



Pharmacy Compact 2017

Progress of the commitments on Pharmacy Compact
Pharmacy Guild of Australia and Department of Health

Mr Trent Twomey

Chair, Pharmacy Viability Committee – Pharmacy Guild of Australia



Pharmacy Compact 2017

Agreed between the Department of Health and Pharmacy Guild of Australia in May 2017

Recognises the Government commitment to ensuring implementation of obligations under the 6PA and secures support of Community Pharmacy in making further PBS reforms



Australian Government
Department of Health



Community
Pharmacy
Agreement



The Pharmacy
Guild of Australia

Pharmacy Compact - 2017

Focused on the following areas:

- \$200m support for pharmacies in recognition of lower script volumes
- Improved 6CPA community pharmacy programs
- Health Care Homes
- Removal of the sunset provision for Pharmacy Location Rules
- Optional co-payment - \$1 discount
- PHN Guidelines and reference to community pharmacy

Pharmacy Compact - 2017

\$200m for pharmacies in recognition of lower script volumes + \$10m for pharmacies as compensation for pricing measures under Strategic agreement with Medicines Australia

Together \$210m translated into:

- Increase to the Administration, Handling and Infrastructure (AHI) fee from 1 July 2017 for the life of the 6CPA

| Financial Year | Additional AHI Fee |
|---------------------------------------|---------------------|
| Financial Year commencing 1 July 2017 | \$0.32 per dispense |
| Financial Year commencing 1 July 2018 | \$0.35 per dispense |
| Financial Year commencing 1 July 2019 | \$0.35 per dispense |



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\$600m for improved community pharmacy programs

Dose Administration Aids

- \$340m allocated from the \$600m for enhanced DAA program
- Contribution of \$6 per DAA for eligible patients
- Approx. 300,000 eligible patients started receiving DAA services from 1 July
- Enhanced data collection to commence 1 February 2018 - including initial patient data and follow-up data at 6 months



Pharmacy Compact - 2017

\$600m for improved community pharmacy programs

Staged Supply

- \$80m allocated from the \$600m for new program
- Fee for Service model
- Up to \$31.90 per eligible patient per week
- Capped at 4 patients per pharmacy
- Funded services for patients commenced from 1 July 2017
- Enhanced data collection has commenced - including initial patient data and follow-up data at 6 months



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\$600m for improved community pharmacy programs

MedsCheck and Diabetes MedsCheck

- \$90m allocated from the \$600m for expansion of program
- Number of patient services doubled from 1 July 2017
- Increased eligibility from 1 July 2017 to allow for patients – *“taking medication associated with a high risk of adverse events”* – to receive a service
- Enhanced data collection to commence from 1 February 2018 – including initial patient data and follow-up data at 6 months



Pharmacy Compact - 2017

\$600m for improved community pharmacy programs

Home Medicines Reviews

- \$60m allocated from the \$600m for expansion of program
- Changes to HMR to be considered post review of the MBS Item 900 which is to take place early 2018
- Enhanced program to include a service to enable pharmacies to implement the patient's Medication Management Plan and provide a follow up service
- Data collection to be undertaken for HMR program to support evaluation



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Health Care Homes

- \$30m allocated from the \$600m for new program
- Will enable community pharmacy to work collaboratively with the GP/Health Care Home team to develop a medication management plan for eligible patients



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PHN's and community pharmacy

- Commitment to ensure relevant PHN documentation is updated to include community pharmacy as a key stakeholder



Pharmacy Compact - 017

Removal of Sunset Provision – Location Rules

- The Government has committed to the continuation of the community pharmacy location rules beyond the life of the 6CPA
- Amendments will be made to the relevant sections of the *National Health Act 1953*



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Optional co-payment - \$1 discount

- Government has indicated willingness to review the optional co-payment discount of up to \$1 per script



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Questions?