

FOOD, HEALTH &  
CONSUMER PRODUCTS  
OF CANADA

**FHCP**



# Take Care, Canada

## Blueprint for a National Self-Care Strategy

Food, Health & Consumer Products of Canada — May 2023

## Executive summary

Canada's universal healthcare system is a key pillar of our economy and our identity as Canadians. Its vulnerability has never been clearer than in the years since the onset of the COVID-19 pandemic. Cracks in the system that were apparent before 2020 have widened and deepened, sparking much-needed discussion on how we can make our healthcare system more resilient.

Like any complex problem, strengthening Canada's healthcare will require solutions in many areas, spanning from primary care to long-term care, and from public health policy to fiscal and taxation policy. One of those solutions should be a strategy that supports Canadians to take a bigger role in managing their health – a Self-Care Strategy for Canada.

Self-care encompasses everything from making healthy lifestyle choices to treating minor health ailments, managing preventing chronic diseases, and more. Self-care literally lets people take better care of themselves, and it is essential to confident, independent, healthy lives.

People are Canada's greatest healthcare resource, but their potential is too often underestimated and under-valued. Increasing Canadians' capacity to take care of themselves is inexpensive and will make individuals and the population healthier. Effective self-care support will also save time, money, and make our healthcare system more sustainable by complementing more expensive investments in the publicly-funded healthcare system.

### Canada needs a national self-care strategy that

- Recognizes and respects consumers' and patients' capability to manage their health with the right supports, products, and services;
- Provides Canadians with fair and affordable access to self-care products and services; and
- Supports growth and innovation in the health industries that help people care for themselves.



## What is self-care?

Self-care encompasses everything from making healthy lifestyle choices to treating minor health ailments, managing preventing chronic diseases, and more. Self-care literally lets people take better care of themselves, and it is essential to confident, independent, healthy lives.

Self-care though is not about downloading responsibilities from the healthcare system and professionals to individuals. Instead it is part of a continuum of care that ranges from caring for yourself by adopting a healthy lifestyle, preventing disease and managing minor ailments and chronic diseases to getting assistance from healthcare professionals and the healthcare system for acute, chronic, and critical health issues.

There are seven pillars of self-care: health literacy, self-awareness, physical activity, healthy eating, risk avoidance, good hygiene, and optimal use of products and services.<sup>1</sup>

Healthy literacy is a key enabler of successful self-care and The WHO Health 2020 Strategy recognizes it as a key element in promoting and empowerment and participation in communities and healthcare. Equally important is access to reputable and accurate information, including access to one's health records.



Self-care is the ability of individuals, families and communities to promote health, prevent disease, maintain health, and to cope with illness and disability with or without the support of a health worker. The scope of self-care as described in this definition includes health promotion; disease prevention and control; self-medication; providing care to dependent persons; seeking hospital/specialist/primary care if necessary; and rehabilitation, including palliative care.



**Health literacy** is the achievement of a level of knowledge, personal skills and confidence to take action to improve personal and community health by changing personal lifestyles and living conditions. Thus, health literacy means more than being able to read pamphlets and make appointments. By improving people's access to health information, and their capacity to use it effectively, health literacy is critical to empowerment.



*WHO Health Promotion Glossary, 1998*

## The 7 pillars of self-care

- Health literacy
- Self-awareness
- Physical activity
- Optimal use of products & services
- Healthy eating
- Risk avoidance
- Good hygiene



# A National Self-Care Strategy. Why Now?

The COVID-19 pandemic revealed how much Canada lost by not already having a national self-care strategy in place.

Early stages of pandemic response rightly focused on building hospital capacity and buying ventilators and personal protective equipment. There was already a foundation for developing strategies to address these critical healthcare issues.

But Canada struggled with how to best support the kinds of self-care behaviours (e.g. mask wearing, social distancing, hygiene, self-testing) that were our only means of controlling the pandemic until wide-spread vaccination was available. Self-care is our first line of defence in public health emergencies and deserves to be recognized alongside the publicly-funded healthcare system.

