

# Review of the Governance Structures established under the Fifth Community Pharmacy Agreement

**Final Report**

**January, 2015**



·SIGGINS MILLER



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## Acronyms and Abbreviations

AACP	Australian Association of Consultant Pharmacy
ACC	Agreement Consultative Committee
ACPA	Australian Community Pharmacy Authority
AGPN	Australian General Practice Network
AMA	Australian Medical Association
APHA	Australian Private Hospitals Association
ARHEN	Australian Rural Health Education Network
CHF	Consumer Health Forum
CSO	Community Service Obligation Funding Pool
DAA	Dose Administration Aids Practice Incentive Programme
Department	Department of Health
DHS	Department of Human Services
DVS	Department of Veteran Affairs
ELS	Emergency Locum Service
ERCD	Electronic Recording of Controlled Drugs Programme
GMiA	Generic Medicines Industry Association
Guild	Pharmacy Guild of Australia
HMR	Home Medicines Review programme
MCNH	Medication Charts in Nursing Homes Programme
MU	Medication Continuance Programme
MUR	Medicines Use Review Programme
NACCHO	National Aboriginal Community Controlled Health Organisation
NAPSA	National Australian Pharmacy Students' Association
NPSA	National Pharmaceutical Services Association
NRHA	National Rural Health Alliance
PAUDRH	Pharmacist Academics at University Department of Rural Health
PBA	Pharmacy Board of Australia
PBS	Pharmaceutical Benefits Scheme
PPA	Professional Pharmacists Australia (Formerly APESMA)
PPI	Pharmacy Practice Incentives
PPSAC	Professional Programmes and Services Advisory Committee (under the Fourth Agreement)
PSA	Pharmaceutical Society of Australia
PRG	Programmes Reference Group
QUM	Quality Use of Medicines
QUMAX	Quality Use of Medicines Maximised for Aboriginal and Torres Strait Islander Peoples Programme
RACGP	Royal Australian College of General Practitioners
R&D	Research and Development Programme

RFQ	Request for Quote
RMMR	Residential Medication Management Review Programme
RPLO	Rural Pharmacy Liaison Officer Programme
RPMA	Rural Pharmacy Maintenance Allowance
RPWP	Rural Pharmacy Workforce Programme
SHPA	Society of Hospital Pharmacists of Australia

## Main messages

- There was general consensus amongst ACC members that the committee is efficient and effective in carrying out its functions. Those stakeholders who do not have direct line of sight to ACC operations felt unable to comment on the efficiency and effectiveness of the ACC, however, they did make comments about the lack of transparency in ACC meeting outcomes and how the committee arrives at decisions. With the exception of Guild representatives interviewed, there are very few stakeholders who believe that the ACC with its current broad responsibilities is as representative as required. Many stakeholders indicate that if the design and implementation of programmes and services remain within the ACC's remit, the committee's membership must be broadened to include State and Territory representatives, the Pharmaceutical Society of Australia (PSA) and consumer representatives (at least).
- The PRG had a significant role in the development of an Evaluation Framework for the Fifth Agreement and the ongoing provision of advice to the ACC on the policy dimensions of new and continuing programmes. Despite contributions in these areas, there is a significant level of dissatisfaction among PRG members in relation to: their role; and use of their expertise by the ACC. In particular, PRG members reported that they feel "boxed in" by their terms of reference as they are only able to respond to requests for advice from the ACC rather than be proactive and initiate advice about issues which they perceive as relevant to their expertise and pertinent to the implementation of the Fifth Agreement. Also, many PRG members feel that requests for advice from the ACC have been "selective" and "tokenistic" and that "one-way communication" has not only impacted on the efficient and effective functioning of both committees, but has resulted in a strained relationship between committees.
- All stakeholders interviewed agree that the PRG membership is diverse and representative of many of the groups which have an interest in the administration of the Fifth Agreement. While the diversity of the PRG membership is seen as a strength from the point of view of representativeness, some stakeholders noted that a standing committee is not a cost effective use of those members time who do not have relevant technical knowledge when matters requiring specific expertise are discussed at length at PRG meetings.
- Despite a significant level of investment in a communication strategy for the Fifth Agreement and evidence that a broad range of stakeholders have been consulted across different programmes and throughout various stages of the current agreement, many stakeholders consulted still feel that the level and nature of stakeholder engagement is inadequate, particularly during the design phase of the agreement.
- The significant increase in scope of the Guild's role in pharmacy agreements over time to include decisions about programmes and services has led to concern amongst broader stakeholders of the agreement. In particular, but not only because the Guild receives funding to implement, manage and deliver programs. With the exception of ACC members, most stakeholders interviewed reported that the decisions made during the negotiation and design phase of the programmes and services through to their commissioning is not transparent. Stakeholders that do not have direct line of sight of these processes highlight the need for a more open and transparent processes for the allocation of funds.
- Stakeholders interviewed agreed that there was an attempt to build evaluation into new and some existing programmes under the Fifth Agreement. Despite this effort, very few stakeholders appeared to be satisfied with the current arrangements for the design, commissioning and conduct of process and outcome evaluation. Some of the reasons given include: a focus on service uptake rather than clinical outcomes; and a focus on summative evaluation rather than formative evaluation.
- There is strong support across most stakeholder groups about the need for some mechanism/s that allows both pharmacists and consumers (those impacted by the Fifth Agreement) to be involved in the design phase, implementation, monitoring and evaluation of programmes and services. Many stakeholders consulted consider that an effective governance structure going forward could include time-limited expert working groups with policy and content experts, representatives of the profession and consumers tailored to each programme's focus.
- Most Departmental officers' note that they would prefer the programmes and services component of the agreement to be designed, commissioned, monitored and evaluated using the normal administrative mechanisms of the Department.

