



**Australian Government**



**The Pharmacy  
Guild of Australia**

**THE FIFTH COMMUNITY PHARMACY AGREEMENT**

**BETWEEN**

**THE COMMONWEALTH OF AUSTRALIA**

**AND**

**THE PHARMACY GUILD OF AUSTRALIA**

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This Agreement is dated the                    day of                    2010.

This Agreement is made between the following parties:

**THE HONOURABLE NICOLA ROXON MINISTER FOR HEALTH AND AGEING**, on behalf of the Commonwealth of Australia (**Commonwealth**)

and

**THE PHARMACY GUILD OF AUSTRALIA [ABN 84 519 669 143]** of 15 National Circuit, Barton in the Australian Capital Territory (**Guild**)

## **PART 1: INTRODUCTION**

### **1. Context**

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- 1.1. This Agreement is the Fifth Community Pharmacy Agreement.
- 1.2. This Agreement is made in the following context:
  - a. Community pharmacy is an integral part of the infrastructure of the health care system in its role in primary health care through the delivery of the Pharmaceutical Benefits Scheme and related services.
  - b. The Commonwealth and the Guild have a common interest in ensuring that:
    - i. pharmacists receive fair and adequate remuneration for the pharmaceutical benefits that they supply under Part VII of the *National Health Act 1953* (Cwlth) so that a stable environment is created for community pharmacy enabling it to remain viable and to participate in the continuity of care for all Australians;
    - ii. positive health outcomes are attained by the Australian community through the efficient delivery of patient-focused professional services and programs; and
    - iii. there is a network of accessible and viable community pharmacies throughout Australia including in rural and remote areas.
  - c. The parties understand that the Pharmaceutical Society of Australia, whilst not a signatory to this Agreement, will be an active participant in those areas of this Agreement that are related to professional practice.
  - d. The principles and objectives of this Agreement are to:
    - i. ensure a fair Commonwealth price is paid to Approved Pharmacists for providing pharmaceutical benefits while maximising the value to taxpayers by encouraging an effective and efficient community pharmacy network;

- ii. ensure that the Programs are patient-focused and target areas of need in the community including continued improvement in community pharmacy services provided to Aboriginal and Torres Strait Islander people;
- iii. ensure transparency and accountability in the expenditure of the Funds;
- iv. promote the sustainability and efficiency of the PBS within the broader context of health reform and ensuring that community resources continue to be appropriately directed across the health system, while also supporting the sustainability and viability of an effective community pharmacy sector;
- v. maintain a co-operative relationship between the Commonwealth and the Guild; and
- vi. ensure the Location Rules work for the benefit of the Australian community including increased access to community pharmacies for the population of rural and remote areas. The specific objectives of the Location Rules are to ensure:
  - all Australians have access to PBS medicines;
  - a commercially viable and sustainable network of community pharmacies dispensing PBS medicines;
  - improved efficiency through increased competition between pharmacies;
  - improved flexibility to respond to the community need for pharmacy services;
  - increased local access to community pharmacies for persons in rural and remote regions of Australia; and
  - continued development of an effective efficient and well-distributed community pharmacy network in Australia.
- e. The initiatives covered by this Agreement result in \$1 billion in savings over the Term of the Agreement against the Commonwealth forward estimates. Those savings have been agreed by the parties in the context of extraordinary economic and budgetary circumstances.
- f. The Commonwealth will deliver \$15.4 billion under the Agreement as set out in the following table:

Table: Funding for elements of the Agreement

<b>Element</b>	<b>\$m</b>
Pharmacy remuneration (includes dispensing fee, pharmacy and wholesale mark-up, extemporaneously prepared and dangerous drug fees, premium free dispensing incentive and electronic prescription fee)	13,771.6
Programs and services	386.4
Additional Programs to support patient services	277.0
Community Service Obligation	949.5
<b>Total</b>	<b>15,384.5</b>

## **2. Definitions and interpretation**

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2.1. These meanings apply unless the contrary intention appears:

- ACC** means the Agreement Consultative Committee set up under clause 5.
- Act** means the *National Health Act 1953* (Cwlth).
- Additional Programs to Support Patient Services** means the Programs described in clause 2 of the Schedule.
- Agreement** means this Fifth Community Pharmacy Agreement and all annexures and schedules.
- Approved Pharmacist** has the meaning given in the Act which, at the date of this Agreement, is “a person for the time being approved under section 90 and includes:
- (a) a person treated as having been so approved under any provision of a law of the Commonwealth other than section 91; and
  - (b) except so far as subsection 90(3) is concerned - a person treated as having been so approved under section 91”.

<b>Approved Supplier</b>	has the meaning given in the Act which, at the date of this Agreement, is “an approved pharmacist, an approved medical practitioner or an approved hospital authority”.
<b>Authority</b>	has the meaning given in the Act which, at the date of this Agreement, is “the Australian Community Pharmacy Authority established under section 99J”
<b>Commonwealth price</b>	has the meaning given in paragraph (a) of the definition of ‘Commonwealth price’ in section 84 of the Act which, at the date of this Agreement, is “in relation to a pharmaceutical benefit supplied by an approved pharmacist - the Commonwealth price worked out in accordance with a determination in force under subsection 98B(1)”.
<b>CSO</b>	means the Community Service Obligation Funding Pool which is described in clause 14.
<b>Department</b>	means the Department of Health and Ageing, and includes any successor department or agency of the Commonwealth having responsibility for the administration of Part VII of the Act.
<b>Electronic Prescription</b>	means an electronic prescription which is generated in accordance with a process by which a prescription is electronically generated by a prescriber, authenticated (electronically signed), securely transmitted (either directly or indirectly) for dispensing and supply, seamlessly integrated into the pharmacy dispensing software and, in the case of Pharmaceutical Benefits Scheme (PBS) prescriptions, is available to be electronically sent to Medicare Australia for claiming purposes. This definition does not preclude the use of paper-based processes to support ePrescribing activity.
<b>Electronic Prescription Fee</b>	means the fee described in clause 12.8.
<b>Formal Notification Date</b>	means 28 calendar days prior to date on which the changes take effect.