While the COVID-19 pandemic highlights the need for a national self-care strategy, the gap existed long before. Seventy-three percent of Canadians 65 and over have at least one of ten common chronic diseases, and more than one-third have two or more.<sup>2</sup> Meanwhile,

44% of Canadians aged 20 years and older have at least one of 10 common chronic conditions.<sup>3</sup> Many of these chronic conditions and diseases are preventable and manageable through behaviours that are at the heart of self-care - healthy eating, physical activity, stress management, use of self-care products (such as non-prescription drugs or natural health products) and services. Unless we empower consumers and patients to play a more active role in managing their health, we face years of costly and debilitating chronic diseases that could further strain our already weakened healthcare system.

Canada's experiences are not unique. Countries across the world face many of the same challenges and have not fully realized the opportunities that self-care offers in meeting health promotion and disease prevention and management goals. That's why the Global Self-Care Federation, in collaboration with the World Health Organization, developed the Self-Care Readiness Index. It provides countries with an assessment of their self-care readiness based on a set of key self-

care enablers and ideas for how to improve. The 2022 results for Canada provide a useful international benchmark to inform a national strategy for Canada.

Another reason why we need a national self-care strategy is that Canadians want more support to practice self-care. A 2021 survey found that an overwhelming majority of Canadians (84%) welcome initiatives that would help them take better care of themselves and their loved ones to reduce unnecessary trips to hospitals, clinics, or family doctors.<sup>4</sup> The survey also found that 60% of Canadians would support removing

unnecessary barriers to switching medications from prescription to non-prescription or over-the-counter status. Eighty-one percent would support removing the GST on non-prescription medications, thereby lowering their cost for consumers.

Practicing self-care makes people themselves a key resource in our healthcare system. Canada can seize the opportunity to optimize this resource when it prioritizes helping consumers and patients take a bigger role in managing their health.

# The Benefits of Self-Care

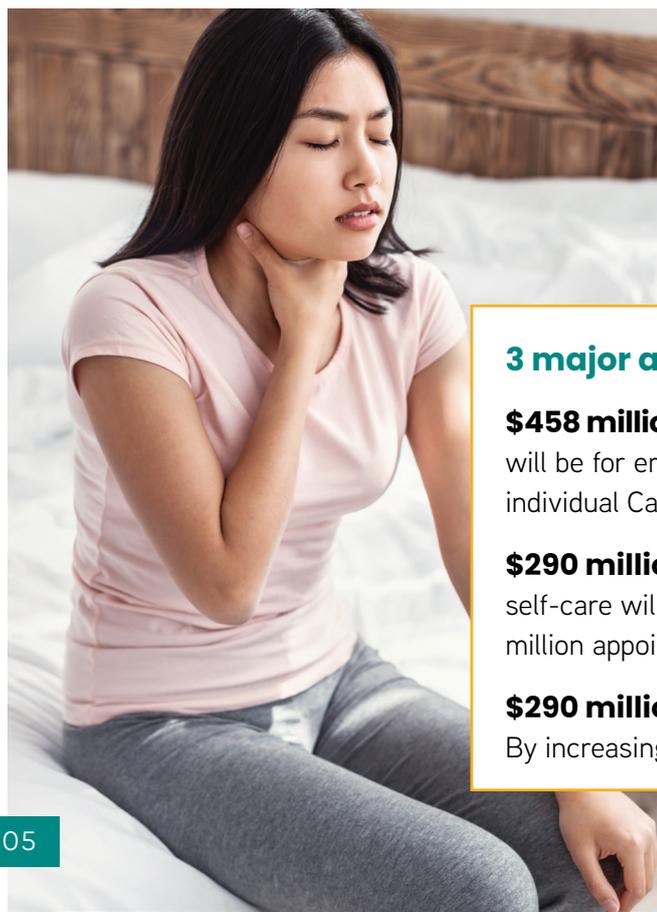
According to the World Health Organization (WHO), self-care interventions contribute to improved outcomes including:

- Increased health coverage and access
- Reduced health disparities and increased equity
- Increased quality of services
- Improved health, human rights and social outcome
- Reduced cost and more efficient use of healthcare resources and services<sup>5</sup>

## Potential economic and social returns in Canada

A 2015 survey found that even tiny shifts in the balance between practicing self-care and seeking professional care would significantly increase capacity in the publicly-funded healthcare system. If just the 2% of Canadians with colds, headaches or heartburn who seek professional care despite mild to moderate symptoms shifted to self-care, we could eliminate more than three million unneeded doctor visits annually and free up sufficient physician resources to allow an additional 500,000 Canadians access to a family doctor.<sup>6</sup>