- There is a less common (and more novel) idea that there may be no need for either the ACC or PRG as expensive standing committees in resource constrained times.

## Executive summary

The Fifth Community Pharmacy Agreement (the Fifth Agreement) between the Pharmacy Guild of Australia (the Guild) and the Commonwealth of Australia (the Commonwealth), represented by the Department of Health, was signed on the 3rd May 2010. It operates for the five year period from 1st July 2010 to 30th June 2015.

The Fifth Agreement includes the requirement for the Commonwealth and the Guild to participate in a Review of the Governance Structures established under the Fifth Agreement prior to its expiry. The findings from this review are the focus of this final report.

The Department's Request for Quote (RFQ) listed a number of high level questions that needed to be considered when undertaking the review. These included:

- What is the value and utility of the current governance structures?
- What governance arrangements worked well and what arrangements did not?
- What administrative arrangements were in place to support the development, management and monitoring of the Fifth Community Pharmacy Agreement?
- What administrative arrangements worked well and what arrangements did not?
- What governance and other consultative mechanisms were effective and ineffective in the development and operation of Fifth Agreement programmes and services?
- What planning and monitoring arrangements were in place for the Fifth Agreement, and were they effective?
- What mechanisms exist to encourage competition and ensure contestable, transparent funding of Programmes?
- What changes would improve outcomes and efficiencies for future Community Pharmacy Agreements?

The RFQ and the Evaluation Framework also provided a series of detailed questions which informed the consultation protocols for the review.

Ultimately the findings of this review will provide advice to the Department about the potential options for Governance Structures for pharmacy agreements into the future.

## Methodology

Siggins Miller was engaged by the Department of Health to undertake a Review of the Governance Structures established under the *Fifth Community Pharmacy Agreement* (including the Agreement Consultative Committee [ACC] and the Programmes Reference Group [PRG]) in the period August 2014 to January 2015.

In order to answer the review questions a mixed-method design was agreed. Data sources included:

- **A document review** (of approximately 700 papers)
- **Telephone-based interviews** with the Departmental executive, ACC, PRG, Secretariat, the Guild and State and Territory Department representatives: Of the 45 stakeholders invited to participate in interviews 38 completed interviews, five declined and two were on leave during the consulting period
- An **online survey** with broader stakeholders of the review (e.g. The Australian Private Hospitals Association [APHA], Society of Hospital Pharmacists of Australia [SHPA]): Of the 18 online survey invitations sent to stakeholders, 34 individuals viewed the survey, 21 stakeholders started the survey and nine completed it fully (42% response rate)
- A face-to-face meeting in Canberra with the **PRG** (8<sup>th</sup> October 2014)
- A face-to-face **reflection workshop** in Canberra with the Department (3<sup>rd</sup> December 2014).

