19 August 2010



Senator Claire Moore Chair Community Affairs Legislation Committee The Senate Parliament House CANBERRA ACT 2600

Dear Senator Moore

Thank you for the opportunity to provide comments to the Community Affairs Legislation Committee inquiry into the National Health Amendment (Pharmaceutical Benefits Scheme) Bill 2010.

Breast Cancer Network Australia (BCNA) is the peak national organisation for Australians personally affected by breast cancer. We empower, inform, represent and link together people whose lives have been affected by breast cancer. BCNA represents more than 46,000 individual members and 250 Member Groups from across Australia.

BCNA congratulates Medicines Australia and the Australian Government, through the Minister for Health and Ageing, on the development of the Pharmaceutical Benefits Scheme Memorandum of Understanding (MoU), which is a constructive and brave approach to ensuring a viable and responsible medicines industry in Australia.

As a consumer organisation, we support the commitment made through the MoU to ensuring an efficient and sustainable Pharmaceutical Benefits Scheme (PBS). An efficient and sustainable PBS is important in ensuring that drugs which have shown efficacy and cost-effectiveness can continue to be listed on the PBS and thereby made available to Australians at subsidised cost. We are pleased to note that there will be no change to the consumer co-payment.

BCNA makes the following comments about the MoU.

Horizon scanning

We note that Medicines Australia will establish a mechanism for horizon scanning. We agree that horizon scanning plays an important role in determining future developments in medicine which may impact the PBS.

We note there are already horizon scanning groups established within the health industry, including the Australia and New Zealand Horizon Scanning Network, which reports new and emerging health technologies to Australian and New Zealand health departments, and by the Medical Oncology Group of Australia (MOGA), which considers emerging oncology treatments. We wonder what input, if any, these groups will have on the Medicines Australia mechanism. Will there be an opportunity for relevant pre-existing horizon scanning groups to contribute to the Medicines Australia process?

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Telephone: (03) 9805 2500 Facsimile: (03) 9805 2599 Email: beacon@bcna.org.au Website: www.bcna.org.au Toll Free 1800 500 258 BCNA is firmly of the view that any horizon scanning group established by Medicines Australia should have consumer input through the inclusion of a consumer representative. A trained consumer representative, such as is available through BCNA's internationally-acclaimed *Seat at the Table* program, would ensure that the experience and views of Australian consumers are represented and could make a worthwhile contribution to the work of the group.

Parallel TGA and PBAC processes

BCNA supports the decision to allow submissions for TGA registration and PBS listing to be undertaken simultaneously. We hope this will help to provide consumers with faster access to subsidised medications. Measures will need to be put in place to ensure that parallel processes do not slow the overall process and that drugs are listed on the PBS in a timely manner.

Managed Entry Scheme

BCNA supports the introduction of a managed entry scheme to allow the PBAC to recommend PBS listing of products at a price justified by existing evidence, with an opportunity for the price to be increased when more conclusive evidence about cost-effectiveness is submitted by the pharmaceutical company. We believe this may help to make high cost drugs available to consumers through the PBS earlier than the current processes allow.

We do have some concerns about this proposal, however.

We question what happens in cases where the subsequent evidence does not find cost-effectiveness and does not support the earlier evidence provided to the PBAC. In this instance, will drugs remain on the PBS at the original price despite the later evidence? Is it possible that such drugs may be removed from the PBS? What measures would be put in place to inform consumers of such a decision? How would consumer's expectations be managed?

Timing and Maximum Time frames

BCNA supports measures to reduce time frames for price negotiations to enable a more timely listing of drugs on the PBS.

Again, thank you for the opportunity to contribute to this inquiry. BCNA looks forward to seeing the Committee's final report to The Senate.

If you would like to discuss this submission further, please contact Kathy Wells on (03) 9805 2562 or at kwells@bcna.org.au.

Yours sincerely

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