<b>Financial Year</b>	means the period commencing on, and including, 1 July in a calendar year and ending on, and including, 30 June in the next calendar year.
<b>FMA Act</b>	means the <i>Financial Management and Accountability Act 1997</i> (Cwlth).
<b>Funds</b>	means the money appropriated and approved by the government for expenditure on the Programs during the Term of the Agreement.
<b>Government Agency</b>	means any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial body, department, commission, authority, tribunal, agency or entity.
<b>Index</b>	has the meaning given in clause 22.3.
<b>Indexation Date</b>	(a) in the case of the Indexation of the Premium Free Dispensing Incentive Payment under clause 12.5, means 1 August; and (b) in all other cases, means 1 July.
<b>Indexation or Indexed</b>	means indexation, or indexed, in accordance with clause 22.
<b>Location Rules</b>	means the rules determined by the Minister under section 99L of the Act subject to which the Authority makes recommendations under the Act in relation to approval of pharmacists in respect of particular premises.
<b>Minister</b>	means the Minister who administers the Act.
<b>National eAuthentication Framework</b>	means the framework, dated January 2009, developed by the Australian Government Information Management Office of the Department of Finance and Deregulation to provide a consistent, whole-of-government approach to managing identity related risks.
<b>NEHTA specification for ETP</b>	means the requirement specified by the National E-Health Transition Authority for the software and other aspects of the implementation of the electronic transfer of prescriptions as in force from time to time.
<b>PBS</b>	means the Pharmaceutical Benefits Scheme established under Part VII of the Act.

<b>PES</b>	means a prescription exchange service that: <ul style="list-style-type: none"> <li>(a) complies with Commonwealth standards for security as guided by the National eAuthentication Framework; and</li> <li>(b) has been subject to an independent privacy impact assessment to ensure that prescribers and Approved Suppliers meet their obligations under the <i>Privacy Act 1988</i> (Cwlth).</li> </ul>
<b>Pharmaceutical Benefit</b>	has the meaning given in the Act which, at the date of this Agreement, is: <ul style="list-style-type: none"> <li>“(a) if a declaration under subsection 85(2) is in force in relation to a drug or medicinal preparation (the <b>drug</b>) and paragraph (b), (c) and (d) do not apply—the drug;</li> <li>(b) if a determination under subsection 85(3) is in force in relation to a form of the drug and paragraph (c) and (d) do not apply—the drug in that form;</li> <li>(c) if a determination under subsection 85(5) is in force in relation to a manner of administration of that form of the drug and paragraph (d) does not apply—the drug in that form with that manner of administration;</li> <li>(d) if a determination under subsection 85(6) is in force in relation to a brand of a pharmaceutical item that is the drug in that form with that manner of administration—that brand of the drug in that form with that manner of administration”.</li> </ul>
<b>PRG</b>	means the Programs Reference Group set up under clause 6 to advise the Minister and the ACC on policy dimensions of the Programs when such advice is requested.
<b>Programs</b>	means the professional pharmacy programs and services set out in Part 4 of this Agreement, and includes the Additional Programs to Support Patient Services.
<b>Term of the Agreement</b>	means the term described in clause 4.

**Tribunal** means the Pharmaceutical Benefits remuneration tribunal established under s.98A of the Act

**Wage Cost Index 9** means an index expressed as a percentage based on the change in wages and prices over the previous 12 month period, known as Wage Cost Index 9, determined by the Department of the Treasury from time to time.

- 2.2. In this Agreement, unless the contrary intention appears:
- a. a word or expression that is given a meaning under Part VII of the Act, and that is not otherwise defined in this Agreement, has the same meaning as in Part VII of the Act;
  - b. a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
  - c. a reference to a section or subsection is a reference to a section or subsection of the Act;
  - d. a reference to a document (including this Agreement) includes any variation or replacement of it;
  - e. a reference to a clause, annexure or schedule is a reference to a clause in or annexure or schedule to this Agreement;
  - f. a reference to the singular includes the plural and vice versa;
  - g. the word "person" includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any Government Agency; and
  - h. the words "including", "for example" or "such as" when introducing an example, does not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

### **3. Structure**

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This Agreement consists of the following Parts:

**Part 1: Introduction** - This Part deals with preliminary matters including: the Term of the Agreement; the interpretation of terms used in this Agreement; and the structures and roles of the ACC and the PRG.

**Part 2: Commonwealth price** - This Part sets out the terms of the agreement, for the purposes of subsection 98BAA (1) of the Act, between the Commonwealth and the Guild in relation to the manner in which the Commonwealth price is to be ascertained for the purpose of payments to Approved Pharmacists in respect of the supply by them of pharmaceutical benefits.

**Part 3: Other Payments** - This Part sets out the intention of the parties in relation to the CSO and other payments.

**Part 4: Professional Pharmacy Programs and Services** - This Part deals with the Programs which the Department will administer during the term of the Agreement. It sets out certain aspects of governance and accountability within which the Commonwealth is required to operate in administering the Funds.

**Part 5:** This Part sets out various mechanical and miscellaneous matters.

#### **4. Term of the Agreement**

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This Agreement commences on 1 July 2010 and terminates on 30 June 2015.

#### **5. Agreement Consultative Committee (ACC)**

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- 5.1. The ACC will:
- a. be the mechanism for consultation between the parties on implementation of all aspects of this Agreement, including issues relating to Approved Pharmacists' payments, the CSO, Location Rules, Electronic Prescriptions, and Programs;
  - b. oversee Programs, including, but not limited to, their design, business rules, timelines, outcomes and expenditure; and
  - c. seek advice from the PRG on the policy dimensions of Programs and their evaluation.
- 5.2. The ACC will discharge its role having regard to the Commonwealth's need to ensure transparent, contestable, merit based allocation of Funds within an accountability framework.
- 5.3. The ACC will comprise a maximum of four members from the Guild and four members from the Department.
- 5.4. Terms of reference for the ACC, including meeting arrangements, appointment of the Chair, reporting requirements and operating rules, will be developed by the Guild and the Department.

#### **6. Programs Reference Group (PRG)**

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- 6.1. The functions of the PRG are:
- a. to provide advice to the Minister and the ACC, when such advice is requested, on the policy dimensions of new and continuing Programs including, but not limited to, the scope, objectives, target groups (where relevant) and evaluation requirements, taking into account:
    - i. the findings of any evaluations of programs under the Fourth Community Pharmacy Agreement and the findings of any relevant research, particularly research conducted

under the Fourth Community Pharmacy Agreement Research and Development program;

ii. the allocation of Funds to the Programs under this Agreement.

b. any other function that may be agreed between the Minister or the Department and the Guild.

6.2. The PRG will consist of:

a. one member of the ACC appointed by, and representing, the Guild;

b. one member of the ACC appointed by, and representing, the Department who will also be the Chair;

c. one member appointed by the Minister to represent the Pharmaceutical Society of Australia;

d. one member appointed by the Minister to represent the Society of Hospital Pharmacists of Australia;

e. three members appointed by the Minister, each having expertise in one of the following areas:

i. rural pharmacy (the member appointed for this expertise being a practising rural pharmacist);

ii. health economics; and

iii. program evaluation;

f. up to six members, each appointed by the Minister from an organisation representing any of the following areas:

i. community pharmacy (the member appointed from this area being a practising Approved Pharmacist);

ii. pharmacist credentialing;

iii. consumers;

iv. Aboriginal and Torres Strait Islander primary health care;

v. general practice; and

vi. allied health.