Data from consultations and the document review were analysed and summarised in line with the following four constructs: efficiency; effectiveness; transparency; and accountability. Findings of the review are also presented as they relate to the overarching review questions described above.



## Key findings

### *Efficiency and effectiveness*

#### **Agreement Consultative Committee (ACC)**

- There is evidence to suggest that the ACC has been efficient and effective in fulfilling the majority of its terms of reference. The ACC's role in the oversight of programmes and services is seen by the Guild as an efficient and effective process as it currently stands. Departmental officers, however, have a different view suggesting that programme design and management would be more efficient and effective if these functions were performed using normal Departmental processes as is the case for all other similar programmes. Those stakeholders who do not have direct line of sight to ACC operations felt unable to comment on the efficiency and effectiveness of the ACC, however, they did make comments about the lack of transparency in ACC meeting outcomes and how the committee arrives at decisions.
- Findings from stakeholder consultations and the document review highlight that the efficiency and effectiveness of the ACC is influenced by a number of factors. Lack of timely access to expenditure data to assist manage programme budgets early in the life of the agreement contributed to a significant overspend in the HMR programme, however, measures were put in place towards the end of the agreement to prevent this situation from reoccurring. Many stakeholders feel that the ACC's current membership is not adequate given its responsibilities in the negotiation and design of programmes and services under the Fifth Agreement. Broadening the membership of the ACC to include a more diverse range of stakeholders in the early phases of the agreement was cited as a key priority of most stakeholders interviewed and a number of different structural governance options were mentioned. The relationship between Departmental officers and Guild members on the ACC was seen as problematic in the early part of the Fifth Agreement due to issues which arose in relation to confidentiality, commercial in confidence and conflict of interest. These issues, however, appear to have since been clarified by the Department.

#### **Programme Reference Group (PRG)**

- Despite the PRG's significant role in the development of an Evaluation Framework for the Fifth Agreement and ongoing provision of advice to the ACC on the policy dimensions of new and continuing programmes, very few stakeholders believe that the PRG has been an efficient or effective governance structure. There is a significant level of dissatisfaction among PRG members in relation to their role and use of their expertise by the ACC. PRG members reported that they feel "boxed in" as they are only able to respond to requests for advice from the ACC and these requests have been perceived as "selective" and "tokenistic". Departmental officers and Guild representatives interviewed reported that the PRG often step outside their terms of reference and have had to be reminded on a number of occasions of their role.
- Findings from stakeholder consultations and the document review highlight that the efficiency and effectiveness of the PRG is influenced by a range of factors. PRG members felt that lack of access to timely and relevant background papers, programme activity data and evaluation information has impacted their capacity to provide useful advice to the ACC. They also feel that they should have been involved in the design phase of programmes and services to identify what data could have been routinely collected for ongoing monitoring and evaluation. PRG members felt that the reduction in the number of annual PRG meetings has negatively impacted their capacity to provide timely advice to the ACC, as has the commercial in confidence provision of section 135A of the *National Health Act 1953*. The diversity of the PRG membership is seen as a strength by all stakeholder groups. However, many ACC members query the cost effectiveness of a standing committee whose varying technical expertise is only sought intermittently throughout the Fifth Agreement life cycle. Despite attempts to address some of the limitations of the governance arrangements under the Fourth Agreement (i.e. the PPSAC) through the establishment of a new committee (i.e. the PRG), some of these issues remain, such as lack of access to timely, robust programme performance information.

#### **Secretariat**

- The secretariat is reported by ACC and PRG members to be relatively efficient and effective in carrying out the majority of its functions with the exception of providing relevant information in a timely manner on some occasions. PRG members in particular note that this impacts on their

capacity to provide advice to the ACC when requested, as does the varying volume of agenda papers. PRG members also highlighted the need for:

- access to programme activity data and outcome evaluation data to support them fulfil their role
  - more in-depth records of meeting minutes, particularly those relating to any communications exchanged between the ACC and PRG
  - formally documented feedback about whether the ACC has taken up their advice.
- While resources can sometimes be stretched the Department believes that the secretariat has met its responsibilities, which do not extend to ad hoc requests for data and other information which does not add value to committee proceedings.

