Action Canada
for Sexual Health & Rights

Policy Brief:

Provinces Should Implement Canada's Pharmacare Plan

February 2025

The Promise of Pharmacare

Access to contraception is a human right, enabling individuals to freely decide if or when to become parents, as well as the number and spacing of their children. To respect, protect, and fulfil this right, governments must ensure that contraceptive information, supplies, and services are available, accessible, acceptable, and of good quality to all, not just to some.

In 2021, the Liberals and the New Democratic Party pledged to continue progress toward a universal national pharmacare program over the course of their "supply and confidence" agreement. Action Canada campaigned for the introduction of the pharmacare program and believes it has the potential to change the lives of people across Canada, particularly for the 1 in 5 Canadians who have insufficient or no drug coverage. This disproportionally affects marginalized people who are falling through the cracks of our existing healthcare system.

In October of 2024, leading health organizations from across Canada celebrated the passing of landmark pharmacare legislation. Bill C-64, An Act Respecting Pharmacare, received royal assent, establishing the foundational principles for the first phase of Canada's national universal pharmacare program with the introduction of universal, single-payer, first-dollar coverage for prescription drugs, starting with coverage for diabetes and contraception medications. This marks a significant step toward improving drug access, affordability, and equity nationwide. As a sexual and reproductive rights organization, Action Canada welcomed the inclusion of contraception as one of the two classes of drugs included in the initial roll-out.

Now, we urge all provinces and territories to move swiftly towards signing agreements with the federal government to ensure the Canada Pharmacare Act is implemented. With the 2025 federal election on the horizon, the window of time to secure provincial and territorial agreements before a potential change in government is short. Having agreements signed ahead of an election will allow the Canadian public to benefit from the cost coverage of the approved medications without interruption.

We urge provinces and territories to ensure that agreements adhere to a single-payer, universal, first-dollar approach versus a "Fill the Gap" approach. Anything short of universal, first-dollar and single-payer is not in the best interest of the public.

Provincial and Territorial Jurisdiction

Canada continues to be the only country with universal healthcare coverage that does not also offer coverage for prescription drugs, including contraceptives, and this lack of coverage comes with steep costs. Drug coverage is within the jurisdiction of provinces and territories in Canada, meaning each province or territory defines who is eligible for medication benefits under its respective pharmaceutical program. As such, access to contraceptives is heavily dependent on the province you live in, as indicated by our 2024 Contraception Atlas. In addition, provinces and territories individually define any conditions for accessing particular products and how frequently one can access them. For example, in Alberta, the province will provide cost coverage for procedural elements of contraceptives such as IUD insertion, but won't cover the cost of the IUD itself, while in Ontario, youth under the age of 25 are able to access contraceptives under the Ontario drug benefit. This leaves significant gaps in coverage across the country, and the level of coverage is dependent on where one lives in Canada.

Nearly half of all pregnancies in Canada are unintended, and many Canadians continue to use a narrow range of contraception methods, with the three most common reported methods being among the least expensive for individuals to purchase (condoms, oral contraception and withdrawal). In a recent Statistics Canada report, 1 in 5 women reported not using any method of contraception the last time they had intercourse. Fewer than 5% of individuals between 15-24 years report using a contraception method in the most highly effective tier, such as intra-uterine devices (IUDs) or contraceptive sub-dermal implants. This can likely be attributed to several barriers to access, including a lack of awareness, concerns related to misinformation or 'myths', the ability to access a prescribing healthcare practitioner, and overall financial barriers. As such, socio-economically disadvantaged individuals are often faced with choosing the most affordable contraceptive options.

All contraceptives aim to prevent pregnancy to varying degrees of effectiveness, but the most effective forms of contraception are also the most expensive. The best form of contraception for each individual is determined by what works best for them, not by which is most affordable. An intrauterine device (IUD) can cost between $75 to $400, oral contraceptive pills can cost $20 per month (adding up to $240 a year), and hormone injections as much as $180 per year. These costs may force individuals to make contraceptive choices based on cost alone. Many sexual health centers fill the gaps in contraceptive care for the communities they serve by offering low or no-cost contraception programs, but these programs are often under-resourced and struggle to meet demands. These services are predominantly located in urban centers, which also means patients who live far from major cities are forced to travel long distances and take time off work to accommodate appointments far from home. In practice, this means that the financial and practical cost of accessing low-cost medications or inserting an IUD makes accessing the most effective forms of contraception a challenge for many. A national pharmacare program would remove the barrier of cost and bring access to medications closer to where they live, allowing individuals to truly make their own contraceptive choices.