6.3. The Terms of reference for the PRG are subject to the Minister's approval and must:

a. reflect the functions described in clause 6.1;

b. be developed by the Guild and the Department; and

- c. set out the responsibilities, accountabilities and decision making processes for the PRG and terms relating to the establishment and function of subcommittees.

## **PART 2: COMMONWEALTH PAYMENTS TO PHARMACISTS**

### **7. What Part 2 does**

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Part 2 constitutes an agreement between the Guild and the Minister as referred to in section 98BAA of the Act which sets out the manner in which the Commonwealth price is to be ascertained and to which the Pharmaceutical Benefits Remuneration Tribunal must give effect in determining the Commonwealth price.

### **8. Agreed Basis of the Commonwealth price**

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- 8.1. The Commonwealth price has been set on the basis of a formula which comprises the ex-manufacturer price plus allowances for the supply of PBS medicines over and above that price.
- 8.2. In agreeing to a Commonwealth price for a particular medicine the Commonwealth includes allowances for:
  - a. the cost to the pharmacist (approved price to pharmacist), which includes two components:
    - i. production of the medicine (price ex manufacturer);
    - ii. wholesale distribution of the medicine;
  - b. the handling and storage of medicines by the pharmacy; and
  - c. the pharmacist's specialised skills in dispensing the medicines.

### **9. Patient contribution**

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The specific amounts of patient contributions for PBS medicines are as set out in the Act and pharmacists are required by the Act to charge those amounts.

### **10. Commonwealth price and other payments**

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- 10.1. The components of the remuneration including the Commonwealth price are as set out in the table below. Additional detail on how these components are defined and applied will be set out more fully in the determination, for the purposes of section 98B(1) of the Act.

<b>Type of Payment</b>	<b>Basis of Payment</b>	<b>Date of Effect</b>	<b>Value</b>
<i>Wholesale mark-up<sup>1</sup></i>	<i>(mark-up on ex-manufacturer's price)<sup>2</sup></i>	<i>1 July 2010</i>	<i>7.52%<sup>3</sup></i>
	<i>Up to and including \$930.06</i>		
	<i>Over \$930.06</i>		<i>\$69.94</i>
<i>Pharmacy Mark-up<sup>4</sup></i>	<i>(mark-up on Approved Price to Pharmacist)<sup>56</sup></i>	<i>1 July 2010</i>	
	<i>Up to and including \$30.00</i>		
	<i>Between \$30.01 and \$45.00</i>		
	<i>Between \$45.01 and \$180.00</i>		
	<i>Between \$180.01 and \$450.00</i>		
	<i>Between \$450.01 and \$1750.00</i>		<i>4.0%</i>
	<i>Over \$1750.00</i>		<i>\$70.00</i>
<i>Dispensing Fee (Ready Prepared)</i>		<i>1 July 2010 - 30 June 2012</i>	<i>\$6.42</i>
<i>Special Handling Fee<sup>7</sup></i>	<i>Dangerous drug</i>	<i>1 July 2010</i>	<i>\$2.71</i>
	<i>Extemporaneously prepared</i>		
			<i>\$2.04</i>

10.2. The figure for the 'Dispensing Fee (Ready Prepared)' in the 'Value' column of the table in clause 10.1 will be first Indexed on the Indexation Date in 2012 and thereafter on each subsequent Indexation Date during the Term of this Agreement.

## **11. Review of components of remuneration**

The parties agree that, subject to the Act, the method of calculating any elements of the remuneration covered by Part 2 of this Agreement, and the level of that remuneration, may be varied by agreement in writing between the parties in accordance with clause 32.

<sup>1</sup> Fixed for the Term of the Agreement.

<sup>2</sup> Refers to the PBS maximum quantity.

<sup>3</sup> Approximates a 7.0% wholesale margin.

<sup>4</sup> Fixed for the Term of the Agreement.

<sup>5</sup> Approved Price to Pharmacist (includes price ex-manufacturer and wholesale mark-up).

<sup>6</sup> Refers to the PBS maximum quantity.

<sup>7</sup> These fees are payable in addition to the base ready prepared dispensing fee.

## **PART 3: OTHER PAYMENTS**

### **12. Additional Charges**

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- 12.1. For ready prepared and extemporaneously prepared items, priced below the maximum general patient contribution as defined in the Act, Approved Pharmacists will be able to charge the sum of:
- a. the Commonwealth price;
  - b. an additional patient charge which when combined with the Commonwealth price will equal the price ascertained according to the manner determined by the Minister under subsection 84C(7) of the Act; and
  - c. a further additional patient charge amounting to 10% of the maximum general patient contribution plus 50 cents,
- provided that the sum does not exceed the maximum general patient contribution.
- 12.2. The additional patient charge referred to in clause 12.1.c cannot be recorded on the prescription record form to accumulate towards the General patient Safety Net as defined in section 84C of the Act.
- 12.3. Approved Pharmacists must make patients aware of the charges described in clause 12.1.c and of the fact that they are not Commonwealth initiated.

#### **Premium Free Dispensing Incentive Payment**

- 12.4. From 1 July 2010, a fee of \$1.53 will be paid to Approved Suppliers, except approved hospital authorities located at a public hospital which has implemented pharmaceutical reforms under Part B15, Schedule B of the National Health Care Agreement, for each substitutable brand dispensed where a Premium does not apply. Substitutable products are those flagged as interchangeable at brand level.
- 12.5. The Premium Free Dispensing Incentive Payment fee described in clause 12.4 will be Indexed on each Indexation Date during the Term of the Agreement.
- 12.6. The Premium Free Dispensing Incentive Payment is not payable for General Pharmaceutical Benefits dispensed where the Commonwealth Price is less than or equal to the General patient contribution.
- 12.7. The remuneration for dispensing a substitutable brand where a Premium does not apply is separate from, and in addition to, pharmacy remuneration as set out in clause 10.1.

