as their well-being. Do the federal and provincial governments and elected representatives of these citizens understand this fact? As matters presently stand it is almost as if no one in authority cares.

Patent policies and the regulation of the practices of drug companies related to essential drugs and drug safety are not just economic policy issues. There are major social implications if the regulators and elected representatives fail to understand or simply do not do their jobs properly when it comes to protecting the health of individual Canadians.

According to the Canadian Diabetic Association, approximately 1.5 million people have been diagnosed with diabetes. Another 750,000 are believed to have diabetes but are not yet aware their condition. Many but not all of these individuals will require insulin at some point to manage their condition – currently estimated at 40% by Stats Canada.

We urge you and other relevant federal Ministers and provincial governments to act immediately to ensure a continuous and unbroken supply of animal insulin is available for Canadian diabetics.

We further urge you to work with your provincial counterparts to ensure the proper health based benefit-cost analyses are carried-out which take into account the fact that the wholesale substitution of newer drugs for older essential drugs (such as the case with insulin) has both price and safety implications that will have a major economic impact on the health system and society as a whole as well as on the lives of many Canadians.

There are higher mortality and morbidity rates and a chain of other related disease and social issues (often missed in studies because of the lack of meaningful input by consumers who use these products) that are not being considered or are being ignored by federal and provincial regulators. Untreated or poorly managed diabetes is a major cost driver that socially and economically responsible provincial and federal governments simply can't ignore if they want to get a handle on spiraling social costs as well as reduce morbidity and mortality rates.

If animal based insulin (and some of the first generation synthetic insulins) allow a significant portion of the diabetic population to maintain their health and productivity, then what possible justification exists for preventing these people from meeting their needs by maintaining access to the products.. The manufacturers position seems clear as far as only allowing higher priced synthetic insulins to be sold in the market place. It's more profitable. The key question is: "What is the federal and provincial governments position in the matter? On the surface the current government inaction does not make any sort of economic or social sense. The position of Health Canada is: "there very clearly are Canadians who need animal-sourced insulins to manage their

diabetes. We have no doubt about that at all...the current science knowledge [sic] does not really enable us to understand why the synthetic insulins or the human insulins do not work as well for some people as do the animal insulins, but clearly that is the case..." (Julia Hill, Director General of the Biologics and Genetic Therapies Directorate, Feb 2003).

Canadians need leadership in this matter. You as Minister of Health along with the Federal Minister of Industry, the Prime Minister and the Premiers have an opportunity to take prompt action and see to it that a good supply of relatively low cost animal based insulin is maintained in the Canadian marketplace.

You also have an opportunity to ensure that proper attention is paid in the future towards ensuring that any attempts to limit consumers' access to safe, low cost and effective health care goods and services by removing them from the market place are subjected to a thorough and public social, health and economic review. This may be a good opportunity to establish a Provincial//Territorial/Federal joint venture to remedy cases of competitive market failure, such as the clear exploitation of persons requiring insulin. Expanded provincial or national public drug plans could use their bargaining power to require companies to maintain older, safer and less costly alternatives on the market as a condition of adding a newer drug to a plan formulary. Or a government sponsored non-profit organization could acquire and distribute effective low cost drugs that are *not* made readily available in the Canadian marketplace by drug manufacturers. This would also have the advantage of making the market more competitive and reduce overall costs.

Your timely attention to this matter would be most appreciated.

Yours truly,



Larry Phillips,

President

CC Prime Minister of Canada, Right Honourable Paul Martin
Honourable Anne McLellan, Deputy Prime Minister of Canada
Honourable David L. Emerson, Federal Minister of Industry
Honourable Ralph Klein, Chair of Council of Premiers
Leader of the Official Opposition, Conservative Party, Mr. Stephen Harper
Leader of the NDP, Mr. Jack Layton
Honorable Iris Evans, Alberta Minister of Health and Wellness
The Society for Diabetic Rights