



POLICY

Selective Prescription Supply

Position

The Pharmacy Guild of Australia acknowledges the innovation of pharmacists to create niche businesses in response to evolving policy and new medicines being marketed, including specialised medicines listed on the Pharmaceutical Benefits Scheme (PBS). The Guild believes that patients should have access to PBS medicines when they are required and that this is best achieved by enabling any community pharmacy¹ to dispense and claim for all PBS medicines, recognising that special arrangements may be required for some very low volume specialised PBS medicines to meet patient and prescriber needs. However the Guild strongly supports the rights of patients to have prescriptions dispensed from their community pharmacy of choice and is opposed to prescription channelling that directs patients away from their regular, local community pharmacy.

The Guild has always advocated for equality from which pharmacists conduct their businesses and does not support unfair commercial advantage for select pharmacies or pharmacy groups gained through negotiated trading terms based on exclusive dispensing arrangements or prescription channelling.

With this in mind, the Guild's position on Selective Prescription Supply is:

- Community pharmacies should be able to dispense any PBS medicine.
- Patients should have timely access to PBS medicines appropriate to treatment from their community pharmacy of choice.
- The following conditions must apply to all entities with authorisation to supply pharmaceutical benefits and the Department of Health must be vigilant in investigating potential breaches and applying strict sanctions:
 - claims for dispensing pharmaceutical benefits must continue to be on the condition that the medicine has been stocked at and dispensed from the claiming community pharmacy, or other authorised entity²
 - prescribers should not have stock in their clinic that is 'replenished' by a community pharmacy dispensing a pharmaceutical benefit
- Medicine companies or other entities should not be able to enter exclusive dispensing arrangements with select pharmacies or pharmacy groups.

¹ For the purposes of this paper a Community Pharmacy is one that is owned by a pharmacist approved under Section 90 of the *National Health Act 1953*

² A medical practitioner or a hospital authority authorised under Sections 92 and 94 respectively of the *National Health Act 1953*



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- Business models that encompass innovation and expansion into the supply of specialised PBS medicines from community pharmacies and are not based on exclusive dispensing arrangements should be supported and encouraged.
- Education and business support should be available for all pharmacists to ensure familiarity regarding supply and remuneration arrangements for specialised PBS medicines.
- Prescription channelling from prescribers, clinic staff or hospitals should be discouraged. While clinicians may advise patients of available services from particular pharmacies, patients should not be coerced by clinical staff to transfer all their pharmacy business to any particular pharmacy. Patients must always have the option to have their prescriptions dispensed from their community pharmacy of choice.

Background

Adapting to Policy Changes

Policy is changing to support patient access to specialised medicines through community pharmacy, including pharmaceutical benefits subsidised under the Section 100 PBS programs³. As policy changes and community pharmacies are more involved in dispensing specialised medicines, community pharmacists must be prepared and informed with regards to any special ordering, distribution, dispensing or claiming arrangements for these medicines. This includes understanding any restrictions with dispensing from a community pharmacy versus a hospital pharmacy, ordering arrangements to ensure access at the correct price, and managing logistics to ensure continuity of care for the patient. Ensuring community pharmacists are equipped with the relevant knowledge will in turn expedite greater patient access to low-volume specialised medicines.

Prescription Channeling

Reports have been provided to the Guild of some pharmacies establishing niche businesses with selective supply arrangements in collaboration with specialist clinics and/or other prescriber groups and the medicine manufacturer. The arrangements allow for the pharmacy to be distant from the medical practice and clinical staff may be involved in directing patients to have their prescriptions dispensed at the pharmacy with which arrangements are in place, including the completion of consent or release forms to transfer all dispensing needs to the selected pharmacies.

A patient may gain little or no particular advantage in having all of their prescriptions dispensed at the selected pharmacy supplying a particular specialised medicine. They may in fact end up at a disadvantage in terms of patient care, as there may be little to no opportunity to have a conversation with the dispensing pharmacist, and the dispensing pharmacist may not have all of the patient's relevant history which may lead to a decrease in Quality Use of Medicines. It is critical that the patient is provided informed consent for prescription transfer arrangements and fully understands what they are committing to.

Although prescription channeling is in itself not an illegal practice, under section 47 of the *Competition and Consumer Act*⁴ exclusive dealing is against the law if it substantially lessens competition. Exclusive dealing is defined by the Australian Competition and Consumer Commission (ACCC) as "one person trading with another imposing some restrictions on the other's freedom to choose with whom, in what, or

³ <http://www.pbs.gov.au/browse/section100>

⁴ <https://www.accc.gov.au/business/anti-competitive-behaviour/exclusive-dealing>

where they deal.”⁵ Complaints about potential exclusive dealing should be directed to the ACCC for investigation.

Supply Issues

The *National Health (Pharmaceutical Benefits)(Conditions of approval for approved pharmacists) Determination 2017*⁶ requires approved pharmacists to only claim from the Commonwealth for supply of a pharmaceutical benefit for a product that was supplied at or from the approved premises and that a claim should never be made if the pharmaceutical benefit was never at the approved premises. Pharmacists setting up niche dispensing arrangements of specialised PBS medicines should be aware of potential compliance issues and ensure all processes such as clinic impost or supply arrangements are compliant with all relevant legislation.

Related Policies

- *Internet/Distance/Mail Order Supply of Medicines*
- *Pharmacies not approved to supply PBS items (unapproved pharmacies)*
- *Supply and Storage of Medicines*
- *Gifts and Incentives*

Authority

Endorsed

National Council – March 2018

Reviewed

Policy and Regulation Sub-Committee – March 2018

⁵ Australian Competition & Consumer Commission, *Exclusive Dealing*, <https://www.accc.gov.au/business/anti-competitive-behaviour/exclusive-dealing>

⁶ <https://www.legislation.gov.au/Series/F2017L01297>