Inducements for Drugs and Professional Services
A Basis for a Prohibition
A note about pharmacy technicians

Offering inducements for drugs and professional services negatively impacts pharmacy technicians as well as pharmacists. However, because only pharmacists may assess a patient and the appropriateness of a prescription, and thus are the arbiters of the patient’s drug therapy, the impact is greater for pharmacists. Because of this, and to allow for easier reading, this paper speaks only of pharmacists.
Understanding at a Glance

**Issue Statement**

It is not acceptable for pharmacists and pharmacy technicians to offer individuals inducements conditional on them being provided drugs, blood products or professional services. Inducements cloud decisions that should be based solely on the best healthcare.

Providing inducements in conjunction with drugs, blood products or a professional service is disruptive to:
- impartial decision-making,
- the coordination and continuity of care, and
- the effective operation of health teams and Alberta’s health system.

**Pharmacy Inducements Provided**

- Inducements are provided in return for having a Schedule 1 or 2 drug dispensed or an immunization administered
- Inducements are provided for the total cost of drugs and professional services; not the amount that patients pay
- Bonus inducements are provided to transfer prescriptions to another pharmacy
- Bonus inducements are provided in return for prescriptions being dispensed during time-limited periods

**Patient Behaviours Observed**

- Delays in filling prescriptions (disrupts adherence to treatment, may compromise health outcomes)
- Requests to process prescriptions earlier than indicated (negatively impacts pharmacist availability, creates conflict between pharmacist/patient and possibly pharmacist/prescriber)
- Requests for larger quantities of medication (contributes to waste and potentially cost)
- Transferring of prescriptions from pharmacy to pharmacy (disrupts continuity of care, introduces potential safety concerns)
- Distribution of prescriptions and care amongst different pharmacies to optimize inducement rewards (disrupts coordination of care, introduces potential safety concerns)
- Have prescriptions dispensed at one pharmacy that offers rewards, but contact a pharmacist at a different pharmacy to obtain advice on using it (disrupts coordination of care, negatively impacts pharmacist availability)

**Systemic Concerns**

- Calls into question integrity of the pharmacy profession
- Disrupts relationships between patients, pharmacists, and other health team members
- Disrupts coordination and continuity of care
- Potential to negatively impact treatment goals and health outcomes
- Potential to contribute to medication waste
- Inducements cost the health system; they are an opportunity cost that should be reallocated to improve access and care

**Proposed Prohibition**

Prohibit pharmacists, pharmacy technicians and pharmacy proprietors from providing or being party to the provision of an inducement conditional on being provided a Schedule 1 drug, a Schedule 2 drug, blood product or a professional service from a pharmacist or pharmacy technician.

*Drugs* means any Schedule 1 or Schedule 2 product (primarily prescription drugs), not Schedule 3 drugs, health care aids or devices.

*Inducement* means any consideration including, but not limited to, cash, gifts, points, loyalty points, rewards, coupons, time-restricted discounts, goods, memberships, prizes and similar offerings which can be redeemed for a gift or other benefit.

*Professional service* means any service provided pursuant to Sections 3(1) and 3(2) of Schedule 19 of the *Health Professions Act*, but does not include the provision of Schedule 3 drugs or the provision of health aids and devices.
Executive Summary

Defining the issue
Providing inducements in conjunction with drugs, blood products or a professional pharmacy service creates potential conflict of interest situations for both pharmacists and patients and clouds decisions that should be based solely on the best healthcare. It is disruptive to:

- The patient’s focus on health,
- Impartial decision-making by pharmacists,
- The coordination and continuity of care, and
- The effective operation of health teams and Alberta’s health system.

What is the college’s role in this?
The Alberta College of Pharmacists regulates pharmacy in Alberta. Our job is to protect the health of Albertans and the integrity of pharmacy. We do this by registering pharmacists and pharmacy technicians, licensing pharmacies, and setting ethical and practice standards.

We must carry out our activities and govern our registrants in a manner that protects and serves the public interest. Protecting and serving the public interest is not only about public safety or public wishes. It includes ensuring that the profession maintains its integrity and removing impediments to cooperative practice with other health professionals. It is about ensuring an environment for both patients and practitioners that does not detract from quality patient care.

Our registrants want a prohibition on inducements: 70% of surveyed pharmacists, pharmacy technicians, and pharmacy interns and students agree with prohibiting inducements in relation to the sale of prescription drugs and pharmacy services.¹

Regrettant support for a prohibition

Together with our registrants, the college believes inducements are detrimental to the integrity of the pharmacist profession, inter-professional cooperation, and quality patient care.

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¹ Inducement means any consideration including, but not limited to, cash, gifts, points, loyalty points, rewards, coupons, time-restricted discounts, goods, memberships, prizes and similar offerings which can be redeemed for a gift or other benefit.

