

April 3, 2020

Adele Fifield
Executive Director,
NAPRA

Dear Adele;

In light of the persisting shortage situation driven by spikes in demand for pharmaceutical products during this COVID-19 crisis, I strongly encourage pharmacy stakeholders to stay the course on the 30 days supply of medication.

Here is guidance from Health Canada, who also understands the need to stabilize the pharmaceutical supply chain by smoothing out the demand curve.

<https://www.newswire.ca/news-releases/advisory-stockpiling-drugs-can-lead-to-local-shortages-canadians-urged-not-to-buy-more-medication-than-usual-during-the-covid-19-pandemic-821066856.html>

Prior to the introduction of 30-day refills, the demand on distributors for pharmaceuticals was unsustainable, with volumes driven up to 200+% over historical demand by well-intentioned but poorly interpreted messaging from public health authorities. In addition, our distributor members also saw, and continue to see, what can only be described as ‘panic buying’, with some customers simply ‘ordering 100 of everything’. If this trend had been allowed to continue unchecked by policy changes and filters/allocation by distributors, the Canadian drug supply would have been completely depleted, similar to how grocery store shelves have been cleaned out all across the country. With the partnership between pharmacy and distribution stakeholders, we have been able to ‘flatten the curve’ of demand for pharmaceuticals, stretching out wholesale inventories, ensuring equitable distribution among all customers, and putting our healthcare system on a better footing to address the upcoming global supply challenges arising from COVID-19.

Because of the widespread impact of the unprecedented demand on pharmaceutical inventories in early March, almost all products have been put on allocation and filters to reflect the historical allocations that manufacturers have placed on distributors, and we expect this continue for some time to come. While it is preferable to return to ‘normal’ 90 day script as quickly as possible, now is not the time to do so. There has been too much inventory depletion early on for the supply chain to come back to ‘normal’ quickly. There is evidence that the 30 day directives are working across Canada and the system needs more time to reach anything close to equilibrium. This is a global pandemic and supply cannot be increased materially in the short term. Therefore the inventory in the pipeline and existing production capacity is essentially set for now.

We are working with IQVIA to access script data to demonstrate what distributors are seeing take place. CAPDM and our members' perspective is that a return to the 90 day scripts at this time will deplete the inventories (that distributors are desperately trying to build back for the weeks ahead) within days and leave many patients without medication. Please understand that the spike in demand is global and manufacturers are having difficulty keeping up with pent-up demand, even on items seemingly unrelated to issues caused by COVID-19.

We believe that we will be challenged to maintain a minimum of 4 weeks of supply for a number of prescription medications in the coming weeks due to demand vastly outstripping supply for drugs and anticipated logistical challenges in the production and shipment of replenishment supplies to Canada in a timely manner due to government lockdowns and global transportation constraints.

Let's give every patient equal access to a limited supply. I would encourage governments, regulators and other pharmacy stakeholders to support pharmacists in sharing this message of responsible ordering.

Dan



Daniel Chiasson

President and CEO

Canadian Association for Pharmacy Distribution Management (CAPDM)