



The Pharmacy
Guild of Australia

Community Pharmacy 2025

Introduction

'Community Pharmacy 2025' is an initiative of the Pharmacy Guild of Australia.

Designed by Butler Creative

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COMMUNITY PHARMACY 2025

Introduction

Community Pharmacy 2025 (CP2025) is a major Pharmacy Guild of Australia strategic planning project to help secure the future of community pharmacy to 2025 and beyond. It will see the Guild develop a vision and a plan to enable community pharmacies to have a viable longer-term future as an integral part of the Australian health care system, serving the needs of increasingly 'empowered' health consumers.

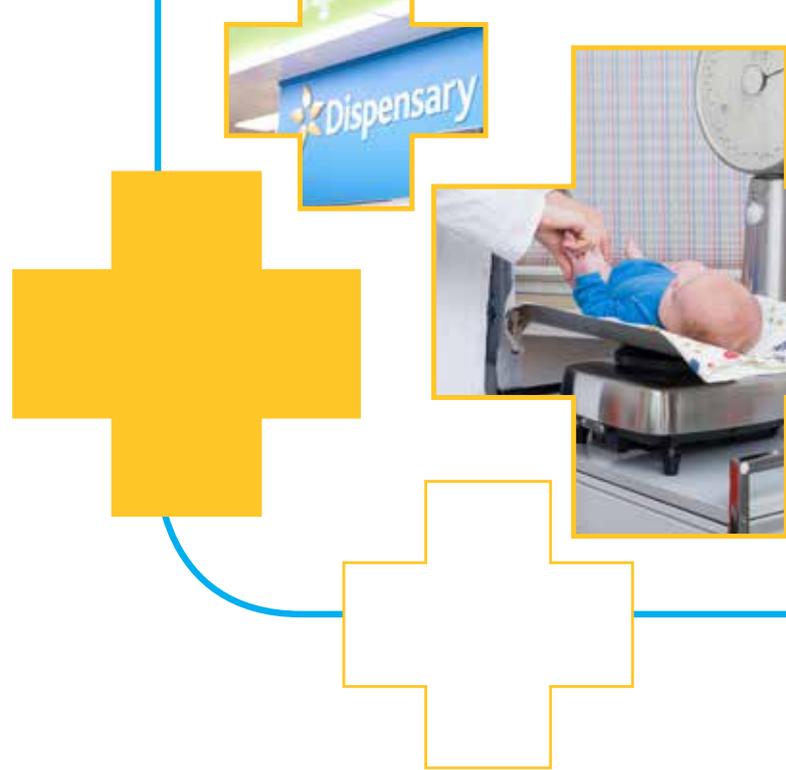
The Guild recognises that the community pharmacy sector is evolving at an increasingly rapid rate. As a pharmacy industry leader, the Guild needs to understand and shape that evolution in ways that enable community pharmacies to succeed and thrive as health care businesses, which are highly valued by their patients and provide great careers for their professional staff.

Driven by community pharmacy

Unlike other commissioned reviews of community pharmacy by government or for government, CP2025 is a project for community pharmacy, their patients and pharmacy staff. CP2025 is being led by the Guild, in partnership with Guild members and with the input of patients, the pharmacist profession and key industry stakeholders.

In developing the CP2025 project, the Guild will put a premium on the opinions and ideas of our members, as well as the professional staff they employ and the patients they serve. The input and feedback of the Guild's members will influence and drive the CP2025 project throughout, with an ongoing conversation from which we will seek to understand what community pharmacy should ideally look like in 2025, and how we can realise that vision to produce the best possible outcomes for individual pharmacies, their patients and professional staff.

CP2025 will also recognise the strategic planning work being performed by other pharmacy organisations, including the PSA, so as to complement and not take away from their work.



A whole-of-pharmacy project

CP2025 is a whole-of-pharmacy project, which will consider all aspects of pharmacy businesses today and into the future. By undertaking a thorough domestic and international environmental scan which will include consideration of current and future trends, key influences and influencers, threats and opportunities, and capacity and readiness, CP2025 will develop a preferred, but realistic, working community pharmacy scenario for 2025 (the vision).