² Calder Bateman/Leger Marketing, Survey of ACP Registrants, Fall 2012
Inducements: A Basis for a Prohibition

Why look at this issue now?
Pharmacists’ role has rapidly evolved in the last twenty years from being a purveyor of drugs to being a patient care manager and coordinator of drug therapy. This role change has increased pharmacists’ duty of care to patients and the need for close collaboration with other healthcare professionals. The role change is also instrumental in ensuring Albertans have better access to care. The importance of pharmacists’ healthcare role cannot be fettered or conflicted by inducements.

In recent years, the college has also observed increases in the quantities and frequency of inducements, and the targeting of vulnerable populations.

- Most registrants (60%) believe inducements target certain populations – in particular seniors and low income Albertans – and that it is inappropriate to do so.³

Why a prohibition?
We, and pharmacists as health professionals, cannot condone programs that call into question the integrity of the profession, lead patients to make unhealthy choices, and result in the misuse of health resources.

Eliminating inducements for drugs, blood products and professional pharmacy services is about ensuring a practice environment where:

- Care decisions are made based solely on the best healthcare;
- Pharmacists practice on the basis of the highest ethical standards applicable to health professionals; and
- Outside influences, real and perceived, are removed from patient-professional relationships.

It does not matter if inducements are one-time or long-term offers. It does not matter if some or all of the costs are paid by the patient or by a third party. The end result is the same: when healthcare decisions are based on anything except the best healthcare, the issues become clouded, integrity and objectivity are called into question, vulnerable individuals are targeted, healthcare relationships are disrupted, and the health system’s ability to achieve desired outcomes is diminished.

Therefore, the college proposes prohibiting pharmacists, pharmacy technicians and pharmacy proprietors from providing or being party to the provision of an inducement to an individual conditional on the individual being provided a Schedule 1 drug, a Schedule 2 drug,⁴ blood product or a professional service⁵ from a pharmacist or pharmacy technician.

The prohibition will apply equally to all pharmacists, pharmacy technicians and pharmacies and will only apply to drugs, blood products and professional pharmacy services. It will not apply to Schedule 3 drugs, health aids and devices, or others sales within pharmacies.

⁴ Schedule 1: Drugs that require a prescription as a condition of sale.
Schedule 2: Drugs that are available only from the pharmacist and without a prescription. There is no opportunity for patient self-selection.
⁵ A service within the practice of pharmacists and pharmacy technicians as defined in Section 3 of Schedule 19 to the *Health Professions Act*. The prohibition is not proposed to apply to Schedule 3 drugs, health care aids and devices.
1. An Overview of Inducements and Pharmacy in Alberta

Inducements defined
In general, an inducement is anything that may persuade an individual to act in a particular way. The inducement is meant to push an individual to make a decision or change, or to behave differently.6

Inducements include programs, promises or rewards that are provided to an individual on the condition that the individual purchases a Schedule 1 drug, a Schedule 2 drug or a blood product from a particular pharmacy or uses a particular professional service. Inducements are designed to encourage patients to change their behavior based on a program, promise or reward, not what is the best or preferred healthcare choice. Inducements in pharmacy were first encountered in the form of coupons; more recently they have been identified with loyalty programs (such as Air Miles, Aeroplan or Shoppers Optimum programs). However, inducements encompass a range of incentives designed to alter individuals’ choice of access to care, and the treatment and professional services they receive as a result of the conditions associated with the inducement. The types of activities that fall within inducements range from providing cash to patients for prescriptions to providing benefits via coupons to sophisticated loyalty programs.

From a healthcare perspective, inducements encompass more than collecting points for economic rewards. They have psychological meaning for the consumer, and can directly influence a consumer’s behaviour and choice of pharmacy.

Inducements offered on the condition that an individual purchase a Schedule 1 or 2 drug or blood product or use a particular professional service cloud decisions that should be based solely on health outcomes and create tension and disruption in relationships.

The pharmacy inducements climate in Alberta
In pharmacy in Alberta today, inducements can be provided in return for having a Schedule 1 or 2 drug dispensed or an injection administered. These are professional services which may only be provided by the pharmacist.

Inducements can be provided for the total cost of drugs and professional services, not just the portion paid by the patient.

Bonus inducements can be provided for transferring prescriptions to another pharmacy. They can also be provided in return for prescriptions being dispensed during time-limited periods.

Pharmacies, or third parties (such as Air Miles or Aeroplan) that are affiliated with the pharmacies, have a direct relationship with the consumer and are the direct beneficiaries of the loyalty generated by the program. Generally, the consumer of a product or service is the direct beneficiary of the rewards provided by the loyalty program.

Inducement programs are typically established and directed by the pharmacy ownership (e.g., the owner or corporate office), but it is the pharmacists and pharmacy technicians who interact with the individuals receiving the inducements, thus pharmacists become the administrators and providers of programs over which they often have no decision-making role or control. In fact, the inducements are provided conditionally on the drugs and services that they provide.

The evolving role of pharmacists
A key reason that inducements need to be prohibited in pharmacy practice is that the relationship between pharmacists and patients has changed fundamentally and will continue to change in a manner that has pharmacists playing a greater role in patients’ primary healthcare. Over the past twenty years, pharmacists have moved beyond being purveyors of drugs to being professional managers of drug therapy.

