

BENEFITS OF THE SIXTH COMMUNITY PHARMACY AGREEMENT

1. The 6CPA increases the Government's investment in community pharmacy by \$2.4 billion over 5 years (\$2.8 billion including chemotherapy) compared with the forward estimates before the agreement was negotiated.
2. Average dispensing remuneration will be \$1.13 more per prescription in 2015-16 than it would have been without the 6CPA, rising to \$2.19 more in 2019-20 than it would have been without the 6CPA.
3. With the 6CPA, average per script remuneration will increase every year from 2015-16 to 2019-20. Without the 6CPA, average per script remuneration in 2019-20 would be lower than 2014-15.
4. There will be a significant immediate increase in dispensing remuneration from 1 July 2015 with the introduction of the AHI at a minimum of \$3.49 per script, a 17c increase in the dispensing fee, a 4c increase in the PFDI and a 20c increase in the dangerous drug fee.
5. The AHI means that for the first time pharmacies' official dispensing remuneration will be virtually immune from the impact of price disclosure. The AHI puts a permanent floor on dispensing remuneration.
6. For the first time, all the main elements of dispensing remuneration, including the dispensing fee, the AHI, PFDI and the dangerous drug fee will be indexed annually to CPI so that their value is maintained throughout the 6CPA in real terms.
7. The value of the PFDI will be maintained in real terms.
8. For the first time, pharmacies will be directly remunerated for the provision of diabetes products under the NDSS.
9. Additional funding for chemotherapy has been secured until mid-2020 from outside the 6CPA envelope.
10. The Location Rules will be extended until mid-2020. No changes can be made to the Location Rules during the 6CPA without the express agreement of the Guild.

11. The remuneration review will not be able to change pharmacy remuneration during the course of the 6CPA.
12. There will be an annual reconciliation of pharmacy remuneration during the 6CPA with the Cabinet to consider any material variance in remuneration based on prescription volumes and whether a risk share arrangement should be put in place.
13. The Government is committed to providing enhanced access for community pharmacies to biologics and specialised drugs which are currently largely dispensed through the hospital system.
14. There will be a 70% increase in Government funding for community pharmacy programs in the 6CPA, which will rise to a total of \$1.26 billion over five years.
15. In 2015-16, government funding for Dose Administration Aids (DAAs) will increase by 69% to \$58 million. The Government has earmarked further additional funding of \$122 million for DAAs and staged supply over the remainder of the 6CPA.
16. The \$50 million Pharmacy Trial Program will enable community pharmacies to pilot a range of new patient services which will enhance their primary health care role with the opportunity for ongoing funding following an independent assessment of their cost-effectiveness.
17. There will be up to \$600 million in funding for new and expanded community pharmacy programs, providing the opportunity for pharmacies to transform and significantly broaden their role as medicines experts and primary health care providers.
18. Total funding for existing community pharmacy programs in 2015-16 will be in line with 2014-15, avoiding a budget cut that would have otherwise resulted in significant reductions in funding for programs such as DAAs and clinical interventions.
19. Pharmacies will continue to be funded for the electronic transfer of prescriptions and will have the opportunity to play an enhanced role in eHealth.
20. The continuing, new and expanded community pharmacy programs will have a particular focus on services for Aboriginal and Torres Strait Islander peoples and rural and remote Australia.