It will then develop a pathway to transition community pharmacies from where they are today to the preferred but realistic working 2025 scenario, identifying key strategies, actions and outcomes that are likely to be required to secure the future of community pharmacy to 2025 and beyond (the plan).

Expert advice

The Guild will commission an expert strategic advisory firm with a demonstrated record of working with other 'transitioning' sectors to assist with the CP2025 project, with the expert advisers working to the Guild's National Council through a high-level steering committee and supported by individual subject matter experts and Guild committees. This approach will ensure that CP2025 produces realistic and implementable outcomes for community pharmacy.

CP2025 will be informed and guided by expert market research that will focus on consumer needs, preferences and trends, as well as the views of pharmacy owners and their staff. It will also take advantage of the Guild's industry leading health economics capability and modelling.



Outcomes

CP2025 does not have any predetermined outcomes. It will be an open, credible process that looks to find a realistic, preferred direction for community pharmacy in Australia. The outputs from the process are for the benefit of Guild members, their patients and staff so as to ensure the future of the business of community pharmacy. It will provide a roadmap for change and allow time for members to make any necessary adjustments to their business models so as to take advantage of opportunities that may be outlined in CP2025 and plan for any highlighted threats.

Timing

It is envisaged that the project will produce two main reports – the first focused on the vision for the future will be produced by the end of 2017 while the second (final) report including the plan will be in the first half of 2018.

The Environmental Scan

The thorough domestic and environmental scanning work in the scenario planning phase of CP2025 will include in-depth analysis of likely key determinants of the future of community pharmacy, including the economy, the health and medicines systems, pharmacy practice, workforce, retailing, technology, industry structures and the regulatory system.

The economy

The overall state of the Australian economy will continue to be a major influence on the future of community pharmacies. Like many businesses, pharmacies are susceptible to cyclical up and downturns in economic activity, potentially increasingly so, as their ability to rely on the government-funded PBS reduces. Australia continues to become a more services-based economy with opportunities for sectors and businesses that are able to meet the needs of a large, ageing, cohort of consumers and a broader population with an increased interest in their personal health and wellbeing. At the same time, governments will continue to be fiscally challenged and will seek to target their finite resources to those most in need.

The health system

Health expenditure is expected to continue to grow driven by an ageing population, chronic disease and technological advancement. Governments and other funders are likely to focus strongly on reining in costs by reducing subsidies and insisting upon the most cost-effective health care solutions. This will provide both risks and opportunities for community pharmacies. Traditional medicine related supply will become more commoditised with an increased focus on remunerating and rewarding the delivery of demonstrated patient outcomes as part of a more integrated approach to health service delivery. In-patient hospital costs will continue to be seen as the most unsustainable part of the health system with an increased focus on prevention, and primary and out-of-hospital care. Breakthrough medicines and other treatments will result in cures to life-threatening diseases with an increased focus on environmental health issues.

Medicines

The overall level of demand and requirement for medicines will remain strong, with governments likely to seek to maximise the proportion of these medicines that are dispensed through the less costly and more accessible community pharmacy network rather than more expensive and less accessible settings. Being able to access the pipeline of new medicines, including biologics and biosimilars, is vital for community pharmacies as the future growth in the PBS will increasingly stem from these higher cost and breakthrough therapies. With an increased focus on patient outcomes and with government seeking to ensure that it is getting maximum value from higher cost medicines, there is likely to be a stronger focus on medicine adherence and patient support programs.

Consumers

Australia, like many developed nations, is facing the challenge of an ageing population. People are living longer, often with a range of chronic health conditions, the effective management of which entails ongoing medical care, including access to often significant numbers of medicines. At the same time, information-rich consumers are taking increasing control of their own health care, seeking out and preferring health care providers who they trust to meet their needs at a time and place of their choosing. This consumer empowerment will drive competition and choice, encourage innovation and disrupt traditional service delivery models. Consumers will maintain a strong focus on their out-of-pocket costs, but will pay a premium for individualised care and support that delivers real value in terms of their personal health and wellbeing.