### **Stakeholder engagement**

- The document review and consultations with the Department and the Guild confirm that extensive stakeholder consultation has taken place prior to and during the implementation of the Fifth Agreement. However, many stakeholders consulted still feel that the level and nature of stakeholder engagement is inadequate, particularly during the design phase of the agreement. The Department recognises the desire for and the capacity of stakeholders to have useful input at the design phase of programmes and services. They note, however, that when deliberations are underway, these processes are “Budget-in-Confidence” and it is not possible for the Department to conduct extensive consultation.
- Stakeholders put forward some suggestions to ensure that the broadest possible set of stakeholders were engaged into the future. These include: extending the ACC’s or PRG’s role to include formal liaison with other Commonwealth and state run programmes and services during the design and planning phase; developing a formal consultation process so that States and Territories can provide input into the design and planning phases of initiatives; considering the involvement of State and Territory representatives in the governance of what comes next; considering the establishment of an interdepartmental group which would allow the Department of Human Services (DHS) and the Department of Veteran Affairs (DVA) to engage with Health in the pre-negotiation phase of future agreements and at key reflection points as agreements progress; and reversing the roles of the ACC and the PRG as the PRG is more representative of broader stakeholder views.

### *Transparency*

- The significant increase in scope of the Guild’s role in pharmacy agreements over time to include decisions about programmes and services has led to concern amongst broader stakeholders of the agreement. In particular, but not only because the Guild receives funding to implement, manage and deliver programs. Despite efforts to streamline the design and implementation phases of the Fifth Agreement by giving the ACC roles that previously belonged to the PPSAC, perceptions of direct conflicts of interest still remain. The ACC now, given its role in the design and management of programmes and services, is perceived by most stakeholders, with the exception of the Guild representatives interviewed, to have a commercial interest in the outcomes of their deliberations with 50 per cent of members coming from the Guild. Those stakeholders who do not have direct line of sight of the negotiation, design, procurement and contracting of programmes and services highlight the need for a more open and transparent process for the allocation of funds. The Department has indicated that they are open to transparent reporting on the allocation of programme funds and decisions about who will administer programmes and services. The Department also reports that efforts have been made, and will continue to be made, to publish up-to-date information on funds allocated as it becomes available on the Fifth Agreement website.

### *Accountability*

- The importance of monitoring and evaluation of programmes and services for ongoing improvement and accountability purposes was recognised by all stakeholders. Findings from stakeholder consultations and the document review confirm that there was an attempt to build evaluation into new and some existing programmes during the early stages of the Fifth Agreement. It is also apparent that there was an attempt to assess whether programmes contribute to positive ‘health outcomes for consumers’ and whether they are ‘cost effective’ – both

key objectives of Part 4 of the Fifth Agreement. Despite this effort and investment in the evaluation design, very few stakeholders appear to be satisfied with the current arrangements for the design, commissioning and conduct of process and outcome evaluation. In particular, it appears that some of the factors limiting the effectiveness of the PPSAC under the Fourth Agreement still remain. These include:

- a focus on service uptake rather than clinical outcomes
- a focus on summative evaluation rather than formative evaluation.
- Once all evaluations commissioned under the Fifth Agreement are completed, it may be possible to obtain a more accurate picture of whether data collected across all programmes allows for value for money and health benefits for consumers to be assessed.

## **Key findings as they relate to review questions**

### *What is the value and utility of the current governance structures?*

- There are mixed views about the value and utility of the current governance arrangements, with different views depending on how close stakeholders are to the actual operations of the governance structures. ACC members feel that the committee is efficient and effective in carrying out its terms of reference whereas stakeholders that do not have direct line of sight of these processes highlight the need for more open and transparent processes (e.g. for ACC operations including decision making). Some operational aspects of the governance arrangements are perceived to add value rather than the overarching structures themselves. For example, the ACC provided a useful vehicle to address implementation difficulties in the HMR programme roll out; and the PRG provided useful support in the consideration of evaluation matters. In cost constrained times the value of allocating scarce resources to even the most effective of standing committees over and above what might be achieved by more time limited and targeted stakeholder engagement and expert input processes needs careful consideration.