## Electronic Prescription Fee

- 12.8. The Commonwealth will, from 1 July 2010, pay a fee of \$0.15 per transaction to Approved Suppliers dispensing Electronic Prescriptions in the manner set out in clause 12.10.
- 12.9. The forecast funding for this initiative over the Term of this Agreement is \$75.5 million.
- 12.10. An Electronic Prescription Fee is only payable if the electronic prescription:
- a. is a PBS or RPBS prescription (including prescriptions for items priced below the maximum general patient contribution as defined in the Act) dispensed by an Approved Supplier that is generated electronically in accordance with the process described in the definition of 'Electronic Prescription' in clause 2.1 and the NEHTA specification for ETP,- or
  - b. a repeat authorisation and/or a deferred supply authorisation :
    - i. downloaded from a PES; and
    - ii. related to an original Electronic Prescription satisfying paragraph 12.10.a;
- and
- c. the Electronic Prescription is processed through a PES; and
  - d. if the Electronic Prescription relates to an item priced below the maximum General patient contribution as defined in the Act, the following information in the Electronic Prescription has been validated and, if necessary, corrected by the approved supplier:
    - i. the patient's name;
    - ii. the patient's Medicare number;
    - iii. information about the prescription (including the date of prescribing and supply, the PBS code number, the drug name and form, the quantity dispensed and the number of repeats);
    - iv. the prescriber approval number; and
    - v. the Approved Supplier number.
- 12.11. The Electronic Prescription Fee will be paid to Approved Suppliers by Medicare Australia in response to claims made through PBS Online in relation to eligible Electronic Prescriptions.
- 12.12. Software vendors will have no more than 24 months from the time of publication of:
- a. relevant standards by Standards Australia; and

- b. if the NEHTA specification for ETP is revised, the revised version of the NEHTA specification for ETP,

to comply with the Australian Standards specified in the relevant version of the NEHTA specification for ETP.

- 12.13. All PES prescribing and dispensing providers will be required to satisfy the standards described in the definition of PES in clause 2.1 and the standards described in clause 12.10 to enable Approved Suppliers to be eligible for the Electronic Prescription Fee.
- 12.14. The ACC will regularly monitor compliance with clauses 12.8 to 12.13 during the Term of the Agreement, including taking into account the following matters (without limitation):
  - a. the proportion of prescriptions being generated as Electronic Prescriptions by prescribers;
  - b. the progress in developing and implementing a Commonwealth approved individual electronic health record;
  - c. the development of the NEHTA specification for ETP; and
  - d. the level of expenditure by the Commonwealth on the Electronic Prescription Fee and how this compares to the forecast total expenditure in clause 12.9, any potential over- or under-expenditure, and the reasons for this.
- 12.15. As a result of monitoring under clause 12.14, the ACC may make recommendations to the Minister regarding possible changes to the clauses of this Agreement relating to the Electronic Prescription Fee.

### **13. Highly Specialised Drugs Program**

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- 13.1. Where an approved pharmacist provides pharmaceutical services to a private hospital which provides medicines under the Highly Specialised Drugs Program to eligible outpatients, that pharmacist will be eligible for remuneration for the provision of this service. The Commonwealth agrees that it will remunerate these Approved Pharmacists for the supply of Highly Specialised Drugs.
- 13.2. The parties agree that remuneration should be allocated for the dispensing of Highly Specialised Drugs for private hospitals on the following basis:

The ready prepared dispensing fee plus a mark-up calculated as follows:

  - a. 10% for drugs with a price ex-manufacturer of less than \$40;
  - b. \$4 for drugs with a price ex-manufacturer of between \$40 and \$100;
  - c. 4% for drugs with a price ex-manufacturer of between \$100.01 and \$1000; and
  - d. \$40 for drugs with a price ex-manufacturer of greater than \$1000.

## **14. Community Service Obligation Funding Pool**

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- 14.1. The purpose of the CSO is to ensure that:
  - a. all Approved Pharmacists are able to obtain timely supply of the full range of PBS medicines, irrespective of the size or location of the pharmacy, the breadth of the PBS product range, the cost of the PBS medicines, or the cost of their distribution and supply to pharmacy; and
  - b. all Australians have timely access to the PBS medicines they require, regardless of the cost of the medicine, or where they live.
- 14.2. Payments from the CSO will be made to eligible wholesale distributors of PBS medicines, who meet the specified service standards. The intention is to remunerate pharmaceutical wholesalers for the additional cost they incur in providing the full range of PBS medicines, available to wholesalers, as compared to those wholesalers who distribute and supply a lesser range of PBS products.
- 14.3. Wholesalers will be eligible to access the CSO if they can demonstrate they can meet the specified service standards, including distribution and supply of the full range of PBS medicines generally within 24 hours. This includes medicines ordered in low volumes (including single units where required), and at least one benchmark priced product for each PBS line (where a benchmark priced product is available):
  - a. to any pharmacy in Australia (National Full Line Wholesalers), or to any pharmacy in the State or Territory in which the wholesaler has a distribution centre (State Based Full Line Wholesalers); and
  - b. at a price to pharmacy at or below the approved price to pharmacist.
- 14.4. The value of the CSO in the 2010-11 Financial Year will be \$182,492,861. This value will be Indexed on the Indexation Date in 2011 and on each subsequent Indexation Date during the Term of the Agreement. The CSO includes a separate allocation of up to 3.33% of the total pool in payments to State Based Full Line Wholesalers.
- 14.5. Funding for State Based Full Line Wholesalers within their part of the total CSO will be apportioned across all States and Territories according to relative freight costs (or other factor, as agreed between eligible wholesalers and the Commonwealth).
- 14.6. State Based Full Line Wholesalers will not be entitled to a greater amount per PBS medicine supplied than National Full Line Wholesalers.
- 14.7. Full Line National Wholesalers will share in the balance of the CSO which will include that part of the Funding Pool separately allocated for State Based Full Line Wholesalers (as described at clause 14.5) that is unpaid at the end of each month.

- 14.8. Eligible National and State Based Full Line Wholesalers will provide data on the actual volume of sales of PBS medicines to all pharmacies, including low volume PBS medicines, and PBS medicines supplied to rural and remote pharmacies, on a monthly in-arrears basis.
- 14.9. Payments from the CSO will be made monthly, in arrears, based on each wholesaler's actual monthly share of the actual volumes of PBS medicines supplied to all pharmacies.
- 14.10. For the purposes of the CSO, references to actual sales and volumes relate to Schedule of Pharmaceutical Benefits items only.
- 14.11. Eligible National and State Based Full Line Wholesalers will be paid a share of the CSO only if actual sales to rural and remote pharmacies and actual sales of low-volume PBS medicines are in line with total industry data. This will be validated on an annual basis in the context of a year of industry data provided by eligible wholesalers on actual sales volumes of PBS low volume medicines, and PBS medicines supplied to rural and remote pharmacies.
- 14.12. Where eligible wholesalers do not, to a significant extent, meet the industry standard level of sales of low volume medicines or sales to rural and remote pharmacy at the end of each year, eligibility will be reviewed and funding will be adjusted in the following year's monthly payments or recouped as required.
- 14.13. The cost of administering the CSO will be met from within the funding pool up to a maximum of 0.667% of the total pool.
- 14.14. The Commonwealth will work with eligible wholesale distributors and the ACC to address any practical issues in the administration of the CSO.

