Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Supplementary Budget Estimates 2014 - 2015, 22 October 2014

Ref No: SQ14-001379

OUTCOME: 2 - Access to Pharmaceutical Services

Topic: Cancer Medicines

Type of Question: Written Question on Notice

Senator: Carr, Kim

Question:

What steps is the Government taking to improve access to available cancer medicines for all Australian patients?

Answer:

Australia's access to innovative cancer medicines, which are provided at an affordable cost to patients, compares very favourably to access in other countries. Australia has one of the fastest reimbursement processes for Government subsidy of medicines in the world, with the Pharmaceutical Benefits Advisory Committee (PBAC) cycle taking 17 weeks from application to assessment. On average one in five of all PBAC applications relates to cancer treatments.

Since coming into office in September 2013, the Government has approved over $250 million to fund medicines used for treating cancer on the Pharmaceutical Benefits Scheme (PBS).

There are approximately 100 cancer treating medicines available on the PBS costing the Australian Government close to $1.5 billion in expenditure in 2013-14. That means approximately one in every six dollars of PBS expenditure was spent on a cancer treatment in 2013-14 compared to one in every eight dollars in 2012-13.

Cancer care is a complicated and sensitive area, and the Government needs to ensure the system continues to evolve to deal with new technologies and changing approaches to gathering evidence to support reimbursement. This is an issue all international regulatory and reimbursement bodies are dealing with. For this reason it is important that the Government works with key stakeholders to ensure continued access to new and innovative medicines, certainty for industry and ongoing value for the Australian community.

On 24 October 2014, the Government announced an independent review of medicines and medical devices regulation. The Review will examine the Therapeutic Goods Administration's (TGA) regulatory framework and processes with a view to identifying:

- areas of unnecessary, duplicative, or ineffective regulation that could be removed or streamlined without undermining the safety or quality of therapeutic goods available in Australia; and
- opportunities to enhance the regulatory framework so that Australia continues to be well positioned to respond effectively to global trends in the development, manufacture, marketing and regulation of therapeutic goods.

The Terms of Reference for the Review include benchmarking TGA regulatory arrangements against trusted international authorities, and the Government expects the outcomes of the Review will identify opportunities for access to the latest treatments in a timely manner.

In addition, the TGA is already engaging with international counterparts to obtain completed evaluation reports where they are available, and cancer treatments are a focus of this work.

On 16 June 2014, the Government agreed to re-engage with industry through the Access to Medicines Working Group. There are four agreed priority areas being progressed through four sub-groups, including the PBS managed entry scheme programme.