While some provinces have voiced their intention to sign agreements with the federal government, British Columbia is the only province to already have cost coverage for contraception in place since April of 2023. Data from the first year of the program has shown more patients opting for birth control in general, but also an increase in patients specifically opting for long-acting reversible contraception such as IUDs – forms of contraception they may not have been able to afford prior to the policy being implemented. These trends are a promising sign of the shifts we could see across Canada if the national pharmacare plan is implemented.

The Economic Benefit of Contraception

The current lack of contraceptive coverage in Canada comes with steep costs. Roughly 47% of pregnancies in the country are unintended, costing Canadian health systems millions of dollars annually. Studies have shown that providing universal contraception coverage could see that entire amount saved in as little as six to twelve months. An Options for Sexual Health study from 2010 estimated that the BC government could save as much as $95 million annually, which is nearly twice the projected cost of implementing this policy in British Columbia. A separate study in the Journal of Obstetrics and Gynaecology Canada estimated that the current annual cost of contraception across Canada would be $261 million, but the savings, for direct medical costs of unintended pregnancy alone, would be approximately $320 million. The Contraception and Abortion Research Team (CART) also did a cost

savings analysis of providing contraception in British Columbia in 2018 and estimated that the province would see the program become cost-neutral by the second year of the program and could see savings of 27 million CAD per year starting in year four of the program. This cost estimate does not consider the increased bargaining and purchase power the federal government would have when negotiating universal contraceptive access under a pharmacare plan, lowering the expected cost for the federal government. Providing cost coverage for contraception not only helps entire communities, but it also just makes economic sense.

More Than Just Cost Coverage

The benefits of universal access to contraception cannot be overstated: it gives individuals the autonomy to make informed choices about their health and lives. It enables those who can become pregnant to plan if and when to become pregnant, leading to immediate, life-long, and intergenerational advantages. It also allows individuals to manage a broad range of conditions related to reproductive health beyond pregnancy. When individuals can access contraception, it allows them to pursue education and employment opportunities, it contributes to gender equality, it supports management of their reproductive health, and it supports people to decide if and when they want to grow their families according to their own particular circumstances. Planned pregnancies also result in lower maternal and infant mortality rates , as well as reduced healthcare costs associated with unplanned pregnancies and even savings to the healthcare system overall for every dollar invested in contraception. Better contraception access is a catalyst for healthier individuals, stronger families, and more equitable societies.

As provinces and territories begin to sign agreements with the federal government to provide cost coverage for contraceptives, it is important to note that while cost is often a significant barrier to access, it is not the only barrier to access. Other barriers include struggles in accessing healthcare workers who can prescribe contraception, a lack of clear information around contraceptive choices, and the rise in misinformation. These barriers do not fall equally on all individuals living in Canada, and in fact disproportionately affect those who experience marginalization rooted in systemic racism, classism, ableism, and heterosexism. Several provinces have begun implementing changes that would address these issues; for example, BC updated its website to include information on myths about sex and pregnancy, and Ontario expanded contraceptive prescribing access to include midwives under the new designated drugs and substances regulation.

It is important for provinces and territories to consider how cost coverage would be implemented in each jurisdiction and ensure their agreements with the federal government address these concerns. Incorrect billing codes may create additional costs on patients or remove incentives for family physicians to perform IUD removals, such as in Ontario. Regularly updating provincial and territorial health authority websites is also a key factor in success as provincial or territorial governments' and public health authorities' official websites are generally people's first point of contact for reliable information, as they are considered to be trustworthy and unbiased sources. As such, they are responsible not only for providing legitimate & accurate information about contraception and contraception choices available to people, but also to debunk misleading information. Additionally, many sexual health centers currently fill the gaps in contraceptive care for the communities they serve by offering low or no-cost contraception programs, but these programs are often under-resourced and struggle to meet

demands. The inclusion of sexual health centers in contraceptive care programs must be included in provincial or territorial agreements to ensure information and access are available to marginalized and vulnerable populations.

Recommendation

Universal access to contraception is a huge step forward in closing the gaps in access across the country that currently exist, but this is only the first step. A comprehensive approach to contraceptive care means strengthened sexual health education, increased access to barrier methods and better information so that everyone can make consensual and informed choices about their fertility. Provinces and territories must collaborate with the federal government to establish comprehensive agreements that ensure Canadians receive timely, single-payer, universal coverage for essential medications without further delays.