## **PART 4: PROGRAMS**

### **15. What Part 4 does**

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Part 4 sets out the Programs which will be funded under the Agreement and the principles of accountability which will be adhered to in the spending and administration of the Funds.

### **16. Objectives of Part 4**

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The objectives of Part 4 are to:

- a. recognise that beneficial health outcomes can be achieved through the delivery of evidence based professional pharmacy programs and services;
- b. describe those professional pharmacy programs and services to be funded under this Agreement, which aim to optimise the effectiveness and value of the health system in general and the PBS in particular;
- c. achieve a level of accountability and transparency in the administration and delivery of the Programs which ensure that the Programs are:
  - i. administered by the Department to the standards of accountability required of it under the FMA Act and related Commonwealth policy including, without limitation, the Commonwealth Grant Guidelines and the Commonwealth Procurement Guidelines; and
  - ii. delivered with the transparency which:
    - assures the community that the most efficient and effective patient-focused health outcomes are being achieved for consumers; and
    - satisfies taxpayers that the Funds for the Programs are being properly expended in an efficient and accountable manner; and
- d. clearly document the respective roles that the Guild and the Commonwealth will play in delivering Programs which will contribute to the long term health and well-being of the community.

### **17. Funding Arrangements**

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17.1. Subject to clause 17.2, the Commonwealth and the Guild commit to ensuring that funding available under this Agreement is spent in a timely, accountable and transparent manner, with merit based assessment of proposals and, where appropriate, consultation with other relevant stakeholders.

17.2. The Guild acknowledges that:

- a. the Commonwealth's payment, approval, terms of payment, and any agreement to vary those things (such as reallocation of Funds across Programs or across years), of any Funds are subject to the Commonwealth's obligations under the FMA Act, Financial Management and Accountability Regulations and related Commonwealth policy including, without limitation, the Commonwealth Grant Guidelines and the Commonwealth Procurement Guidelines;
  - b. the Commonwealth is required by legislation and policy to ensure that the Funds are administered in a way that promotes an efficient, effective and ethical use of public money (including, without limitation, by taking measures to ensure that the Commonwealth obtains value for money in the administration and expenditure of the Funds); and
  - c. any sub-contracts entered into by the Guild for the purposes of the Programs must be consistent with the conditions of the funding agreement between the Commonwealth and the Guild, and promote the Commonwealth's compliance with the legislative and policy obligations referred to in paragraphs a and b.
- 17.3. Subject to clause 17.2, the Commonwealth will allocate \$386.413 million for Programs (other than the Additional Programs to Support Patient Services) over the life of this Agreement. Indicative funding (expressed in thousands) for the Programs, other than the Additional Programs to Support Patient Services, in each Financial Year during the Term of the Agreement is as set out in the table below.

<b>Financial Year</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>Total</b>
<b>Funds (000)</b>	\$66,506	\$73,278	\$75,494	\$82,735	\$88,400	<b>\$386,413</b>

- 17.4. Subject to clause 17.2, the parties will use their best endeavours to ensure that the Funds are fully and appropriately expended.

## **18. Administrative Arrangements**

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- 18.1. Organisations managing the Programs will do so under an agreement with the Commonwealth which will require a standard of accountability and transparency which meets the requirements of the FMA Act, Financial Management and Accountability Regulations and related Commonwealth policy.
- 18.2. Professional pharmacy programs and services which:
  - a. operate under the Fourth Community Pharmacy Agreement; and
  - b. the Commonwealth and the Guild agree will continue to operate after the commencement of this Agreement

will continue, subject to the terms of the relevant funding agreement between the Commonwealth and the Guild, on and after the commencement of this Agreement without change, except to the extent otherwise agreed between the Commonwealth and the Guild.

## **19. Specific Programs to be funded**

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19.1. The priorities for funding during the Agreement are:

- a. **Medication Management Programs.** The aim of these Programs is to enhance the quality use of medicines and reduce the number of adverse drug events experienced by the elderly and others using multiple medicines by assisting them to better manage their medicines.

Priorities agreed for these Programs are:

- i. medicines use review;
- ii. home medicines review;
- iii. residential medication management review; and
- iv. diabetes medication management service.

- b. **Rural Support Programs.** The aim of these Programs is to maintain and improve access to quality community pharmacy services for the community in rural and remote areas of Australia and to increase the proportion of the total pharmacy workforce starting practice in rural and remote Australia and staying in rural and remote practice for at least five years.

Priorities agreed for these Programs are:

- i. rural pharmacy maintenance allowance;
- ii. rural pharmacy workforce Program;

- c. **Aboriginal and Torres Strait Islander Programs.** These Programs aim to improve access to quality community pharmacy services by Aboriginal and Torres Strait Islander people by taking account of cultural issues in meeting indigenous health needs.

Priorities agreed for these Programs are:

- i. Aboriginal and Torres Strait Islander pharmacy workforce;
- ii. 'section 100' support allowances to remote area Aboriginal Health Services;
- iii. QUM framework to support rural and urban Aboriginal Health Services.

- d. **Pharmacy Practice Incentive and Accreditation.** This Program aims to ensure that patients receive the highest quality of care, information, advice and services through a robust quality framework. This will consist of a system of standards,

accreditation, and incentives for demonstrated delivery of quality services and achievement of defined outcomes.

- e. **Research and Development.** This Program will contribute to maintaining and improving the health outcomes of Australians through evidence based best practice on issues related to pharmacy and the provision of quality services to patients.
  - f. **Medication Continuance.** Medication Continuance is the supply of a standard PBS pack of chronic therapy medicine to a patient by a community pharmacist, under specific circumstances, to facilitate patient adherence to therapy and prevent treatment interruption due to the inability to obtain a timely prescription renewal.
- 19.2. A description of the Programs (other than the Additional Programs to Support Patient Services) and a summary of indicative funding allocations for those Programs are set out in clause 1 of the Schedule. While these indicative funding allocations reflect present priorities, the parties acknowledge that they may, subject to clause 19.3, be reallocated between Programs or to additional Programs that fall within the general objectives of the Programs referred to in clause 19.1 during the Term of the Agreement to reflect changing priorities.
- 19.3. Program Funds paid by the Commonwealth for use in a particular Financial Year which are unspent at the expiry of that Financial Year cannot be used after the expiry of that Financial Year without the prior written approval of the Commonwealth. The Commonwealth may approve, or not approve, the use of unspent Funds after the Financial Year at its absolute discretion subject to the legislative and policy requirements described in clause 17.2 of this Agreement.
- 19.4. The ACC may make recommendations to the Minister regarding funding of additional Programs that are consistent with the general objectives for these Programs.