Canadian research has shown that switching prescription drugs to non-prescription status can have a major impact on how people manage their health, on the cost of health care, and even on the productivity of the Canadian economy.<sup>7</sup>



### 3 major areas of impact

**\$458 million in reduced cost of medicines:** The greatest savings will be for employer and government drug plans – and for millions of individual Canadians without full coverage for these medicines

**\$290 million in reduced cost for doctor visits:** Increased self-care will reduce the strain on doctors and free up an estimated 6.6 million appointments

**\$290 million boost to Canada’s workers and economy:** By increasing productivity at work and reducing absenteeism

### Evidence from around the world

 In the United States, it is estimated that for every dollar spent on consumer health products, 6-7 USD are saved elsewhere in the healthcare system, through reduced doctor visits, pharmacist dispensing fees and prescription drug costs.<sup>8</sup>

 In Australia, reclassifying a few select prescription medicines as non-prescription could result in over one billion in AUD savings.<sup>9</sup>

 In Europe, making just 5% of prescribed medications for conditions suitable for self-care non-prescription would save more than 16 billion EUR.<sup>10</sup>

 After the United Kingdom identified self-care as one of its four National Health Service pillars and instituted supportive policies, use of publicly-funded healthcare services reduced significantly, health and quality of life improved, and NHS patient satisfaction increased.<sup>11</sup>



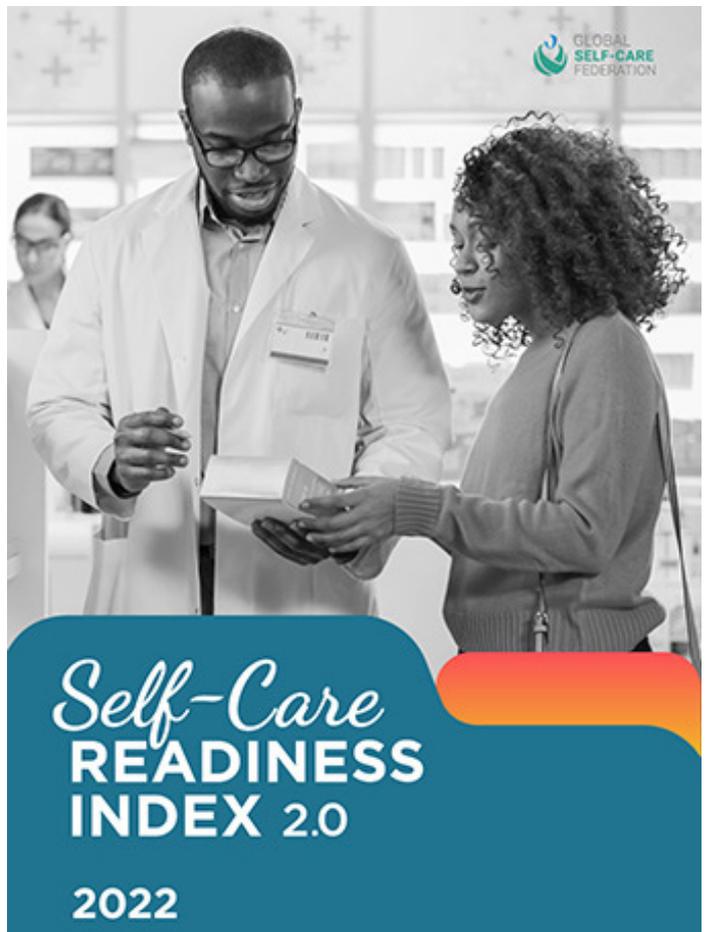
## How does Canada compare internationally?

In September 2022, the Global Self-Care Federation, in collaboration with the World Health Organization, released its second installment of the Self-Care Readiness Index, which includes results for Canada.<sup>12</sup>

The Index provides countries with an assessment of their self-care readiness based on four self-care enablers and ideas for how to improve.