While dispensing drugs remains a key part of pharmacy practice, the role of pharmacists is moving beyond this. Pharmacists are shifting their focus to the delivery of professional pharmacy services such as medication management, administering injections and prescribing drugs. In so doing, pharmacists are assuming more significant roles as essential health professionals who form part of a patient’s care team. This developing role as an integral part of a patient’s healthcare team is central to the effectiveness of pharmacists and pharmacy technicians in the modern healthcare environment.

Pharmacists take full responsibility for care decisions they make and require long-term relationships with patients and their other healthcare providers to provide the continuity implied by the changes in their responsibilities.

As pharmacists provide primary care and manage chronic disease, they play a vital part in coordinating patients’ drug therapy and make critical decisions about patients’ care. This role includes changing treatments, initiating new treatments, and sometimes stopping treatments. Sometimes the appropriate intervention of a pharmacist is to not provide a prescription drug. The professional service associated with these decisions is invaluable, despite the conflict that the inducement offered is only available if a drug is dispensed.

Inducements that are conditional on a drug being dispensed or a professional service being provided drive patient demands and undermine the pharmacist’s ability to effectively counsel a course of treatment. In this context, inducements also have the potential to undermine the credibility and integrity of pharmacists from the perspective of other members of the healthcare team, who are not compelled by corporate policy to provide inducements in exchange for a patient purchasing a particular form of treatment.
2. The Dual Role Between Consumer and Patient

When an individual seeks a healthcare service the individual assumes two roles: the consumer (primarily driven by economic interest) and the patient (primarily driven by health concerns). Depending on the risk involved in the decision to obtain the service, the patient role may have more influence than the consumer role, and vice versa.

A key challenge with inducements is that the consumer role is often brought into conflict with the patient role. Patients are placed in a position where competing interests (in the form of psychological or economic rewards) undermine the integrity and trust of the health-based patient-pharmacist relationship. Therefore, it is important to understand these two roles.

a. Consumer role

Consumers buy for a variety of reasons and can be influenced in their purchase decisions by a number of factors. Marketers understand that purchase decisions can be complex and have studied consumers to determine the best way to influence them to make specific purchases. Within the consumer decision-making process there are many opportunities to use inducements to influence purchase decisions.

The decision to purchase any product or service can be broken down into a five-step process. In turn, each step of the decision-making process can be influenced by a number of factors and the context of each purchase decision is important. When marketing products and services, a business considers the entire decision-making process in order to influence purchase decisions. This decision-making model is particularly useful when considering a purchase that might require more information or thought, such as drugs and professional pharmacy services.

i. The consumer purchase decision-making process

- Need or problem recognition. The consumer determines there is a purchase need or problem to be solved. The need can be recognized independently, or it can be influenced by marketing messages.

- Information gathering is the next step in purchase decisions. If the problem is relatively simple, the information search will be short or non-existent. However, when the problem is complex, the information search can be extensive. Healthcare concerns are often complex, and chronic diseases even more so. Healthcare is a rich and growing marketplace for products and services. Direct-to-consumer advertising of drugs in the United States demonstrates this (and its influence is felt in Canada).

Marketing in healthcare is fraught with issues related to the reliability and integrity of the information provided. Consumers of healthcare products need objective professionals who can help them navigate conflicting and changing sources of information. If the professional that provides the professional guidance is driven by profit-making or pressured to promote specific consumer benefits, it may be difficult for the professional to provide unbiased information or for the patient to have confidence in the information.

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7 Sandhusen, Richard L; Marketing. (2000)
At the alternative evaluation stage, a consumer takes the information the consumer has gathered and evaluates it against a number of important criteria. For example, cost, service, location of the place of purchase, the reputation of the business or various attributes of the product. Each of these criteria, and their weighting, is individual and personal. The availability of an inducement would be considered in this evaluation.

Following the purchase decision, the final step is the post-purchase evaluation. Inducements can provide a cost-purchase psychological benefit in the post-purchase evaluation. For example, the perception of the high cost of a prescription can be softened with an offer of a reward for the amount of money spent.

ii. Psychological and economic impact of inducements on consumers

Inducements provide value to consumers economically as well as psychologically. When consumers redeem their points or coupons for rewards they realize the economic value of the program and this in turn further reinforces purchasing behaviour.\(^8\)

In addition, a consumer will assign psychological meaning to an inducement program. When a consumer signs up for an inducement program there is a psychological anticipation of the collection of points and the subsequent ability to obtain the rewards.\(^9\) Consumers even go so far as to describe “a high” associated with the collection of points.\(^10\) Forty-three percent of Canadians get a rush from accumulating reward points, while 48 percent say it affects their shopping behaviour.

Inducement programs modify consumer behaviour. It is interesting to note that 78 percent of Canadian consumers report that they shop strategically to accumulate points, and 35 percent of consumers have driven beyond a nearby retailer to get to one where they can earn points.\(^11\) Consumers with a higher personal income are more likely to acknowledge that inducement programs influence their buying behaviour.