## **20. Additional Programs to Support Patient Services**

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Funding for the Programs described in clause 19 above will be supplemented by \$277 million of additional Funds. These Funds will, subject to clause 17.2, be directed to professional services and quality measures for patients, as outlined in part 2 of the Schedule (Additional Programs to Support Patient Services). While the indicative funding allocations outlined in part 2 of the Schedule reflect present priorities, the parties acknowledge that they may, subject to clause 19.3, be reallocated during the Term of the Agreement to reflect changing priorities.

## **21. Individual Electronic Health Record**

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The parties acknowledge the Commonwealth's agenda to introduce an Individual Electronic Health Record (**IEHR**) available for all Australians. If a Commonwealth approved IEHR becomes operational during the Term of the Agreement, the parties agree that, within 24 months of the specifications for the IEHR being published, or within 12 months of the IEHR commencing operation, it will be a condition of Commonwealth funding for all clinical interventions and medicine-related services provided by Approved Pharmacists that systems used by Approved Pharmacists in providing those services will integrate seamlessly with the IEHR.

## **PART 5: OTHER MATTERS**

### **22. Indexation**

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- 22.1. This clause 22 applies if an amount is required to be Indexed under another clause of this Agreement.
- 22.2. If an amount is required to be Indexed on an Indexation Date under this Agreement, the amount from and including that Indexation Date is the amount:
- a. calculated to four decimal places according to the following formula:  
 **$A \times (1+I)$**   
where:  
**A** is amount immediately before the Indexation Date; and  
**I** is the Index as at the Indexation Date; and
  - b. rounded to the nearest whole number (or cent, in the case of a dollar amount):
- 22.3. The Index is:
- a. Wage Cost Index 9 (**WCI9**);
  - b. if at the relevant time WCI9 has been replaced by another index, the replacement index; or
  - c. if WCI9 or any replacement index is discontinued and not replaced, the index that the Commonwealth determines, expressed as a decimal<sup>8</sup> which may be positive or negative

### **23. Location Rules**

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- 23.1. The Location Rules, including rules made by ministerial determination relating to supermarket co-location, are not altered by this Agreement.
- 23.2. The parties may agree in writing a change to the Location Rules, whether as result of findings of the review of Location Rules prescribed during the term of the Fourth Community Pharmacy Agreement, or otherwise.
- 23.3. The Commonwealth will put in place a process for the Authority to refer anomalies in, and substantial problems arising from, the Location Rules to the ACC which will in turn advise the Minister on whether an amendment to the Location Rules is required.

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<sup>8</sup> Note that WCI9 is defined as being expressed as a percentage. This must be converted to a decimal in making this calculation.

#### **24. PBS drugs to be available**

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The parties agree they will work together to ensure that manufacturers and wholesalers have stocks of drugs listed on the PBS available for timely supply to pharmacists to enable pharmacists to supply patients on demand. The parties agree that Approved Pharmacists will keep adequate medicine stocks for the supply of pharmaceutical benefits to ensure reasonable and timely access to those medicines by consumers.

#### **25. Price Changes**

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The parties agree to continue with PBS price changes 3 times a year i.e. 1 April, 1 August and 1 December.

From 1 July 2010, the Commonwealth undertakes to provide to the Guild, on each Formal Notification Date, the exact price changes and the brands affected, for dissemination to community pharmacy.

The Commonwealth undertakes to provide information to the Guild, 1 week prior to the Formal Notification Date, listing those molecule(s) that are expected to be subject to price changes.

#### **26. Payment Times**

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The Commonwealth agrees that the following become the agreed standard for payment times for PBS and RPBS prescriptions:

Process CTS claims within 17 days of receipt of claim.

Process online claims within 17 days of receipt of paperwork.

Make related advance payments for payable prescriptions transmitted and assessed online within 9 to 16 days from receipt of electronic assessment.

#### **27. Recording of PBS Prescriptions priced below the General Patient Co-Payment**

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Approved Suppliers will provide to the Commonwealth relevant data on PBS prescriptions supplied by Approved Pharmacists that are priced below the general patient co-payment including:

- a. the patient's name;
- b. the patient's Medicare number;
- c. information about the prescription (including the date of prescribing and supply, the PBS code number, the drug name and form, the quantity dispensed and the number of repeats);
- d. the prescriber approval number; and
- e. the Approved Supplier number.

## **28. Reviews under the Fourth Community Pharmacy Agreement**

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The Fourth Community Pharmacy Agreement included a number of reviews of complex issues with significant impact on community pharmacy. The findings of these reviews will be considered by the ACC, taking into account advice from the Minister, and if agreed and considered appropriate by the ACC, the Committee will take actions necessary to implement, or assist in the implementation of, those findings.

## **29. Obligations of Approved Suppliers**

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The Guild will use its best endeavours to ensure that Approved Suppliers comply with their obligations as set out in this Agreement.

## **30. Consultation**

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- 30.1. Where, during the term of the Agreement, the Commonwealth has made a decision as part of a health-related budget initiative that has a significant and sustained impact on the viability of community pharmacy, the Commonwealth will consult in good faith with the Guild about that impact.
- 30.2. Both parties will take into account the cost of any identifiable and quantifiable administrative impost/increase (above the present status quo) on Approved Pharmacists incurred during the Term of the Agreement, that is directly attributed to:
- a. an alteration to the Act ; or
  - b. the introduction of a Commonwealth health-related budget initiative, external to the Agreement, that is required to be implemented by Approved Pharmacists.

## **31. Dispute resolution**

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- 31.1. Any dispute arising from the operation of the Agreement (other than Part 2) shall be determined as follows:
- a. the party claiming that there is a dispute will send to the other a notice setting out the nature of the dispute;
  - b. the parties will then try to resolve the dispute by direct negotiation; and
  - c. if the dispute is not so resolved either party may immediately request the dispute to be referred to mediation, conducted by a person agreed between the parties.
- 31.2. Any dispute arising from the operation of Part 2 of the Agreement shall be determined as follows:
- a. the party claiming that there is a dispute will send to the other party a notice setting out the nature of the dispute;
  - b. the parties will then try to resolve the dispute by direct negotiation;

- c. If the dispute is not so resolved either party may immediately request the dispute to be referred to the Tribunal for mediation, and if mediation fails, resolution; and
  - d. If the parties resolve the dispute they shall, if required, present the agreement reached between them to the Tribunal for an appropriate determination.
- 31.3. Each party will bear its own costs arising from the dispute resolution process.

### **32. Variation**

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A provision of this Agreement may only be varied in writing, signed by the Guild and the Minister, or a delegate of the Minister.

### **33. Entire agreement**

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This Agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements.

### **34. Arrangements at the end of the Agreement**

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- 34.1. The parties will:
- a. participate in a review of the Agreement prior to its expiry to inform negotiations for any subsequent agreement; and
  - b. use their best endeavours to ensure that negotiations for a new community pharmacy agreement will commence 12 months prior to the expiry of the Agreement, and conclude by 31 March 2015.
- 34.2. The parties agree to take into account the value of the remuneration arrangements and pharmacy programs that are in place at the end of this Agreement as the framework for the negotiations for the new Agreement.

