Patented Medicine Prices Review Board
Conseil d'examen du prix des médicaments brevetés

PPRI Pharmaceutical Pricing and Reimbursement Information

Canada

Patented Medicine Prices Review Board
333 Laurier Ave W., Ottawa ON, K1C 1P1

Population: 40.5 million (2023)

GDP per capita: US$55,522 (2022 WB)
Health spending per capita: US$6319 (2022 OECD)
Pharma expenditure per capita: US$914 (2022

Recent and planned developments in pharmaceutical policies 2025

Pricing of medicines

The Patented Medicine Prices Review Board (PMPRB) is an independent quasi-judicial body established by Parliament in 1987 under the Patent Act (Act). The PMPRB has a dual regulatory and reporting mandate: to ensure that prices at which patentees sell their patented medicines in Canada are not excessive; and to report on pharmaceutical trends of all medicines and on research and development spending by patentees.

National Price Ceilings for Patented Medicines

On December 19, 2024, the PMPRB embarked on the third phase of its guidelines consultation process with the released a draft of its new price review Guidelines (the Draft Guidelines). The Draft Guidelines outline a proposed new price-review process for Board Staff, with an initial screening based on a comparison to the highest international price (HIP) of the patented medicine across the PMPRB11 comparator countries.

In addition to the publication of draft guidelines, the PMPRB also prepared an accompanying Overview of Draft Guidelines to explain their contents in simplified language and hosted technical briefings in February to further explain the contents of the Draft Guidelines and answer any questions that interested stakeholders may have had.

Consultations closed March 19, 2025, with a total of 54 submissions received.

Federal, Provincial and Territorial Price Negotiations

Canada's federal, provincial and territorial governments collectively negotiate the prices of brand name and generic drugs as part of the pan-Canadian Pharmaceutical Alliance (pCPA). As of March 2025, the pCPA has completed 776 negotiations for new brand name drugs and indications. Further detail on the pCPA's activities can be found here.

In October 2023, a new three-year pricing initiative for generic drugs came into effect between the pCPA and the Canadian Generic Pharmaceutical Association (CGPA). The agreement builds upon the successes achieved to date with the pan-Canadian Generic Tiered Pricing Framework (TPF).

Coverage / Reimbursement

Health Technology Assessment

On September 5, 2024, the Canadian Agency for Drugs and Technologies in Health (CADTH) became the Canadian Drug Agency (CDA) with an expanded mandate. The new agency will continue CADTH's important work of health technology assessment and monitoring of post-market safety and effectiveness.

In March 2024, the CDA announced a pilot project to bring a societal perspective to its economic evaluations of certain new drugs. Currently, the Drug Reimbursement Review program takes the health care payer as the base-case analysis, considering only the costs incurred by the public payer, such as costs of the drug, hospitalization, and outpatient visits. The use of societal perspective in an economic model expands the considerations to include both health care payer costs and associated costs that fall outside the health care system including costs incurred by patients taking time off for treatment, productivity costs to society from patients being unable to work, and costs to other government sectors.

Federal, Provincial and Territorial Public Payers

On March 22, 2023, the Canadian government announced up to $1.5 billion over 3 years in support of the first-ever National Strategy for Drugs for Rare Diseases. This funding will help increase access to and affordability of effective drugs for rare diseases and contribute to improving the health of patients across Canada. The strategy has established a common list of new drugs to help develop, collect, evaluate and use real-world data and evidence to make decisions about the listing and reimbursement of rare disease drugs within Canada's existing pharmaceutical management system.

As of March 2025, 11 of Canada's 13 provinces and territories have signed on to the initiative, which covers 6 drugs: Poteligeo (Mycosis fungoides or Sézary syndrome), Oxlumo (Primary hyperoxaluria type 1), Epkinly (Relapsed or refractory diffuse large B-cell lymphoma), Welireg (Von Hippel-Lindau disease), Yescarta (Follicular lymphoma; 2nd line treatment of diffuse large B-cell lymphoma or high-grade large B-cell lymphoma), and Koselugo (Neurofibromatosis type 1)

Other

On October 10, 2024, the Government of Canada passed Legislation for a First Phase of National Universal Pharmacare program. As the first phase of the program, the Minister of Health committed to work with provinces and territories to reach bilateral agreements to provide universal, single-payer, first-dollar access to a range of contraception and diabetes medications. To date, agreements have been signed with 3 provinces, British Columbia, Manitoba, and Prince Edward Island.

The Act also requires that Canada's Drug Agency develop a list of essential drugs and related products to inform the development of a national formulary, a national bulk purchasing strategy to help further reduce drug prices, and a pan-Canadian strategy on the appropriate use of prescription medications.

SPECIAL TOPIC

Health Technology assessment (HTA) in Canada

The Canadian Drug Agency

The Canadian Drug Agency (CDA), formerly the Canadian Agency for Drugs and Technologies in Health (CADTH), evaluates the clinical, economic, and patient evidence for cancer drugs (pan-Canadian Oncology Drug Review) and other drugs (Reimbursement reviews and Recommendations). Based on these evaluations, CDA provides reimbursement recommendations and advice to Canada's federal, provincial, and territorial public plans (with the exception of Quebec), as well to the provincial cancer agencies. The recommendations are not binding, but are considered by the public drug plans when making formulary listing decisions.

Institut national d'excellence en santé et services sociaux

In the province of Quebec, the Institut national d'excellence en santé et services sociaux (INESSS) assesses the clinical advantages and costs of health technologies, medications and interventions used in the fields of health care and social services. It issues recommendations concerning adoption, use and coverage by the public plan of health technologies and services.

Canada's HTA bodies are active participants in an international collaboration that includes organizations in Australia, New Zealand and the UK. This collaboration will see more than 134 million people benefit from the group's work. Participant groups are All Wales Therapeutics and Toxicology Centre, Australian Government Department of Health and Aged Care, Canadian Drug Agency, Healthcare Improvement Scotland (Scottish Medicines Consortium and Scottish Health Technologies Group), Health Technology Wales, the Institut national d'excellence en santé et services sociaux, National Institute for Health and Care Excellence (NICE), and Pharmac (New Zealand). The collaboration has prioritized work in 3 areas: Work Sharing, Horizon scanning and Science and methods development.

In September 2023, CADTH introduced Time-limited drug reimbursement recommendations, a new category that will aim to help provide earlier access to promising new treatments targeting the unmet needs of people in Canada living with severe, rare, or debilitating illnesses. This will be a recommendation to publicly fund a drug or drug regimen for a certain period, based on the condition the manufacturer will conduct ongoing clinical studies to address uncertainty in the evidence.