While programs benefit both the pharmacy (economically) and the consumer (economically and psychologically), these programs actually impair the patient-pharmacist relationship when the weighting a consumer places on the value of an inducement is higher than the value the consumer places on the advice given by their pharmacist or the continuity of their relationship with the pharmacist.

iii. Consumer participation in inducement programs

Canada has the largest percentage of citizens who participate in loyalty-based inducement programs.\(^12\) In 2012, 94 percent of Canadians reported being a member of at least one loyalty program.\(^13\) On average, Canadians belong to 6.4 loyalty programs.

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\(^8\) Szczepanska & Gawron (2011), *Loyalty Programs Effectiveness*, Foundations of Management, Vol. 3 No. 2
\(^10\) Davies, Kyle & Daniel, Rob (2011) *Maritz Insight Report*
\(^12\) Davies, Kyle & Daniel, Rob (2011) *Maritz Insight Report*
\(^13\) Davies, Kyle & Daniel, Rob (2012) *Maritz Insight Report*
b. Patient role

Inducements are powerful marketing tools. It is apparent inducements influence the buying behaviour of patients seeking pharmacy products or services.

Obviously, the consumer/patient is one individual. However, there are some unique attributes to a patient role in the purchase decision-making framework. These attributes include the vulnerability of certain types of consumers.

College registrants have observed that certain populations are currently targeted with inducements, identifying seniors and the elderly, Albertans with lower incomes, those on social assistance, those with drug plans or insurance coverage, those who take expensive medications, and mental health patients, as targeted groups.

These diverse groups all have contact with the health system and with pharmacists. From a public protection perspective, the marketing messages associated with inducements, particularly in a pharmacy setting, may be directed to these more vulnerable patient populations and they would be particularly susceptible to targeted market inducements.

c. Healthcare purchases vs. consumer purchases

In this discussion, not only do we have to keep in mind the differences between the role of consumers and the role of patients, but also the differences between healthcare purchases and consumer purchases. Healthcare products and services, including professional pharmacy services, are different from other consumer purchases.

- As seen in the purchase decision-making model, all purchases involve an information gathering phase. The difficulty with healthcare information is that the patient is an important modifier of the context in which that information is provided. While most disease conditions have predictable courses, each patient will experience a disease differently due to a host of factors. In healthcare, mass-produced information must be individualized for each patient’s particular situation. Patients must be able to trust that their pharmacist is providing unbiased information, free from pressure that

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14 Kubas Primedia (2011), Major Markets Retail Survey
Inducements may have on recommendations about appropriate medication therapy. Even the perception of bias is detrimental to informed decision-making.

- The decision to purchase a pharmaceutical product or service is a high-risk purchase. There is potential risk in terms of appropriateness of a drug choice, interactions between drugs, side effects of drugs and individual healthcare needs. A pharmacist who is familiar with an individual’s health concerns and drug therapy needs can mitigate these risks. **Patients, especially those who may be vulnerable or disadvantaged, should not feel forced to choose between their economic needs and their health needs when selecting a pharmacist, pharmacy, or drug therapy.**

- Inducements are being used more frequently for a growing range of professional services, beyond drug products. When prescribing a drug, administering an injection, or reviewing medication therapy, a pharmacist is called upon to assess the needs of a patient and determine the appropriateness of the service or product. Providing the inducement conditional on a patient receiving a pre-determined drug or professional service conflicts with the responsibility of the pharmacist to first assess the patient and determine whether the drug or professional service is appropriate for the patient. **Pharmacists need to be able to deliver professional services and make assessments in the best interests of the patient, without feeling pressured by what may be conflicting interests of a pharmacy’s inducement program.**

- From the perspective of professional standards of practice, pharmacists must be able to exercise independence in their judgment. **Pharmacists must be free from pressure from consumers, who only receive the inducements if they receive the drugs, blood products or professional services.**
3. How Inducements Disrupt Relationships

The major relationship in which inducements are used is between a consumer and a pharmacy. However, it is most often the pharmacist who deals directly with the patient in these transactions. Therefore, the relationships between a pharmacist and a pharmacy, a pharmacist and the Alberta College of Pharmacists, a pharmacist and other healthcare colleagues, and ultimately between a pharmacist and a patient are all affected by the use of inducements.

We’ll take a closer look at the impact of inducements on each of these relationships.

a. The pharmacist-patient relationship

As the role of pharmacists shifts from a purveyor of drugs to a coordinator of drug therapy, the fundamental relationship between pharmacists and patients has changed. Pharmacists take full responsibility for care decisions they make and thus require long-term relationships with patients to provide the continuity implied by the changes in responsibilities.

