

The PBS Access and Sustainability Package

BACKGROUND

In parallel with the negotiation of the Sixth Community Pharmacy Agreement (6CPA), the Government is implementing a wider PBS Access and Sustainability Package. This wider Package seeks to balance the need to ensure that consumers have access to new and innovative PBS medicines at affordable prices, while promoting and improving the quality use of medicines and ensuring that the PBS remains cost-effective and sustainable.

WHAT DOES THE WIDER PACKAGE INCLUDE?

The 6CPA is part of the wider Package, which also includes a range of savings that will fund the increased investment in the sector and the PBS generally, while also delivering net savings to the Government's budget bottom line. The measures in the wider Package include:

- Substitution of biosimilar medicines at the pharmacy level
- Freezing of the indexation of the CSO
- Increase in number of time a year that PBS medicines can change price
- De-listing of certain OTC medicines on the recommendation of the PBAC
- Expansion of the Safety Net 20 Day Rule
- Refocusing the PFDI on medicines where there is a brand price premium
- Application of price disclosure to generic combination medicines
- One-off 5% price reduction to F1 medicines after five years
- Removal of originator brands from price disclosure calculations
- Transfer of the National Diabetes Services Scheme to the wholesalers CSO
- Optional discounting of co-payments by pharmacies to a maximum of \$1

The wider Package also includes the extension of the Location Rules to mid-2020.

WHAT IS THE GUILD'S POSITION ON THE WIDER PACKAGE?

The Guild recognises that the wider Package is necessary to finance the increased investment in the sector and the PBS generally. The Guild will provide all reasonable assistance to facilitate and support the measures in the wider Package, with the exception of the proposed \$1 discounted co-payment, which is a matter for the Government.

PASSAGE OF LEGISLATION

The National Health Amendment (Pharmaceutical Benefits) Bill passed through Parliament on 23 June, allowing the implementation of the Sixth Community Pharmacy Agreement from 1 July.