### **35. Notices**

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- 35.1. A notice under this Agreement is only effective if it is in writing, and dealt with as follows:
- a. *if given by the Pharmacy Guild to the Commonwealth* - addressed to:  
  
First Assistant Secretary  
Pharmaceutical Benefits Division  
MDP 61  
GPO Box 9848  
CANBERRA ACT 2601  
  
or as otherwise notified by the Commonwealth; or
  - b. *if given by the Commonwealth to the Pharmacy Guild* - addressed to:

Executive Director  
The Pharmacy Guild of Australia  
PO Box 7036  
Canberra Mail Centre ACT 2610

or as otherwise notified by the Guild.

35.2. A notice is to be:

- a. signed by the person giving the notice and delivered by hand; or
- b. signed by the person giving the notice and sent by pre-paid post;  
or
- c. transmitted electronically by the person giving the notice by  
electronic mail or facsimile transmission.

35.3. Communications take effect from the time they are received or taken to be received under clause 35.4 (whichever happens first) unless a later time is specified.

35.4. Communications are taken to be received:

- a. if sent by post, three days after posting (or seven days after posting if sent from one country to another); or
- b. if sent by fax, at the time shown in the transmission report as the time that the whole fax was sent; or
- c. if sent by email;
  - i. when the sender receives an automated message confirming delivery; or
  - ii. four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

35.5. A notice received, or taken to be received under clause 35.4 after 5.00 pm, or on a day that is not a Business Day in the place of receipt, is deemed to be effected on the next Business Day.

EXECUTED as an agreement

## Signing page

DATED: 3 May 2010

**SIGNED** by the **HONOURABLE  
NICOLA ROXON MINISTER FOR  
HEALTH AND AGEING**, on behalf  
of the **COMMONWEALTH OF  
AUSTRALIA**



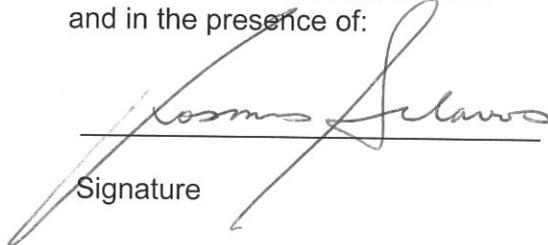
Signature

In the presence of:



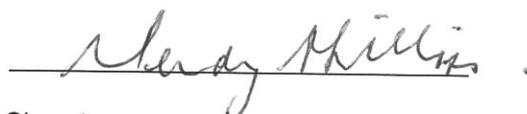
Signature

**THE SEAL** of **THE PHARMACY  
GUILD OF AUSTRALIA** was  
hereunto affixed in pursuance of a  
resolution of its National Council  
and in the presence of:



Signature

National President



Signature

Executive Director

# Schedule - Summary of Programs and indicative Program funding allocations

## 1 Programs

Program name	Program description	Indicative Funds	Program governance
<b>Medication Management Programs</b>			
<b>Medicines Use Review (MUR)</b> (New Program)	The MUR will provide an in-pharmacy medicine review between pharmacists and patients to enhance the quality use of medicines and reduce the number of adverse medicines events. In order to ensure this program complements the existing Home Medicines Review program and to determine those patients who will most benefit from a MUR, a pilot will be conducted and prospectively evaluated prior to a full scale national roll out of the program in year three of the Agreement. The pilot will determine the most appropriate method of delivery, which may include the provision of a patient medication profile (PMP). Compliance arrangements will be put in place to ensure ongoing accountability and quality of the service.	\$29.6m	<b>Program Manager:</b> Guild & Commonwealth  <b>Program payments made by:</b> Guild (pilot) Medicare Australia (national roll-out)
<b>Home Medicines Review (HMR)*</b>	The HMR program aims to enhance the quality use of medicines, and reduce the number of adverse medicines events, by assisting patients to better manage and understand their medicines through a medication review conducted by an accredited pharmacist in the patient's home. The HMR program will be modified for the Fifth Agreement with a particular emphasis on those patients deemed most at risk of medication misadventure, such as immediately after discharge from hospital. Compliance arrangements will be put in place to ensure ongoing accountability and quality of the service.	\$52.11m	<b>Program Manager:</b> Commonwealth & Guild  <b>Program payments made by:</b> Medicare Australia
<b>Residential Medication Management (RMMR)*</b>	The RMMR Program funds approved, accredited pharmacists to conduct medication reviews for permanent residents of Commonwealth funded residential aged care facilities. The program aims to enhance the quality use of medicines, and reduce the number of adverse medicines events by assisting residents and their carers with their medication regimens. The RMMR program will be modified for the Fifth Agreement with particular emphasis on funding best practice review services, and introducing new funding arrangements for quality use of medicine services. Compliance arrangements will be put in place to ensure ongoing accountability and quality of the service.	\$70m	<b>Program Manager:</b> Commonwealth & Guild  <b>Program payments made by:</b> Medicare Australia
<b>Diabetes Medication Management Service*</b>	Through this program a medication management service will be provided to patients with type 2 diabetes who are newly diagnosed or whose diabetes is less than ideally controlled. The availability of the service will be targeted to pharmacies in those areas where other diabetes services are not adequate to meet the needs of the local population. Compliance arrangements will also be put in place to ensure ongoing accountability and quality of the service.	\$12.2m	<b>Program Manager:</b> Guild & Commonwealth  <b>Program payments made by:</b> Guild

