

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Supplementary Budget Estimates 2012-2013, 17 & 19 October 2012

Question: E12-020

OUTCOME 2: Access to Pharmaceutical Services

Topic: PBS

Type of Question: Written Question on Notice

Number of pages: 1

Senator: Senator Heffernan

Question:

At Budget Estimates on 15 February 2012, the Secretary of DoHA responded that the government is 'vigorously' pursuing monies owed to the Commonwealth for the costs sustained by the PBS in relation to the delayed PBS listing of clopidogrel.

The government's intention was further confirmed in the Federal Budget announcement on 8 May 2012 under the Budget line item labelled 'PBS – funding for legal action seeking compensation' – no \$ amount was specified.

- a) Can you confirm that this item refers to monies the Commonwealth expects to receive from recovery of monies owed to it due to an undertaking provided to the courts by the pharmaceutical company supplying Plavix that was granted an interlocutory injunction and delayed the PBS listing of generic clopidogrel?
- b) Is the government actively pursuing these monies owed to the Commonwealth?
- c) What activities has the government undertaken to date to recover these monies?
- d) What is the process to recover these monies?
- e) What amount of monies does the government expect to recover?
- f) When does the government expect to recover these monies?
- g) Can you confirm that the government is also pursuing the recovery of monies owed to it due to an undertaking provided to the courts by the pharmaceutical company supplying Efexor that was granted an interlocutory injunction and delayed the PBS listing of generic venlafaxine?

Answer:

- a) No. As outlined in the Department of Health and Ageing's Budget paper No.2 for 2012-13, the item refers to funding of the legal costs associated with pursuing compensation from pharmaceutical companies relating to losses incurred by Government as a result of delays in the listing of generic forms of medicines on the Pharmaceutical Benefits Scheme.

b) Yes.

c) - g)

It is inappropriate to comment further while the Department's legal advisers are actively pursuing these matters.