

Universal prescription drug coverage improves seniors' health outcomes

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Seniors' health would be improved with universal prescription drug coverage, says a UBC study. Photo: Benny Lin, Flickr

Universal prescription drug coverage would ensure better access, equity and efficiency for seniors, says a study by UBC researchers.

Over the past decade, a growing number of provinces – including British Columbia – have discontinued comprehensive drug benefits for seniors,

instead implementing income-based programs that provide public subsidies for prescription drug [costs](#) that exceed household income thresholds. "It sounds like a good idea, except it isn't," researchers say.

The study assessed the performance of British Columbia's income-based drug plan against Ontario's age-based drug plan, focusing on three objectives: Access, equity and efficiency. It found that the income-based plan performs poorly on all three objectives.

"Deductibles, based on income, impose considerable direct costs on seniors, who are more likely to be high-needs users of [prescription drugs](#)," said Steve Morgan, director of UBC's Centre for Health Services and Policy Research, and the study's lead author. "They act as a disincentive, and reduce [seniors'](#) adherence to prescribed therapies."

An income-based approach also undermines cost efficiency because it passes a large share of the residual costs to employers, unions and patients, the researchers argue. Administrative costs increase and this approach fails to leverage the purchasing power of government as the single payer in the pharmaceutical marketplace.

"We recommend moving to a Canada-wide, no-deductible prescription drug benefit program, financed through personal income taxes," said Morgan, professor in the School of Population and Public Health. "This type of plan would enable government to achieve greater cost efficiencies and improve health outcomes."

It would generate better access to medicines, more equitable financial protection for the sick and the elderly, and lower costs for Canada as a whole, said Morgan.

Provided by University of British Columbia

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