

Chris Halyk  
 President

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[www.janssen.ca](http://www.janssen.ca)

January 6, 2016

CH-Gen-126

Hon. Terry Lake  
 Minister of Health  
 PO Box 9050, Stn Prov Govt  
 Victoria, BC  
 V8W 9E2

Dear Minister Lake,

At Janssen Inc. (Janssen), we are dedicated to addressing some of the most important unmet medical needs of our time in oncology, immunology, neuroscience, infectious diseases, vaccines, and metabolic and chronic diseases. Driven by our commitment to patients, we bring innovative products, services and solutions to people throughout the world. Janssen is committed to not only ensuring the safety, efficacy, and value of our current products, but also to investing in early research to bring innovative new therapies to market. This commitment is demonstrated by our significant investments and partnerships with various research institutes across Canada, which involved over \$1 billion in 2015 alone.

Janssen is also committed to addressing health care policy issues that impact the lives of Canadians. In advance of your upcoming meetings in Vancouver with provincial and territorial Health Ministers, I would like to raise some key points in relation to national pharmacare.

Over the last year, there has been extensive public interest and discussion surrounding the concept of national pharmacare. At Janssen, we are supportive of policy initiatives that improve access to necessary medicines for patients. We also believe that patients should have equitable access to and choice in medicines, regardless of where they live across Canada. In October, Janssen hosted a national pharmacare round table event. The goal of this event was to provide a platform for a broad and diverse dialogue on national pharmacare. Although many individuals and stakeholder groups have voiced opinions on national pharmacare, at the time these diverse voices had not discussed the issue in a round table format. Participants included: academics; patient associations; professional associations; private insurers; think tanks; government; and industry.

Key discussion points included:

- Policy initiatives should focus on the gaps in the system (ie. patients who lack the means to pay for their medicines) versus focusing on populations who are already well served in the current system.
- Maintaining adequate access to drugs for all Canadians will be extremely challenging if it is going to be achieved within the confines of current drug budgets.
- An incremental policy approach should be adopted versus significant system reform. It was agreed that the systems currently in place should be leveraged and improved upon versus adding additional layers.
- Although many challenges in the system were discussed throughout the conversation (ie. inequities across drugs plans, access for low-income populations, overprescribing of medicines in the elderly), the group did not reach consensus on the key issues that should be prioritized due to the complex nature of the challenges. Janssen's position is that patient access to medicines is the most critical issue that needs to be addressed.

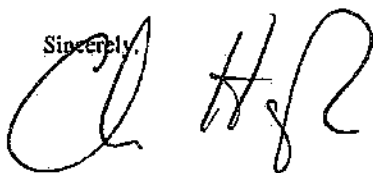
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Janssen is supportive of policies that allow for the right medicine to get to the right patient in a timely and cost-effective manner, and we support efforts to manage overall healthcare costs more effectively. However, we believe that any price-focused strategy that restricts patient access to a narrow range of therapeutic options has the potential to have a negative impact on health outcomes – resulting in unanticipated costs in other parts of the health system. Cost-containment policies that target innovative medicines have a negligible short-term impact on the overall provincial health budget, can result in less than optimal outcomes for patients, and have a detrimental impact on the overall provincial government budget and on the attractiveness of Canada as an investment destination for research and development.

We encourage continued dialogue on a national approach to ensuring all Canadians have access to the medicines that they need, and feel that all stakeholders should collaborate in driving toward solutions. Janssen will continue to be an industry leader in advancing the dialogue, and would welcome the opportunity to directly collaborate with federal, provincial, and territorial governments as you deliberate on potential solutions.

Janssen remains a committed partner in ensuring public sector value in the procurement and utilization of innovative medicines, as well as optimal outcomes for patients. We would welcome the opportunity to discuss this letter with you or your staff at your convenience. Derek Badger, Janssen's Government Affairs and Market Access Manager for BC, will be reaching out shortly to find a mutually convenient time. Thank you for your consideration as you prepare for your important deliberations in Vancouver.

Sincerely,

A handwritten signature in black ink, appearing to read 'CH' followed by a stylized flourish.