The enablers are: (1) stakeholder support and adoption; consumer and patient empowerment; self-care health policy; and regulatory environment. Ratings for these enablers are based on desk research, interviews with experts, and surveys of healthcare providers and consumers. The Index reveals three key findings:

- Canadian consumers and healthcare practitioners are supportive of self-care
- Canadians need more support to practice self-care, particularly improved health literacy
- Canada lags its economic peer countries on support for self-care, particularly in the regulatory environment



When compared with five economic peer countries included the 2021 and 2022 indexes, Canada ranked second last overall. This is due mainly to Canada’s low score on consumer and patient access to electronic health records and Canada’s regulatory environment. Challenges in Canada’s regulatory environment include:

- Prescription to non-prescription drug switch is complex, slow, and costly and there is no data protection for innovators. This is a problem because switch is a key avenue for creating new options for Canadians to practice self-care and the main driver for growth in the consumer health product industry.
- Once a product switches from prescription to non-prescription drug status and Health Canada has determined that the product is safe for consumer selection and use, the provinces will decide through the drug scheduling process where and how the product will be sold. Not all provinces fully recognize the National Drug Schedules established by the National Association of Pharmacy Regulatory Authorities, and Quebec has a problematic independent scheduling process. This lack of national harmonization results in unequal access to products for consumers, particularly for Quebec residents, and it creates significant challenges for companies trying to bring products to market. Canada is the only country among its economic peers that allows an entity other than the national regulator to make decisions on conditions of sale.
- Canada also rates low on the availability of self-care products through a variety of sales channels (in-store and online) due to the limitations imposed by provincial drug scheduling.

**Self-care results comparing economic peer countries from the 2021 & 2022 indexes**

\* Score: 1 = lowest, 4 = highest

Country rank order	Overall score* for self-care readiness
 Australia	3.14
 Germany	3.14
 U.K.	3.06
 U.S.	2.99
 Canada	2.77
 France	2.26



Country	Consumer & patient empowerment score	Regulatory environment score
 Australia	3,28	3.50
 Canada	2.67 (rank = last)	2.37 (rank = 2 <sup>nd</sup> last)
 France	2.78	1.95
 Germany	3.18	3.43
 United Kingdom	3.04	3.50
 United States	2.88	3.88

# Guiding principles for development



**Accountable**  
Governments pursue measurable health objectives designed to produce better health outcomes for Canadians

**People-centred** Individuals are seen as active participants in, rather than passive recipients of, health care, and actions are designed to meet their needs and interests



**Evidence-based**  
Policies, programs, legislation, and regulations are based on the best available evidence



**Collaborative**  
All levels of government, industry, academia, and non-government organizations work together to advance integrated solutions



**Empowering** People are empowered, through education and support, to make and enact decisions about their health and well-being, and are meaningfully engaged in government decision-making



## National self-care strategy



**Resource-optimized**  
Resources are optimized to their full advantage with the objective of delivering improved health outcomes in a cost-effective manner



**Relevant**  
Actions considered and taken are responsive to the current environment and emerging trends



## Recommendations for the federal government:

Focus area	Recommendations
<p><b>Lay the foundation for self-care</b></p>	<ol style="list-style-type: none"> <li><b>1. Conduct a parliamentary study on the benefits of self-care</b></li> <li><b>2. Develop a strategy for increasing health literacy</b></li> </ol>
<p><b>Support access and optimal use of self-care products and services</b></p>	<ol style="list-style-type: none"> <li><b>3. Optimize the regulatory environment</b> <ol style="list-style-type: none"> <li>a. Recommit to Health Canada’s existing regulatory Self-Care Framework</li> <li>b. Improve Canada’s drug scheduling process</li> <li>c. Improve the prescription to non-prescription drug switch process</li> <li>d. Improve health product regulation decision-making</li> </ol> </li> <li><b>4. Optimize fiscal environment</b> <ol style="list-style-type: none"> <li>a. Review the tax treatment of self-care products</li> </ol> </li> <li><b>5. Set policy targets and measures by subpopulation</b></li> </ol>