### *What governance arrangements worked well and what arrangements did not?*

- After some early and useful learning experiences about issues such as conflict of interest and confidentiality, the ACC appears to have worked well and within its terms of reference. The PRG made some useful contributions such as the development of an Evaluation Framework but generally members felt constrained by their terms of reference and were unsatisfied with the working relationship between the ACC and the PRG.

### *What administrative arrangements were in place to support the development, management and monitoring of the Fifth Community Pharmacy Agreement?*

- Secretariat support was provided by the Department to the ACC and PRG throughout the life of the agreement.
- There have also been a number of contractual agreements between the Department and the Guild to support the development, management and monitoring of the Fifth Agreement. The design of programmes and services was led by the Guild who received funding from the Department in the first year of the agreement. The Guild was then awarded further funding to directly administer programmes and collaborate with other organisations through subcontracts. The final contract for services resulted in the administration of seven programmes being transferred from DHS to the Guild in early 2014.

### *What administrative arrangements worked well and what arrangements did not?*

- The secretariat support provided by the Department was seen by stakeholders as efficient and effective with the exception of some perceptions that the data necessary for the PRG to provide advice or to inform ACC decisions was not available in a timely manner. Stakeholder consultations and the document review suggest that some data referred to would only be available after the various evaluations commissioned had reported towards the end of the Fifth Agreement.
- The design and detailed planning of programmes and services under the Fifth Agreement was undertaken by the Guild and/or subcontracted (by the Guild) to other organisations with input from the ACC at relevant points. This process was seen to be much more efficient than the arrangements which took place under the Fourth Agreement by the PPSAC which was reported

to result in significant delays to the design and establishment of programmes and services. Further to this, the management of programmes and services was seen to improve further when the administration of seven programmes was transferred from the DHS to the Guild in early 2014. While there are still some issues with the timeliness and accuracy of data now provided by the Guild to the ACC, both the Guild representatives and Departmental officers interviewed report that improvements are in hand.

*What governance and other consultative mechanisms were effective and ineffective in the development and operation of Fifth Agreement programmes and services?*

- For both governance and consultative mechanisms, the answer to this question varies relative to where stakeholders sit and how much of a direct line of sight they have to governance operations and consultative mechanisms at the different points of the Agreement lifecycle. Those stakeholders furthest from governance arrangements believe that there is a need for more transparency about: decision making around the allocation of programme funding; more and broader stakeholder engagement efforts; and less power in the hands of the Guild.
- Similarly for those close to the governance committees, in particular, those who actively participate in them, their experience varies considerably. PRG members are the most dissatisfied with their perceived capacity to influence the ACC and therefore the design, implementation and evaluation of the programmes and services even though an analysis of key documents suggests that their input is considered and is often influential.
- The ACC does appear to have effectively met its terms of reference, however, the lack of support for the extent and nature of its roles and responsibilities and the potential for improvements in stakeholder confidence and buy-in to future agreements, suggests a need to consider a range of other options. These are presented below.

*What planning and monitoring arrangements were in place for the fifth Agreement, and were they effective?*

- The Fifth Agreement was the first agreement with an Evaluation Framework in place. The Framework was developed by the Department with assistance from the ACC and the PRG who had a number of members with health services research experience. A review of the Framework and stakeholder consultations suggest that the framework was designed and heavily weighted towards summative (point in time), outcome based evaluations. While summative evaluations are useful at the end of a programme or initiative when key decisions have to be made about the programme's worth and/or ongoing funding, formative and developmental evaluation are just as important for ensuring ongoing improvements to programmes and services as they are rolled out.