Chris Halyk  
President

**Lafrance, Martyn HLTH:EX**

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**From:** O'Brien, Kellie HLTH:EX  
**Sent:** Wednesday, February 10, 2016 5:30 PM  
**To:** 'Badger, Derek [JOICA]'; Lafrance, Martyn HLTH:EX  
**Subject:** RE: Janssen Follow-Up

Thanks Derek.

Was great to hear from you today. Thanks for sending along the letter.

As always, if I can be of any assistance please don't hesitate to contact me.

Thanks,  
Kellie

**Kellie O'Brien**  
Ministerial Assistant to the Honourable Terry Lake  
Minister of Health  
**T: 250-953-3547**  
**E: Kellie.Obrien@gov.bc.ca**

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**From:** Badger, Derek [JOICA] [<mailto:dbadger@its.inj.com>]  
**Sent:** Wednesday, February 10, 2016 5:28 PM  
**To:** Lafrance, Martyn HLTH:EX; O'Brien, Kellie HLTH:EX  
**Subject:** Janssen Follow-Up

Hi Martyn and Kellie,

Thanks again for your time this morning, allowing me to share background on several ongoing pharmaceutical issues/challenges. I will keep you updated on developments of interest related to the topics discussed: Subsequent Entry Biologics, the Reference Drug Program and our new diabetes treatment.

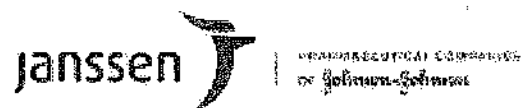
As promised, for your information, attached is the letter regarding National Pharmacare that went to Minister Lake in advance of the FPT meetings in Vancouver.

As I mentioned, it is terrific to see recent and tangible acknowledgment from senior government leaders of the important contributions that the life sciences industry is making to a diverse and strong BC economy. Johnson & Johnson has a strong track record of multi-stakeholder partnerships and we will continue to leverage opportunities that support the growth of our sector in BC.

Please don't hesitate to reach out for further information or support as you get up-to-speed in your new roles.

Derek Badger  
Manager, Government Affairs and Policy  
Office: 250.770.1600

Mobile: 250.486.0194



## **Lafrance, Martyn HLTH:EX**

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**From:** Robertson, Derek HLTH:EX  
**Sent:** Thursday, February 11, 2016 8:56 AM  
**To:** Lafrance, Martyn HLTH:EX  
**Subject:** RE: Janssen Follow-Up

Hey Martyn,

This letter was actioned for a Draft Min-sig.

Derek

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**From:** Lafrance, Martyn HLTH:EX  
**Sent:** Wednesday, February 10, 2016 7:24 PM  
**To:** Robertson, Derek HLTH:EX; Dhanowa, Damon HLTH:EX  
**Cc:** O'Brien, Kellie HLTH:EX  
**Subject:** FW: Janssen Follow-Up

Is the Ministry working on a draft response to the attached letter from Janssen? The letter is dated January 6. Janssen says the letter was sent to us in advance of the FPT meetings in Vancouver.

**Martyn Lafrance**  
Chief of Staff to the Hon. Terry Lake  
Minister of Health  
T: [250-953-3547](tel:250-953-3547)  
E: [Martyn.Lafrance@gov.bc.ca](mailto:Martyn.Lafrance@gov.bc.ca)

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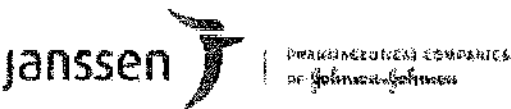
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Derek Badger  
Manager, Government Affairs and Policy  
Office: 250.770.1600



## **Lafrance, Martyn HLTH:EX**

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**From:** Robertson, Derek HLTH:EX  
**Sent:** Wednesday, February 10, 2016 7:26 PM  
**To:** Lafrance, Martyn HLTH:EX  
**Subject:** Re: Janssen Follow-Up

I will have to follow up in the morning.