# Lay the foundation for self-care

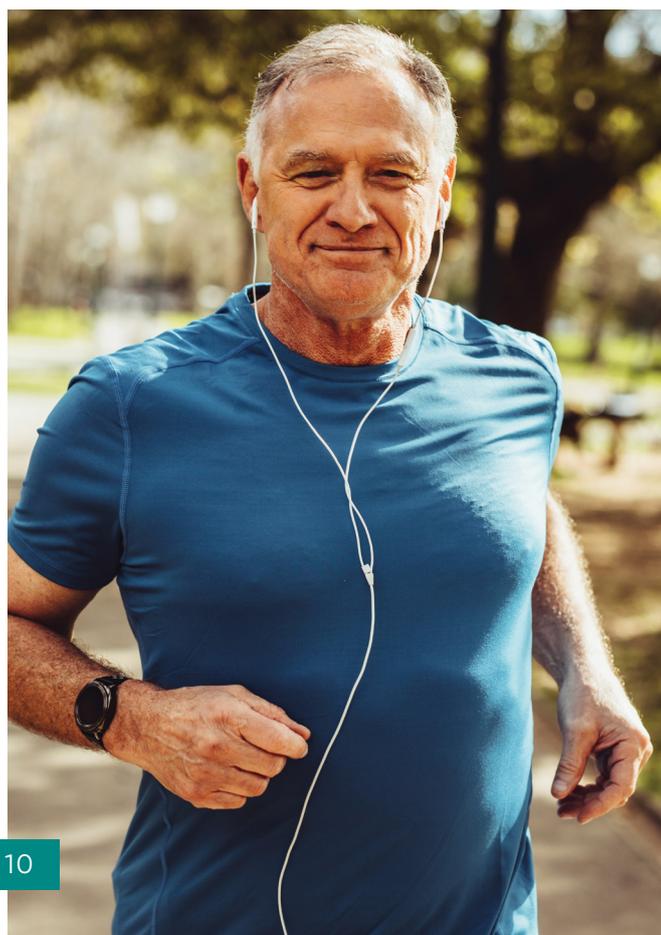
## Recommendation 1

### Conduct a parliamentary study on the benefits of self-care

The study could include:

1. Examination of the current and potential impacts of self-care on health outcomes and healthcare system sustainability, and recommendations on what measures the federal government could implement to optimize these;
2. Examination of the roles and responsibilities of all levels of government and other actors in the healthcare system, and holistic recommendations for how all actors can work together to advance self-care; and
3. Consideration of how self-care can complement Pharmacare and that essential products covered by Pharmacare may be available without prescription someday.

The parliamentary study of self-care could be carried out in parallel with implementation of the proposed recommendations that follow.



## Recommendation 2

### Develop a strategy for increasing health literacy

How we practice self-care is in part determined by health literacy, an area which has faced chronic underinvestment in Canada and elsewhere.

A 2017 survey revealed that Canadians with higher health literacy scores tend to enjoy better health. Overall, Canadians compare well with Europeans in terms of health knowledge and disease prevention but struggle more with navigating the healthcare system, while finding it a little easier to judge their treatment options.<sup>13</sup> These findings suggest that Canadians are well-positioned to practice responsible self-care in their daily lives.

However, the survey also shows that, like Europeans, Canadians can find it challenging to judge the reliability of health information from sources other than doctors or pharmacists.

Opportunities to build self-care literacy are missed consistently, as government health interventions are often based on the idea that Canadians need to be protected from themselves. This leads to regulations and other actions that lean toward paternalism.

It's time to recognize that each person is ultimately responsible for it and is capable of managing their health with the right supports, products, and services. That means investing in self-care literacy through research, public education, and decision-making supports. It also means collaboration across governments and other sectors to advance holistic self-care education and awareness, including aspects such as healthy eating, smoking cessation, sun safety, physical activity and more.

A health literacy strategy should empower people to play an active role in their health, bridge inequalities, and advance disease prevention and health promotion goals.

## Ensure access & optimal use of self-care services

### Recommendation 3

#### Optimize the regulatory environment

**A** Recommit to the development and implementation of Health Canada’s existing regulatory Self-Care Framework. The Self-Care Framework, announced in 2014 as the Consumer Health Products Framework, had the objective of separating lower risk products such as over-the-counter medications and natural health products from the prescription drug framework. To date there has been minimal progress to advance this separation and apply consistent, risk-based regulatory oversight to self-care products. Reform on the scale of what is long-promised – but still undelivered – under the Framework is critical to realize the potential of self-care.

**B** Improve Canada’s drug scheduling process. The federal government (Health Canada) decides which health products are approved for sale and whether they require a prescription. Health Canada also has the legal authority and expertise to set other conditions of sale, but leave it to the provinces and territories to decide through a drug scheduling process where and how products will be sold.