*What mechanisms exist to encourage competition and ensure contestable, transparent funding of Programmes?*

- With the exception of ACC members and some Departmental and Guild officers interviewed, very few people were able to comment on the mechanisms which exist to encourage competition and ensure contestable, transparent funding of programmes. The document review suggests that a number of procurement and contracting processes were used during the Fifth Agreement. These include a combination of direct, select and open tender processes.
- The perceived lack of transparency in these processes, in addition to the significant increase in scope of the Guild's role in pharmacy agreements over time to include decisions about programmes and services has led to concern amongst broader stakeholders of the agreement. The Department understands the need for, and the importance of, transparency in this area and continues to work to improve this where possible and appropriate.

*What changes would improve outcomes and efficiencies for future Community Pharmacy Agreements?*

- With the exception of the Guild, there are very few stakeholders who believe that the ACC with its current broad responsibilities is as representative as required. Many stakeholders indicate that if the design and implementation of programmes and services remain within the ACC's remit, the committee's membership must be broadened to include State and Territory representatives, the PSA and consumer representatives (at a minimum).

- Many stakeholders consulted consider that an effective governance structure going forward could include time-limited expert working groups with policy and content experts, representatives of the profession and consumers tailored to each programme's focus. This process is seen to more closely align with normal Departmental processes and is more fit for purpose/targeted than the current PRG standing committee arrangement.
- There is a less common (and more novel) idea that there may be no need for either the ACC or PRG as expensive standing committees in resource constrained times.
- It was also suggested that a totally independent governance structure (such as a Board) could be established to oversee the agreement in its next iteration.
- Based on stakeholder advice and the document review, a number of potential options for future governance arrangements have been put forward based on themes arising from the data. These options have been developed mindful of the *National Health Act 1953* and include:
  1. Retain the ACC and PRG and address process-related issues
  2. Retain the ACC and replace the PRG with time-limited expert working groups
  3. Retain the ACC (but with broadened membership) and replace the PRG with time-limited expert working groups
  4. Uncouple the processes for the management, monitoring and evaluation of the remuneration component of the pharmacy agreement (currently Part 2, 3 and 5) from the design, delivery, monitoring and evaluation of programmes and services (currently Part 4)
  5. Abolish the ACC and PRG and the Department oversees the remuneration and programme components
  6. Establish an interdepartmental group (e.g. Department of Health, DHS and DVA) to develop a negotiation stance to inform negotiations between Health and the Guild under the *National Health Act 1953* relating to remuneration.



# Review of the Governance Structures established under the Fifth Community Pharmacy Agreement

## Final report

### Section 1: Introduction

Since 1990, the *Commonwealth Price* that pharmacists receive for dispensing Pharmaceutical Benefits Scheme (PBS) medicines and the regulations regarding the location of pharmacies have been governed by a series of community pharmacy agreements between the Commonwealth, represented by the Department of Health and the Pharmacy Guild of Australia (the Guild). Over time, these pharmacy agreements have increased in scope and now also provide for professional pharmacy programmes and services.<sup>1</sup>

Part 2 of the Fifth Community Pharmacy Agreement sets out the terms of the agreement, for the purposes of subsection 98BAA (1) of the *National Health Act 1953*, between the Commonwealth and the Guild in relation to the manner in which the Commonwealth price is to be ascertained for the purpose of payments to Approved Pharmacists in respect of the supply by them of pharmaceutical benefits.<sup>2</sup>

Section 98BAA of the *National Health Act 1953* states that:

*“(1) Despite anything else contained in this Part, where the Minister (acting on the Commonwealth’s behalf) and the Pharmacy Guild of Australia or another pharmacists’ organisation that represents a majority of approved pharmacists have entered into an agreement in relation to the manner in which the Commonwealth price of all or any pharmaceutical benefits is to be ascertained for the purpose of payments to approved pharmacists in respect of the supply by them of pharmaceutical benefits, the Tribunal, in making a determination under subsection 98B(1) while the agreement is in force, must give effect to the terms of that agreement.”*

The Department, in designing successive agreements has taken Section 98BAA of the *National Health Act 1953* to mean that the organisation that represents the “majority of approved pharmacists” remains the Guild.