Derek

Derek Robertson  
Executive Assistant to the Honourable Terry Lake  
Minister of Health  
Office: (250) 953-3547

Sent from my BlackBerry

**From:** Lafrance, Martyn HLTH:EX  
**Sent:** Wednesday, February 10, 2016 7:23 PM  
**To:** Robertson, Derek HLTH:EX; Dhanowa, Damon HLTH:EX  
**Cc:** O'Brien, Kellie HLTH:EX  
**Subject:** FW: Janssen Follow-Up

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**Martyn Lafrance**  
Chief of Staff to the Hon. Terry Lake  
Minister of Health  
T: 250-953-3547  
E: Martyn.Lafrance@gov.bc.ca

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**Subject:** Janssen Follow-Up

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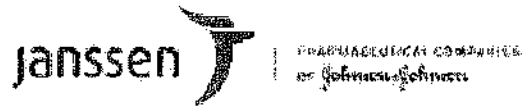
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Manager, Government Affairs and Policy  
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MAR 03 2016

1046986

Mr. Chris Halyk  
President  
Janssen Inc.  
19 Green Belt Dr  
Toronto ON M3C 1L9

Dear Mr. Halyk:

Thank you for your letter of January 6, 2016. As you know, federal, provincial and territorial Ministers of Health met on January 20 and 21 in Vancouver, and the subject of pharmaceuticals was an important topic in our discussions.

At the meetings, provinces and territories formed a working group to improve equitable and appropriate access to pharmaceuticals based on evidence. The Federal Government has accepted our invitation to join this working group. Provincial and Territorial Ministers also discussed solutions for addressing ongoing challenges related to expensive drugs for rare diseases and committed to continue to work together to achieve more consistent approaches to assessments and coverage, and a pricing strategy that is fair to both payers and developers.

The Federal Government has also accepted the invitation of the Provincial and Territorial Premiers to participate in the pan-Canadian Pharmaceutical Alliance, which negotiates drug prices on behalf of public drug plans.

Attached are the communiques from the recent Health Ministers' Meetings for your information. Thank you again for writing on these important issues.

Sincerely,

Terry Lake  
Minister

Enclosures

## Conferences

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### **PRESS RELEASE - Improving health of Canadians the focus in wide-ranging health talks**

VANCOUVER – In a wide-ranging set of discussions touching on many aspects of Canadians' health and health care, provincial and territorial health ministers committed to continued cooperation and collaboration across the country during a meeting today in Vancouver.

"My colleagues and I looked at the challenges and opportunities faced by provinces and territories in delivering health services across the country. We know we need to work closely together as we continue to improve our systems," said B.C. Health Minister Terry Lake, who chaired the meeting. "We look forward to our discussions with federal Health Minister Dr. Jane Philpott tomorrow, as we build a new relationship between governments for the benefit of the country's health care systems and Canadians."

The provinces and territories discussed a new way forward on health care in Canada. The ministers agree that Canadians expect their governments to work together when it comes to health care, within their areas of responsibility, and with flexibility to address the challenges unique to each province and territory. This will be discussed during tomorrow's meeting, including how a long-term federal funding agreement, of at least 25% of all health care spending by provinces and territories, would help support investments in innovation and transformation of health care systems, to improve outcomes for patients.

Many of today's discussions furthered work which began out of the previous meeting of provincial and territorial ministers of health and wellness in September 2014.

#### **Pharmaceuticals**

Expensive drugs for rare diseases, also known as orphan drugs, are used to treat life-threatening, chronic and seriously debilitating rare diseases. The cost of these medications continues to put significant pressure on health spending. The ministers affirm that strong, long-term solutions are needed to address the ongoing challenges.

A working group led by B.C., Alberta and Ontario studied the issue of expensive drugs for rare diseases, looking at issues of access, evidence of effectiveness, communication with doctors and patients, and pricing. Ministers have agreed to work toward more consistent assessments of drugs and coverage decisions, and a fair pricing strategy. They will discuss the issue of expensive drugs for rare diseases again at the next health ministers meeting in the fall.

Québec is always committed to work with the provinces and territories to address the challenges of the rising cost of medications, but Quebec only participates in this initiative by sharing information and best practices, since coverage decisions remain its sole responsibility.

Ministers also agreed to set up a working group to improve equitable and appropriate access to pharmaceuticals based on evidence and will also be inviting the federal government to participate.