Not all provinces fully recognize the National Drug Schedules established by the National Association of Pharmacy Regulatory Authorities, and Quebec has a problematic independent scheduling process. This lack of national harmonization results in unequal access to products for consumers, particularly for Quebec residents.

Canada is the only country among its economic peers that allows an entity other than the national regulator to make decisions on conditions of sale for non-prescription drugs. The separation of decision-making on conditions of sale from all other product regulation decisions on these products is counter-productive and creates significant challenges for consumers, federal and provincial governments. Health Canada needs to take a leadership role to address the drug scheduling challenges.



**C** **Improve the prescription to non-prescription drug switch process.** Canada lags other countries in prescription to over-the-counter drug switch because of the complex and costly regulatory process for switching and the lack of data protection for innovators. This is a problem because switch is a key avenue for creating new options for Canadians to practice self-care and the main driver for growth in the consumer health product industry. After a new switched product is introduced in the U.S. and European Union, Canadians wait an average of seven to ten years until the product is introduced in Canada.

Canada also misses out on the benefits that switch offers for the healthcare system and the productivity of the economy. Research by the Conference Board of Canada shows that the switch of just one class of medicines (proton pump inhibitors for the treatment of heartburn) was projected to

generate over \$700 million in savings to the healthcare system and the broader Canadian economy.<sup>14</sup>

**D** **Improve health product decision-making.** The consumer health products industry has been hindered by decades of costly, burdensome regulations that often do not achieve their intended objectives. These regulations are based on inadequate cost-benefit analyses, which do not reflect the true costs of doing business in Canada. The high cost of regulatory compliance in Canada discourages investment in Canadian manufacturing and distribution.

In a 2020 Deloitte study, Canadian consumer health product executives reported they are six times more likely than counterparts in the United States, the United Kingdom, and Australia to find costs of doing business restrictive. The study also found that regulatory restrictions make consumer health product companies in Canada twice as likely to abandon new product innovations compared to their global counterparts.<sup>16</sup>

Regulation can be an effective tool when it is based on the best available evidence, achieves measurable health benefits, uses the most efficient and least burdensome means of achieving regulatory purposes, and is assessed for effectiveness once implemented.



## Recommendation 4

### Optimize the fiscal environment

How Canadians practice self-care is determined in part by cost. Our healthcare system provides first-dollar insurance coverage for formal services such as doctor and hospital care and at least partial coverage for many prescription drugs, while leaving Canadians to pay all self-care costs out-of-pocket (e.g., buying over-the-counter drugs that previously required prescriptions).

Prescription drugs have zero-rated status under the Goods and Services Tax (GST) and are eligible expenses under the Medical Expense Tax Credit (METC). This provides a direct incentive and leads to the availability of tax-exempt employer-provided prescription drug plans. However, when a prescription drug switched to non-prescription, it loses this tax status and METC eligibility.

Since 1988, when the current METC approach was established, more than 44 ingredients sold in hundreds

of consumer health products have been switched from prescription to non-prescription status, losing their eligibility for this tax credit in the process, e.g., pain relievers like Aleve® and Advil® and allergy medicines such as Reactine® and Alerius®.

Exceptions have been made, however, providing a precedent for future changes. In 2015, feminine hygiene products were exempted from the GST.

Other countries recognize the value of OTC medicines through their taxation policy. In March 2020, for example, the United States passed legislation to help millions of healthcare consumers save money by allowing the purchase of non-prescription medicines with tax-preferred savings accounts. It is time for the federal government to review the tax treatment of self-care products with the goal of removing barriers to the practice of self-care.



## Recommendation 5

### Set policy targets and measures by subpopulation

It is important to assess the ability of key subpopulations to practice self-care optimally and use self-care products by establishing policy targets and measures against which government can track and report. Targets and measures could be created for health literacy and access to self-care products, for example. The Global Self-Care Federation's Self-Care Readiness Index referenced earlier could serve as a model and even be adapted to create a Canadian index.

## Conclusion

The experience of the COVID-19 pandemic demonstrated that Canada needs a national self-care strategy — we couldn't live without self-care during the pandemic. Self-care, however, is not just a strategy for managing such crises. It is essential for helping people live healthier lives with confidence and autonomy and foundational to the sustainability of our healthcare system.



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