The challenge with the use of inducements in this environment is that the consumer role can override the patient role. **Patients should not be placed in a position where they must choose between an economic benefit and what is best for their health. When the desire for a reward conflicts with professional advice and care, it can place the patient at risk.**

College registrants have relayed several experiences and instances where inducements have interfered with the patient-pharmacist relationship. For example:

- Patients transferring one or two expensive medications to a different pharmacy to obtain inducements at that pharmacy, thus creating incomplete patient records at two pharmacies.
Patient obtaining medications at several different pharmacies to maximize their inducements, without the knowledge of the pharmacists. This led to the patient experiencing adverse effects resulting from the interactions of the medications. (Electronic health records are not yet robust enough to prevent these situations.)

Patients filling their prescription at one pharmacy that offers rewards, but contacting a pharmacist at a different pharmacy, whom they felt was more knowledgeable, to ask about the medication and obtain advice on using it.

Patients making choices about drug therapy and other health decisions based on the inducement available, rather than on the professional advice of the pharmacist.

The patient-pharmacist relationship needs to be rooted in integrity and trust. Patients should select their pharmacist based on the pharmacist's knowledge and quality of care, not based on inducements. Patients and pharmacists should be able to make health decisions free from competing economic and psychological influences.

Pharmacists must assess the appropriateness of the prescription when dispensing, even if the initial assessment and prescribing was done by another healthcare professional. The pharmacist's assessment may identify that a patient does not need drug or professional service prescribed and therefore the patient may not qualify for the inducement that the patient will anticipate receiving. In this situation, inducements create conflict between the patient and consumer roles, and between the patient and the pharmacist.

When the therapy the pharmacist believes is in the patient's best interest reduces or eliminates inducements for the patient, it creates conflict between the pharmacist and the patient and is counterproductive to health-based decision making.

b. The pharmacist-pharmacy relationship

Pharmacists play a unique role in healthcare as they are amongst the only health professionals to work extensively in retail settings. While this is a boon for patient access to care, it is proving a hindrance for the evolution of the profession in modern healthcare because components of the retail process, like inducements, are now hampering practitioners from realizing their full potential as healthcare professionals.

With the expansion of pharmacists’ role has come a change in the pharmacist-pharmacy dynamic. When the role of the pharmacist was focused on dispensing medications, the pharmacist was largely engaged in a retail practice. Now, as they take on expanded responsibilities, pharmacists are undertaking professional practices in retail environments. This distinction is important, and underlies a conflict between pharmacists and pharmacies around inducements, particularly when the pharmacist is an employee of the retail employer.
To put the magnitude of the conflict in context, let’s look at the numbers. There are just over 1000 community pharmacies in Alberta and they employ approximately 4000 of Alberta’s 4500 pharmacists. The majority of these pharmacies offer inducements.

As part of the 2012 inducements survey, registrants were asked, “Do you believe inducements and loyalty programs in relation to the sale of prescription drugs and pharmacy services should be prohibited?”

Again, the registrant call for a prohibition was confirmed: 70% said yes to a prohibition. Of responding registrants who work at a pharmacy which currently offers some kind of inducement or loyalty program, 65% said yes to a prohibition.

Inducements have long been used by pharmacies to increase the number of prescriptions filled. In recent years, pharmacies have been increasing the value of the inducements awarded. Even if a patient is satisfied with the service at their current pharmacy, they may find the increased rewards at another difficult to refuse.

The issue of pharmacist autonomy in an employer-employee relationship can be difficult to negotiate when the power dynamic favours the employer. Indeed, college registrants have pointed to instances where the inducements offered by their employer have created conflicts for the pharmacist. For example:

- Inducements take time away from pharmacists’ that should be spent providing patient care.
  - Patients are less interested in learning about the medication they are taking, and instead focus their discussions with the pharmacist on the rewards associated with the purchase.
  - The pharmacist's time is consumed with administrative concerns about inducement programs.
  - The pharmacist is taken away from helping other patients to deal with customers’ issue with inducements.

- Pharmacists are overwhelmed on special “transfer promotions” wherein high volumes of patients transfer their prescriptions between pharmacies to take advantage of an inducement such as “bonus points”. The time and attention to patient care is compromised when pharmacists and pharmacy technicians are forced to deal with the higher than normal prescription volumes.

- Pharmacists struggle with the ethical dilemma of delivering professional services for which inducements are rewarded. It is inappropriate for pharmacists to provide cash to patients in exchange for professional services; the provision of inducements, which can be converted into cash and gifts, is in the eyes of many pharmacists tantamount to the same unethical practice.

Pharmacists are caught between meeting the expectations of their retail employers, dealing with consumers focused on the inducement offered by the employer, delivering professional pharmacy services in the best interests of their patients, and observing ethical guidelines. Inducements thereby worsen the tensions inherent in the modern pharmacist-pharmacy relationship, and interfere with the patient-pharmacist relationship.

15 ACP registrant database, Jan. 14, 2013
c. The pharmacist-other healthcare providers relationship

As the role of pharmacists has expanded, the relationship between pharmacists and other healthcare professionals has changed significantly as well. Team-based care has taken on a larger role than ever before in the management of patients in the health system. This team-based care and the role of the pharmacist in it will expand in a health system that faces increasing demands with fewer resources.