#### **Newborn screening**

The health ministers discussed the work of an intergovernmental working group struck to improve newborn screening practices (blood tests done shortly after birth) in Canada. Early detection can prevent serious health problems and save lives.

The ministers also received a Canadian newborn screening list to provide guidance for screening programs. Ministers directed staff to continue working together to improve this type of screening, focusing on access, equity, and sharing information.

Québec is not participating in this initiative and will review its program by March 2016, with the goal of enhancement. Québec will then share results of this review with the other provinces and territories.

#### **Physician-Assisted Dying**

The provincial and territorial health ministers discussed the work of the provincial/territorial expert advisory group on physician-assisted dying, as well as Québec's law and approach regarding physician-assisted dying. The ministers expressed their thanks to the members of the advisory group for their timely and detailed advice, and acknowledged collaboration between the provinces and territories, as well as the federal government, is fundamental in approaching this issue.

### **Mental health and substance use**

The health ministers discussed the importance of improving care for young people outgrowing child and youth mental health and substance use services, as they move into the adult systems.

A working group, established at the 2014 ministers' meeting, developed a compendium of best practices for improving service integration for youth and young adults. It includes a review of published research and a scan of existing provincial and territorial programs, to identify the most effective services and approaches, particularly for rural and remote communities. At their next meeting, ministers will take an in-depth look at successful projects throughout the country, to consider as models for program improvements in their own jurisdictions.

### **Access to primary health care**

Improving access to primary care in the community, from family doctors, nurse practitioners and other health professionals, is a common challenge faced by all provinces and territories.

Health ministers discussed this challenge and innovations being developed in various provinces and territories. The ministers agree to share information about successful innovation in this area, and to set up a working group to collaborate where possible to support each other's efforts.

### **Indigenous health and wellness**

Ministers recognize the challenges regarding the health status of Indigenous Canadians as a significant issue across Canada. They discussed how to best work with Indigenous people to address their health concerns, and the role of governments to work together and with Indigenous partners.

### **Medicare in Canada: The Next 50 Years**

To commemorate 2016 as the 50th anniversary of the introduction of the Medical Care Act, Ontario Health Minister Dr. Eric Hoskins has proposed to host a symposium entitled Medicare in Canada: The Next 50 Years and has invited other jurisdictions to participate, including the federal government.

### **Interprovincial Health Coverage**

The provinces and territories are committed to continuing to work together to ensure Canadians have access to appropriate health services when they travel within the country.

The ministers discussed the current approach to interprovincial health care coverage and agreed to review the current coverage agreements.

Ministers look forward to productive discussions with Dr. Philpott tomorrow on areas such as physician-assisted dying, Indigenous health and wellness, access and affordability of pharmaceuticals, and a new way forward for health care, including the federal government's commitment to negotiate a new Health Accord and a long-term agreement on funding.

Following the meeting Ontario will assume the role of chair of the provincial and territorial health ministers and co-chair of the federal, provincial and territorial health ministers.

### **Media contact:**

B.C. Ministry of Health Media Relations  
250 952-1887 (media line)

## Conferences

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### **PRESS RELEASE - Statement of the Federal-Provincial-Territorial Ministers of Health**

**VANCOUVER** - The Federal, Provincial and Territorial Ministers of Health today issued the following statement at the conclusion of their meeting on Jan. 20 and 21, 2016:

"Today, we agreed to move ahead on shared health priorities, working collaboratively while respecting our jurisdictional roles, and guided by the common vision of creating more adaptable, innovative and affordable health-care systems for all Canadians. We discussed the pressing need to address gaps in health outcomes for Indigenous peoples.

#### Shared Health Priorities:

"We agreed that strong, universally accessible, publicly financed health-care systems are an essential foundation for a strong and prosperous Canada. We affirmed our commitment to continue transforming and strengthening health-care systems so that they can provide high-quality, accessible and patient-centered health services in a sustainable way. To this end, we, as Federal, Provincial and Territorial Ministers, agreed to work individually and collectively on the following immediate priorities where efforts will yield the greatest impact:

- Enhancing the affordability, accessibility and appropriate use of prescription drugs;
- improving care in the community, home care and mental health, to better meet the needs of patients closer to home and outside of institutional settings; and
- fostering innovation in health-care services to spread and scale proven and promising approaches that improve the quality of care and value-for-money.