Retailing

A starting point in planning for the future is the recognition that community pharmacies are health care providers that operate in a retailing environment which is becoming increasingly competitive, both within the pharmacy sector itself as well as from external providers. Operating in the retail environment is one of the strengths that underpins the unique role of community pharmacies in the health care system and the successful pharmacies of the future will continue to provide a combination of medicines, other products, services, support and advice that meet the needs of their patients. They will need to be commercially focused in all aspects of retailing, including supply chain management, pricing, marketing, customer service and the utilisation of technology, if they are to remain competitive in an increasingly borderless global marketplace. That said, the fact that pharmacies are both local and inherently trusted will continue to provide them with some inherent advantages over large corporate and online retailers.



Pharmacy practice

In Australia, the profession is leading the way in broadening the scope of practice of community pharmacists in both the provision of dispensing and non-dispensing related services. Community pharmacies are also increasingly collaborating with other health professionals to ensure that medicines-related support is part of a more collaborative approach to patient care. However, a number of other countries such as Canada, the United Kingdom and New Zealand are arguably more advanced in terms of the profession enhancing its role in areas such as personalised medicines support, pharmacist prescribing, screening and chronic disease prevention, and minor ailments. The widespread community acceptance and support for pharmacist administered flu and other vaccinations has the potential to recast the public's view of the role of community pharmacy in primary care.

Pharmacy workforce

As the Australian population ages, the community pharmacy workforce is getting younger and becoming more feminised and ethnically diverse. The impact of this trend needs to be fully understood along with the future skill requirements of pharmacy business owners, community pharmacists and other pharmacy employees. An increasing number of community pharmacists are questioning their career choices, citing a combination of their levels of remuneration, their ability to practice in ways that fully utilise their clinical and other professional skills, and more appealing alternative employment options outside pharmacy. Community pharmacy must be seen as a preferred career option for pharmacists, attracting the best and brightest of the profession. At the same time, the role of the pharmacy assistant is evolving into one of a health para professional while community pharmacies are increasingly utilising other health professionals like nurses, dieticians and diabetes educators as they become broader health care destinations.

Technology

Technology will be a major determinant of the future of community pharmacy. A more coordinated and integrated approach to health care delivery will be enabled by a variety of technological advances, with a particular focus on remote diagnosis, treatment and monitoring; electronic health records; advanced analysis of health data; and the increasing personalisation of health driven by patients' genetic make-up and predictive computing technologies. While community pharmacy has traditionally been seen as less susceptible than other sectors to major business disruption caused by the application of digital and other technologies, it is not immune and is likely to be increasingly impacted by potential game-changers like robotics, electronic prescriptions and broader e-commerce in the future.



Industry structures

Like many other business sectors, the structure of the community sector is evolving with an increasing number of pharmacies belonging to banner and buying groups and evidence of broader industry consolidation, driven by the need for scale in the supply chain as the Government has reduced PBS prices. At the same time, the discount chemist model has become more pronounced in the market, with pharmacies increasingly feeling a need to choose between focusing on price and patient care, while others seek to straddle the two. The system of pharmacy regulation has prevented a greater corporatisation of community pharmacy compared with other parts of the Australian health system and pharmacies in countries like the United States and Canada. Repeatedly, consumer surveys show strong levels of public support for retaining the community pharmacy model. With many longstanding pharmacy owners approaching retirement age, succession planning and the need to bring on a new generation of pharmacy owners is a challenge for the sector.

Regulation

Government regulation at both the Federal and State and Territory level can be a major influencer on community pharmacy businesses. Increasingly regulation is seen as a preferred mechanism to drive down consumer health costs without governments having to pay. Pharmacy specific ownership and location regulations continue to be regularly scrutinised by governments and reviewers and cannot be taken as a given. The sector must demonstrate that this regulation is in the interests of patients and is preferable to alternatives. At the same time, community pharmacies stand to benefit from the breaking down of traditional health service delivery siloes if they are able to demonstrate that they have the capability and capacity to deliver improved health outcomes for patients by playing an enhanced primary care role.



Scripts in

Register your interest in CP2025



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