However, inducements negatively impact healthcare teams and patients. When a patient transfers pharmacies or uses multiple pharmacies to chase inducements, the patient’s relationship with the pharmacist is not the only one affected. It also impacts the relationships between the pharmacist and the other members of the patient’s healthcare team. It takes time to establish a complete patient history, mutual therapy goals, and lines of communication among team members who often practice in different locations and see the patient over differing periods of time. If team members are constantly changed or only have access to portions of a patient’s medical and care history, it makes it extremely difficult for them to work together effectively and ensure continuity of care.

With formalized teams, such as those being created in Primary Care Networks and Family Care Clinics, inducements are creating another kind of tension. Pharmacists, doctors, nurses and other allied professionals are concerned that pharmacists are the only members of the team who can offer inducements.16

For team members to work together most effectively and maximize health outcomes for patients, it is important that there be no question that pharmacists are objective healthcare professionals who are valued by patients for their expertise, not their ability to provide inducements. Accordingly, pharmacists must be subject to similar rules of conduct that prevent the possibility or perception that pharmacy services are being accessed or recommended for any reason other than the health of the patient. This means implementing a prohibition on inducements in pharmacy practice, similar to the prohibitions in place for other health professionals.

Inducements given for drugs and professional pharmacy services undermine the coordination, communication and trust required among health team members. If teams can’t function properly, this compromises the health system’s ability to achieve outcomes that would benefit Albertans, including the delivery of better integrated care and the expansion of team-based care in delivering primary health services.

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16 In Alberta, physicians, dentists and physiotherapists all have some type of inducement prohibition in place.

Ontario, Newfoundland, PEI, and Quebec prohibit inducements on prescription drugs. BC prohibits inducements on all drugs and pharmacy services covered by PharmaCare, the provincial coverage plan. Manitoba prohibits inducements to transfer prescriptions.
d. The pharmacist-regulator relationship

The Alberta College of Pharmacists is the regulatory body for pharmacy in Alberta. Our job is to serve and protect the public interest and the profession’s integrity. For the last century, the college has set and maintained high pharmacist qualifications and practice standards.

To discuss the relationship between a pharmacist and the college, it is important to understand the college’s responsibilities to individual pharmacists and to the profession as a whole.

i. The college’s role with pharmacists

Pharmacists are first and foremost health professionals. Professionals are generally understood to hold themselves to higher standards in terms of:

- A duty to serve a client, to put the clients interest ahead of the professional’s own interests
- Professional ethics and behaviour
- Work ethic and quality
- Maintenance of competence throughout their career
- Confidentiality of information from a client and maintenance of trust relationship
- Holding a positive attitude towards the profession
- A high degree of collegiality among the members of the profession

The college’s Code of Ethics sets out our professional expectations, specifying that, “The responsibility that comes with being an essential health resource is significant. As professionals, pharmacists and pharmacy technicians are challenged and expected to abide by a higher standard of conduct.”

As pharmacists have evolved from purveyors of medication to essential members of the team of health professionals that serve the health needs of patients, it has become even more crucial that pharmacists hold themselves, and are seen to be held, to a high standard of professionalism. The use of inducements in pharmacy practice undermines pharmacists’ reputation as trusted, objective health professionals.

Moreover, college registrants have said that inducements further reinforce the public’s view of pharmacists as “pill counters” in a business context, rather than as health professionals. This view limits the expansion of pharmacists’ responsibilities and the potential to improve Albertans’ access to primary care services. A compromised view of pharmacists due to use of inducements diminishes efforts to improve healthcare access for Albertans.

ii. The college’s role with the profession

The Alberta College of Pharmacists’ role in leading the pharmacist profession includes shepherding appropriate legislation. As the profession has changed, we have seen to it that the legislative framework governing the conduct of pharmacists reflects the expanded role
and responsibilities of pharmacists and ensures safe, appropriate and effective care for all patients.

Today’s patient-centric practice is mirrored in the college’s expectations of pharmacists, as set out in the Code of Ethics and Standards of Practice. The Standards include such requirements as the maintenance of patient records, private and semi-private consultation areas, and patient follow-up for drug management.

The Code of Ethics compels pharmacists to do more than cooperate, and actually “demonstrate responsibility for self and other health professionals” (Principle 11) by “challeng[ing] the judgment of colleagues and other health or social care professions if [they] have reason to believe that their decisions could compromise the safety or care of others.” This statement makes it clear that pharmacists have autonomy for their practice and their decision-making. Principle 12: Nurture the Profession tells pharmacists to maintain professional relationships with colleagues and other healthcare professions.

Pharmacists’ autonomous decision-making and the ability to successfully collaborate with other health professionals will be continually challenged as long as their integrity and objectivity is called into question because of their association with inducements.

e. The patient-insurer relationship

Consumers do not always pay for their drugs and professional services. Third-party insurance plans, whether government-, corporate-, or privately funded, may pay for a portion or all of the cost of the drugs and professional services provided. Insurance premiums paid by the individual consumer are usually much less than the payments made for pharmaceuticals on their behalf.