Program name	Program description	Indicative Funds	Program governance
<b>Rural Support Programs</b>			
<b>Rural Pharmacy Workforce</b>	The Program focuses on strengthening and supporting the rural pharmacy workforce, which in turn will provide increased access to quality pharmacy services for patients residing in rural and remote regions of Australia.	\$37m	<b>Program Manager:</b> Guild & Commonwealth  <b>Program payments made by:</b> Guild
<b>Rural Pharmacy Maintenance Allowance*</b>	The allowance is a monthly payment to eligible proprietors of approved pharmacies in recognition of the additional burden of maintaining a pharmacy in rural and remote areas of Australia.	\$70m	<b>Program Manager:</b> Commonwealth & Guild  <b>Program payments made by:</b> Medicare Australia
<b>Aboriginal and Torres Strait Islander Programs</b>			
<b>Section 100 Support Allowances to Remote Area Aboriginal Health Services*</b>	The allowance is paid to approved pharmacies and approved hospital authorities to improve the quality use of medicines by clients of remote Aboriginal Health Services that participate in the S100 supply arrangements.	\$14.4m	<b>Program Manager:</b> Commonwealth & Guild  <b>Program payments made by:</b> Medicare Australia
<b>QUM framework to support rural and urban Aboriginal Health Services*</b>	The allowance will enable pharmacies to work with rural and urban Aboriginal Health Services to improve the quality use of medicines by clients of those services that participate in the Council of Australian Government's PBS Co-payment Measure.	\$11m	<b>Program Manager:</b> Guild & Commonwealth  <b>Program payments made by:</b> Guild
<b>Aboriginal and Torres Strait Islander Pharmacy Workforce*</b>	The Program focuses on strengthening and supporting the Aboriginal and Torres Strait Islander pharmacy workforce, which in turn will provide improved, culturally appropriate, pharmacy services for Aboriginal and Torres Strait Islander patients.	\$3.5m	<b>Program Manager:</b> Guild & Commonwealth  <b>Program payments made by:</b> Guild
<b>Pharmacy Practice Incentive and Accreditation</b>			
<b>Pharmacy Practice Incentive and Accreditation*</b>	Approved s90 pharmacies that receive accreditation through a pharmacy accreditation program will be eligible to receive pharmacy practice incentive payments. These payments will be based on the:	\$75m	<b>Program Manager:</b> Guild &

Program name	Program description	Indicative Funds	Program governance
	<ul style="list-style-type: none"> <li>• Demonstrated delivery by pharmacies of agreed services to patients that are designed to improve their quality use of medicines</li> <li>• Demonstrated achievement of defined outcomes in relation to the delivery of quality services to patients</li> </ul> <p>A requirement for pharmacies to display and comply with a patient service charter will be incorporated into the standards for the Quality Care Pharmacy Program.</p> <p>Any pharmacy accreditation program must:</p> <ol style="list-style-type: none"> <li>1. Be assessed and approved as a Conformity Assessment Body accredited by either JASANZ or ISQua; and</li> <li>2. Only utilise assessors who have completed the training requirements of a recognized body for the accreditation of quality management system auditors, such as RABQSA.</li> <li>3. Provide equitable access and equal opportunity for all community pharmacies, to be assessed against the Standards regardless of their geographic location, such that they can provide accredited services to the communities that they serve.</li> </ol>		<p>Commonwealth</p> <p><b>Program payments made by:</b> Medicare Australia</p>
<b>Research and Development</b>			
<b>Research and Development*</b>	Research will be commissioned through this Program to contribute to maintaining and improving the health outcomes of Australians through evidence based best practice on issues related to pharmacy and the provision of quality services to patients.	\$10.6m	<p><b>Program Manager:</b> Guild &amp; Commonwealth</p> <p><b>Program payments made by:</b> Guild</p>
<b>Medication Continuance</b>			
<b>Medication Continuance</b>	This Program will support the development of protocols set out in an IT enabled auditable standard, in the agreed Standards, in relation to medication continuance.	\$1m	<p><b>Program Manager:</b> Commonwealth &amp; Guild</p> <p><b>Program payments made by:</b> Not Applicable</p>
<b>Total</b>		<b>\$386.41m</b>	

\* The design of the Program will be considered in the context of the findings of evaluation of the corresponding program under the Fourth Agreement.

## 2 Additional Programs to Support Patient Services

It is proposed that the Commonwealth will provide Funds for the Additional Programs to Support Patient Services as described below.

Program name	Program description	Indicative Funds	Program governance
<b>Additional Pharmacy Practice Incentives (PPIs)</b>			
<b>Clinical Interventions by Pharmacists</b>	<p>The purpose of this Program is to identify, resolve and document drug related issues that are identified within community pharmacy. The Program will build on 3<sup>rd</sup> and 4<sup>th</sup> Agreement Research and Development projects to encourage Approved Pharmacists to provide and document clinical interventions arising from their patients' medicine use.</p> <p>The aims of the Program are to:</p> <ul style="list-style-type: none"> <li>• Increase the number of clinical interventions provided and documented and improve communication with patients and prescribers.</li> <li>• Integrate with other services and programs provided by community pharmacies such as Dose Administration Aids, Medicines Use Reviews and Home Medicines Reviews.</li> </ul> <p>Compliance arrangements and an agreed Standard will be put in place to ensure ongoing accountability and quality of the service.</p>	\$97m	<p><b>Program Manager:</b> Guild &amp; Commonwealth</p> <p><b>Program payments made by:</b> Medicare Australia</p>
<b>Support for the Provision of Dose Administration Aids (DAAs)</b>	<p>This Program will assist patients in the community to better manage their medicines, with the objective of avoiding medication misadventure and associated hospitalisation. The Program will provide funding to eligible Approved Pharmacists for meeting performance requirements for providing DAAs under the Program. These requirements will include strict patient eligibility criteria and compliance arrangements. Patient eligibility may be informed by the evaluation of the Dose Administration Aids program conducted under the Fourth Community Pharmacy Agreement.</p>	\$132m	<p><b>Program Manager:</b> Guild &amp; Commonwealth</p> <p><b>Program payments made by:</b> Medicare Australia</p>
<b>Staged supply support allowance</b>	<p>This Program will provide a payment to eligible Approved Pharmacists which meet specified performance requirements in providing dispensed PBS medicines in instalments when requested by the prescriber (excluding the section 100 opioid dependency treatment program). These instalments may be daily, weekly or as directed by the prescriber. This service may be of particular value to patients with a mental illness, drug dependency or who are otherwise unable to manage their medicines safely.</p>	\$35m	<p><b>Program Manager:</b> Guild &amp; Commonwealth</p> <p><b>Program payments made by:</b> Medicare Australia</p>
<b>Funding to support the Accreditation System and roll-out of Additional Programs to Support Patient Services</b>	<p>This Program will support the revision of standards in order to ensure they are focused on clinical and patient issues; and to support Approved Pharmacists to meet the new requirements of the Additional Programs to Support Patient Services.</p>	\$5m	<p><b>Program Manager:</b> Guild &amp; Commonwealth</p>
<b>Other Programs to support patient services</b>			

<b>Supply and PBS Claiming from a Medication Chart in Residential Aged Care Facilities</b>	This will address issues faced in these facilities regarding the supply and PBS claiming of medicines from an available prescription. Introducing supply from a medication chart would streamline supply; claiming and governance issues for Approved Pharmacists ensuring medicines are supplied in accordance with the prescriber's most recent intentions.	<b>\$3m</b>	<b>Program Manager:</b> Commonwealth & Guild
<b>Electronic recording of controlled drugs</b>	This will support the development of a system to collect and report data relating to controlled drugs, to address the problems of forgery, abuse, and doctor shopping.	<b>\$5m</b>	<b>Program Manager:</b> Commonwealth & Guild