#### Funding Commitment:

"While acknowledging that health-care transformation will improve the responsiveness and patient focus of our health care systems, ministers agreed that new resources are needed to stimulate and support needed changes in health-care systems across the country. The federal minister confirmed the federal government's commitment to work collaboratively with provinces and territories toward a long-term funding arrangement, which would include bilateral agreements.

Going forward, in respect of jurisdictional areas of responsibility and precedent agreements, the bilateral agreements will take into account the different circumstances and starting points of jurisdictions.

#### Prescription Drugs:

"Ministers agree that improving the affordability and accessibility of prescription drugs is a shared priority. Provincial and territorial ministers welcome the Government of Canada's decision to join, at the invitation of the provinces and territories, the pan-Canadian Pharmaceutical Alliance, which negotiates lower drug prices on behalf of public drug plans.

Our governments will also consider a range of other measures to reduce pharmaceutical prices and improve prescribing and appropriate use of drugs, while striving to improve health outcomes. We also agree to explore approaches to improving coverage and access to prescription drugs for Canadians. In this regard, Minister Philpott agreed, at the invitation of Ontario, to join a Federal-Provincial-Territorial working group.

#### Care in the Community:

"Recognizing our aging population, as well as growing rates of chronic disease, including mental illness, we must pursue a shift of health-care systems from a predominant focus on institutions and specialized care toward a greater emphasis on providing care in the home and community. Building on the work of provinces and territories and the federal commitment to invest in home care, we will consider ways to better integrate and expand access to services

at home, including palliative care at home; enhanced support for informal caregivers; and continue to work to improve access to mental-health services.

#### Health Innovation:

"Service delivery innovation is a vital component of sustainable, quality health systems. Today, we agreed to support the adoption and spread of proven and promising innovations in the organization and delivery of health services. We will examine how the existing pan-Canadian health organizations and provincial counterpart organizations could support system transformation, and explore the role of critical enablers such as health information and data analytics, digital health and technology management.

#### Next Steps:

"Given the importance of advancing work on our shared health priorities, we agreed to meet again in mid-2016 to take stock of progress and decide on next steps.

#### Indigenous Health:

"We, as Health Ministers, will work together and within our jurisdictions with Indigenous leaders to determine areas of shared priority, and to improve the co-ordination, continuity and appropriateness of health services for Indigenous peoples as part of a population health approach to improving Indigenous peoples' health in Canada.

#### Physician-assisted Dying:

"As Health Ministers, we appreciate that physician assisted dying is a complex and important issue for Canadians. Mindful of the recent timeline set by the Supreme Court of Canada, we discussed the recent and ongoing federal and provincial/territorial work on physician-assisted dying. We received updates on the recent reports of the Provincial-Territorial Expert Advisory Group and the Federal Expert panel, and the proposed work of the Special Joint Committee. We recognize that a response to the Carter decision will have significant implications across governments and for Canadians. Recognizing that Quebec has its own law, our governments will continue to work toward a consistent approach to physician-assisted dying in Canada.

#### Prescription Drug Abuse:

"As Health Ministers, we are concerned with problematic prescription drug use and the burden it is having on Canadians and their families and communities. As part of our commitment to work on this important public-health and safety issue, ministers have agreed to continue to work with their respective regulatory authorities, professional colleges and medical schools to enlist their support in working with their jurisdictions to combat problematic prescription drug use, including improving awareness and education on appropriate prescribing practices.

#### Health Promotion and Prevention:

"Ministers of Health agreed that the continued transformation of health-care systems is a critical element of improving health outcomes for Canadians, while recognizing that progress on the social determinants of health is equally important. In this context, ministers received an update on the important issue of antimicrobial resistance, a report on healthy weights, and the Pan-Canadian Joint Consortium for School Health Annual Report (2015)."

#### Media Contacts:

Health Canada Media Relations  
613 957-2983

B.C. Ministry of Health Media Relations  
250 952-1887 (media line)

Connect with the Province of B.C. at: [www.gov.bc.ca/connect](http://www.gov.bc.ca/connect)