In essence, third-party insurance plans are supplementing the consumer, while the consumer reaps the rewards from the inducements. This poses an interesting ethical dilemma: should patients/consumers receive benefits or rewards for products or services for which they do not pay?

This dynamic also influences patient behaviour, undermining the patient-pharmacist relationship, creating potential risks to patients’ health, and creating opportunity costs that should be reallocated to improve access and care.

College registrants have relayed several experiences of patients making questionable and unhealthy choices in order to take advantage of inducements. For example:

- Patients who have delayed getting their medication and interrupted drug therapy to capitalize on a forthcoming inducement campaign.
- Patients who have discarded their medication supply to justify a refill and take advantage of an inducement offer (e.g., refilling on a “bonus points” day).
- Patients who have repeatedly filled small prescription amounts, rather than obtaining the supply recommended by the health professional, so that the total cost (and hence total rewards) are higher.

College registrants have noted that in many cases, patients have little or no incentive to stop engaging in these behaviours. In cases where patients only pay a small co-payment (and where the
third-party insurer pays the balance), the value on which awards are calculated is substantially greater than what the individual has paid.

Offering an inducement can make the purchase of an expensive product more desirable because of the anticipated reward to be gained from the purchase.\(^1\)

**A system in which patients chase inducements creates higher costs for the government and insurance companies, resulting in higher costs for insurance plan members and taxpayers.**

Without inducements influencing their choices, patients would not be tempted to behave in ways that cost the health system. Prohibiting inducements will reduce medication waste, reduce costs to the health system, and bolster relationships among patients, their pharmacists and other health team members that are important to patients’ ongoing care.

\(^1\)There is also evidence that inducements can soften price competition as the consumer’s focus moves away from the actual price of the product or service to the amount of the reward available with a purchase. [See Kim, B., Shi, M. & Srinivasan, K. (2001), *Rewards Programs and Tacit Collusion*, Marketing Science, Vol. 20, No. 2, pp. 99-120]
Conclusion

There are a number of reasons to consider prohibiting inducements offered in conjunction with drugs and professional pharmacy services in Alberta now.

- The scope of pharmacists’ practice is expanding to include additional responsibilities for medication management. The number of pharmacists obtaining authorization to independently prescribe medications and administer injections is increasing steadily in Alberta.
- Pharmacists are increasingly working as part of healthcare teams.
- Pharmacists are paid for professional pharmacy services in addition to dispensing.
- There now needs to be a different type of professional relationship between a pharmacist and a patient. The interaction of the pharmacist with a patient today is more than a transaction based on dispensing medication. The pharmacist has an increased responsibility for the ongoing healthcare of their patients.
- In recent years, there have been increases in the quantities and frequency of inducements, and the targeting of vulnerable populations.
- Within the context of the current role of pharmacists, the use of inducements in pharmacy negatively impacts the integrity and trust of the patient-pharmacist relationship, and negatively impacts the reputation of the profession.
- Inducements create a fundamental conflict in patients, between their desire to seek economic and psychological rewards versus following the professional health knowledge and advice of their pharmacist.
- The shift of pharmacists’ primary responsibility from retailing drugs to delivering professional practices has, in retail environments, generated a new dynamic between pharmacist employees and their retail employers. Inducements exacerbate conflicts between pharmacist employees, who need to make unbiased professional judgments in the best interests of the patient, and their retail employers, who have financial interests in offering the inducement.
- Inducements can drive individuals to access pharmacy services in ways that are not health-rational, jeopardizing their continuity of care and driving up costs to the health system, governments, insurance companies and taxpayers.

From our perspective, and that of our registrants, the use of inducements in relation to drugs, blood products and professional pharmacy services should be prohibited. Without such action, the effects of inducements risk undermining the health system’s ability to achieve desired outcomes such as integrated delivery of care; expansion of team-based delivery of primary health services; improved service access for Albertans through the expansion of scopes of practice; efficient allocation of limited health resources; and improved health for Albertans.

Prohibiting inducements that are provided conditionally on obtaining Schedule 1 and Schedule 2 drugs, blood products and professional pharmacy services will:
- enhance the ability of patients to focus on their healthcare,
- support pharmacists in providing that care as part of the healthcare team, and
- ensure that scarce health resources are targeted on patient care.
Appendix 1 – A Timeline of the Evolution of Pharmacist Practice in Alberta

