



Ref: POLGOV CCB-SEN

8 June 2010

Ms Naomi Bleeser  
Committee Secretary  
Community Affairs References Committee  
Parliament House  
CANBERRA ACT 2600

Dear Ms Bleeser

**Inquiry into consumer access to pharmaceutical benefits**

I refer to your letter of 2 June 2010 to Dr Tatchell requesting the Guild provide further information to the Committee's inquiry into consumer access to pharmaceutical benefits in light of the recently signed Memorandum of Understanding (MoU) between Medicines Australia and the government.

The Guild would like to reiterate its support for the concept of Therapeutic Groups as they are an effective mechanism for the government to achieve value from the Pharmaceutical Benefits Scheme (PBS) without affecting patient outcomes, as prescribers can always choose the most appropriate medicines at no extra cost to patients. The Guild also would remind the Committee that we believe the Pharmaceutical Benefits Advisory Committee (PBAC) is the most appropriate body to determine Therapeutic Groups. However, we would welcome more information being made regarding the process and the basis on which its decisions are made to improve stakeholder confidence in the policy.

The Guild welcomes the signing of the Memorandum of Understanding (MoU) between the Federal Government and Medicines Australia. This will provide greater certainty for community pharmacy and the pharmaceutical industry as the Government has committed to a stable pricing policy environment for the next four years.

With respect to paragraph 16 of the MoU the Guild has no objection to the undertaking that no new Therapeutic Groups will be formed during the period of the MoU (except for those announced in the 2009 Mid-Year Economic and Fiscal Outlook). The Guild agrees with the exceptions detailed in paragraph 16(a) that take into account evergreening activity. If sponsors request the listing of medicines with minor variations that offer no meaningful clinical advantage over the existing medicine then the Guild sees no reason why these medicines should not be included in a Therapeutic Group on the advice of the PBAC. Similarly, the Guild supports paragraph 19 whereby new or extended medicine listings will be added to any existing Therapeutic Groups on the advice of PBAC.

The Guild trusts that this further information is of assistance to the Committee in its deliberations on this matter.

Yours sincerely

**Wendy Phillips**  
*Executive Director*

**National Secretariat**

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