



**The Hon Tanya Plibersek MP
Minister for Health**

772-1229.

The Hon John Murphy MP
Chair
Standing Committee on Petitions
House of Representatives
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Mr Murphy

Thank you for your letter of 27 May 2013 (ref.772/1229) regarding a petition submitted for the consideration of the Standing Committee on Petitions requesting to change the current dispensing practice of supplying medicines through pharmacies in thirty day quantities.

The management of a patient's medical condition, including regular reviews, prescription of medication and treatment options is essentially a matter for the professional clinical judgment of the prescriber concerned and one in which the Australian Government does not interfere.

However, the prescribing and use of a medicine listed in the Pharmaceutical Benefits Scheme (PBS) must be in accordance with PBS requirements. Medicines are listed on the PBS on the advice of the Pharmaceutical Benefits Advisory Committee (PBAC), an independent, expert advisory body. When the PBAC recommends a medicine for listing on the PBS, it stipulates the maximum quantity and number of repeats which may be supplied on a subsidised basis. The PBAC is committed to using sound evidence-based principles to decide which products should be subsidised through the PBS and under what circumstances.

For PBS medicines used for long-term therapy, the quantity supplied at each dispensing is intended to be sufficient for approximately one month's therapy. An early or additional supply can be dispensed under 'immediate supply' provisions if the medicine has been lost, damaged or is needed without delay for the treatment of the person. Prescribers are able to obtain appropriate authority approval from the Department of Human Services which administers the PBS, when larger quantities are necessary to meet dosage requirements. This may not be appropriate in all cases or for all medicines, as it is also important that PBS medicines be prescribed in accordance with the terms of listing in the PBS Schedule.

Supply of large quantities in general may give rise to concerns around Quality Use of Medicines, as it may pose risks to the community resulting from potential overuse and/or misuse. It may also reduce opportunities for patients to consult with doctors and pharmacists on medication management and create the likelihood of wastage if medication expires and/or changes. A patient's condition or circumstances, particularly those requiring long-term care, can change over time and doctors may opt to review his/her condition and treatment on a regular basis. Such a system allows the treating doctor to make dose adjustments or changes as needed.

Pharmacies dispense medicines in accordance with the prescriptions written by authorised prescribers. Aside from conforming to the prescribers' scripts, pharmacists are required to consider numerous factors when dispensing medicine to ensure safety and appropriateness of the medicines for the patients. These include consideration of the duration of treatment, the presence or absence of other medicines, the patient's medication history and other relevant circumstances.

The petition also refers to the financial burden to the consumers associated with regular dispensing. The price of PBS medicines for a patient depends on the patient's level of eligibility. The current patient co-contribution is up to \$36.10 with concession cardholders having only to pay a co-payment of \$5.90 per prescription. However, the actual cost of the medicine can be several hundred or even thousands of dollars per prescription. It should be noted that around 80% of the PBS claims are for concession cardholders who pay the concessional rate for their medicines.

Those who require large quantities of or many medicines may also benefit from the PBS Safety Net which will allow them to pay less or access free medicine, depending on their financial circumstances, once they reach the applicable expenditure threshold. The current threshold is \$1,390.60 for general patients who will be eligible for a concessional co-payment rate of \$5.90 for PBS prescriptions and \$354.00 for concession cardholders who can receive medicine without paying a co-payment for the remainder of the calendar year.

Once again, thank you for writing.

Yours sincerely



Tanya Plibersek

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