- Before 1994, the role of the profession was that of “purveyor of medication.” The Alberta Pharmaceutical Association Act and Regulations, Code of Ethics, and Principles of Good Pharmacy Practice guided the profession, and were largely focused on this limited role of dispensing.
  - The focus of the Act was not on the pharmacist and the relationship to the patient, but rather on the pharmacy and activities practiced under the traditional role of the pharmacist.
  - The Code of Ethics almost exclusively focused on the dispensing role of pharmacists, buying and selling prescriptions, return of medication, and packaging and labelling. While there was a statement regarding the necessity of keeping a patient record, the contents of the record were to include only drug-related information, a requirement used primarily for facilitating refills of prescriptions and for billing auditing purposes.
- The Principles of Good Pharmacy Practice – the Pharmacist (May 1993), prepared in anticipation of a new Pharmaceutical Profession Act, formalized the pharmacist’s focus on patient care, rather than the medication. Section 5.2.1 of this document stipulated that a pharmacist must “place a patient’s welfare first.”
  This document also introduced the role of the pharmacist in “patient-oriented pharmacy services”, such as ensuring appropriateness of the prescription, the right to refuse to dispense a prescription, monitoring of drug therapy, evaluation of a patient’s medication profile for clinically significant problems, and an intervention role if necessary to prevent drug misuse and abuse. The pharmacist was now required to take steps to intervene in drug therapy when in the “pharmacist’s professional opinion the prescriber’s therapy is not in the best interests of the patient.”
- After 1994, there was a move towards enhancing the role of pharmacists in providing counselling to the public and providing drug information. The Pharmaceutical Profession Act and Regulations, the Code of Ethics, the Standards of Pharmaceutical Practice, and The Pharmacist guidelines provided the framework for setting expectations for the role and responsibilities of the pharmacist in Alberta.
- In 2000, the Alberta Pharmaceutical Association underwent a name change to the Alberta College of Pharmacists and exclusively focused on professional self-regulation responsibilities. The Alberta Pharmacists’ Association was created as a separate entity from the college to address the economics and the wellbeing of pharmacists and pharmacies.
- By 2007, the profession and its governing legislation had solidified the pharmacist as a healthcare professional, a member of a team of professionals providing care to patients, with far more autonomy in decision-making about their professional responsibilities. Pharmacists were now expected to manage drug therapy, to provide continuity of care for patients and to offer a much larger range of services including prescribing and administration of injections.
- On July 1, 2011, amendments to the Pharmacists Profession Regulation came into effect to include pharmacy technicians as a new health profession to be regulated by the Alberta College of Pharmacists. The regulation of this new group of professionals further enables an expanded role for pharmacists in direct patient care.
• In July 2012, the provincial government recognized the pharmacists’ expanded scope and their role in primary care with a new reimbursement program. The payment model has expanded from fees for dispensing to now include fees for direct pharmacist services such as:
  • Comprehensive Annual Care Plans – Albertans living with multiple chronic diseases are supported by pharmacists through assessment, care plan development and ongoing monitoring.
  • Standard Medication Management Assessments – Pharmacists conduct medication reviews and develop care plans for patients with at least one chronic disease and on at least four continuous medications.
  • Assessments of a Patient’s Prescription for Purposes of Renewal, Adaption
  • Administration of Drugs by Injection.
  • Patient Assessments by Pharmacists with Additional Prescribing Authority (APA).
  • Assessments of a Patient who has an Urgent Medication Requirement – this service enables the care of Albertans who are experiencing an emergency need for a medication as defined in Standard 13 of the Standards of Practice for Pharmacists and Pharmacy Technicians.
  • Refusals to Fill a Prescription – this service will prevent the misuse and abuse of prescription medications by supporting pharmacists’ decisions to refuse to fill in situations of overuse/abuse, poly-pharmacy/multi-doctoring and falsified or altered prescriptions.  

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Appendix 2 – Pharmacists’ Expanded Role

Every practising pharmacist you meet in Alberta is a licensed health professional. They must:

- complete four to five years of university education in pharmacy
- pass the national qualifying exams and a provincial jurisprudence exam
- be registered with the Alberta College of Pharmacists
- continually update their learning each year
- follow all legal requirements necessary to operate as an Alberta pharmacist including professional conduct rules, patient care and confidentiality laws, standards of practice, and a code of ethics

Your pharmacist can:

- prevent drug interactions and allergic reactions
- help you with over-the-counter medications
- provide you with information on how to properly take your drugs
- give you advice on non-prescription and natural health products, e.g., herbal remedies
- develop comprehensive annual care plans – Albertans living with multiple chronic diseases are supported by pharmacists through assessment, care plan development and ongoing monitoring
- conduct standard medication management assessments – pharmacists conduct medication reviews and develop care plans for patients with at least one chronic disease and on at least four continuous medications
- renew prescriptions when appropriate
- administer drugs by injection (if authorized)
- prescribe medications (if they have received additional prescribing authority)
- offer assistance with your weight-loss or stop-smoking goals
- monitor and help manage chronic conditions such as diabetes, asthma, or high blood pressure
- follow up with you to monitor your response to your medicine and to provide additional support in using your drugs properly

Your pharmacist cannot:

- replace your doctor or other members of your healthcare team. Regular checkups and consultations with your doctor, dentist, and other health professionals are an important part of maintaining your health.
- read your mind. Good healthcare relies on good communication. Your pharmacist can only do what is best for you, and what is safe, by knowing your complete health history, your lifestyle, and your current health condition.