

April 2011

Generic Drug Update

In 2010, a number of provinces began a phased-in reduction of the price of generics listed on the provincial formularies. While the reductions in Alberta are complete, the second phase of these reductions for Ontario, Quebec and British Columbia occur in 2011. We have provided an overview of these reductions with respect to private payers, for your reference:

Ontario

The generic drug price is reduced to:

- 50% of brand effective July 1, 2010
- 35% of brand effective April 1, 2011
- 25% of brand effective April 1, 2012

Quebec

The generic drug price is reduced to:

- 37.5% of brand effective November 2010
- 30% of brand effective April 2011
- 25% of brand effective April 2012

British Columbia

The generic drug price is reduced to:

- 42% of brand for new generics and 50% for existing generics effective October 15, 2010
- 40% of brand effective July 4, 2011(all generics)
- 35% of brand effective April 2, 2012(all generics)

Alberta

The generic drug price is reduced to:

- 45% of brand for new generics effective October 2009
- 56% of brand for existing generics effective April 1, 2010