### 1.1 Governance arrangements for the Fourth and Fifth Agreements

The governance structures for the Fourth Agreement included:

- An *Agreement Consultative Committee* which was the “mechanism for consultation between the parties on implementation of the [Fourth] Agreement, including issues relating to Approved Pharmacists’ payments and Location Rules and consideration of other matters as set out in Part 6 of the Agreement.”<sup>3</sup>
- A *Professional Programmes and Services Advisory Committee* (PPSAC) which was a new committee under the Fourth Agreement that was established to “ensure transparent, contestable, merit based allocation of funds within an accountability framework”.<sup>4</sup> The PPSAC’s role was to “provide advice to the Minister on the funding of projects and management responsibilities for projects and Programmes under the Professional Pharmacy Programmes and Services.” More specifically to advise on:
  - “the funding of the projects and management responsibilities for projects and Programmes under the Professional Pharmacy Programmes and Services;
  - the development of policy objectives, eligibility criteria and performance outcome measures for Programmes to be funded under the Professional Pharmacy Programmes and Services;
  - monitoring the outcome of Programmes funded under the Professional Pharmacy Programmes and Services; and

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<sup>1</sup> <http://5cpa.com.au/about-5cpa/>

<sup>2</sup> Fifth Agreement (July 2010 to June 2015)

<sup>3</sup> Fourth Agreement (December 2005 to June 2010)

<sup>4</sup> KPMG Review of the PPSAC: Final Report (June, 2010)

- *any other function that may be agreed between the Minister and the Guild*.<sup>5</sup>

In 2010 a review of the PPSAC was commissioned by the Department in order to:

- determine the effectiveness of the PPSAC in carrying out the functions prescribed to it under the Fourth Community Pharmacy Agreement between the Department and the Guild
- determine the ability of the PPSAC to deliver pharmacy programmes and services under the Fourth Agreement
- provide findings to inform future governance arrangements under any subsequent Community Pharmacy Agreement.<sup>6</sup>

The findings of the review led to enhanced roles and responsibilities for the Agreement Consultative Committee (ACC), and the establishment of a new committee known as the Programmes Reference Group (PRG).<sup>7</sup> These changes to governance arrangements closely reflect the suggestions of the 2010 review of the PPSAC.<sup>8</sup> Governance structures for the Fifth Agreement which is now nearing completion include:

- the ACC which oversees the high-level management and implementation of a number of programmes and services and provides an ongoing mechanism for all matters pertaining to the implementation of the Fifth Agreement; and
- the PRG which provides advice to the Minister and the ACC on the policy dimensions of new and continuing programmes, including evaluation requirements. The PRG incorporates broad stakeholder representation from the pharmacy profession, consumers and other health professionals.<sup>9</sup>

The Fifth Agreement includes the requirement for the Department and the Guild to participate in a Review of the Governance Structures established under the Fifth Agreement prior to its expiry.<sup>10</sup> The findings from this review are the focus of this final report.

## **1.2 Purpose and objectives of the review**

Siggins Miller was engaged by the Department of Health to undertake a Review of the Governance Structures established under the *Fifth Community Pharmacy Agreement* (including the ACC and the PRG) in the period August 2014 to January 2015.

As outlined in the Department's Request for Quote (RFQ)<sup>11</sup> and in the Fifth Agreement Evaluation Framework, the purpose of the review is to *“assess and report on the efficacy of the governance structures established for the Fifth Agreement, including the committee structure, programme administrative arrangements and how stakeholders contribute to programme development and management.”* Specifically, *“the objective of the review is to examine the appropriateness, effectiveness and efficiency of the Fifth Agreement governance structures.”*

The RFQ also listed a number of high level questions that needed to be considered when undertaking the review. These included:

- What is the value and utility of the current governance structures?
- What governance arrangements worked well and what arrangements did not?
- What administrative arrangements were in place to support the development, management and monitoring of the Fifth Community Pharmacy Agreement?
- What administrative arrangements worked well and what arrangements did not?

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<sup>5</sup> Fourth Agreement (December 2005 to June 2010)

<sup>6</sup> KPMG Review of the PPSAC: Final Report (June, 2010)

<sup>7</sup> KPMG Review of the PPSAC: Final Report (June, 2010)

<sup>8</sup> Fifth Agreement Evaluation Framework (December, 2011)

<sup>9</sup> RFQ No. Health/165/1314 Section A2 'Background'.

<sup>10</sup> Fifth Agreement Evaluation Framework (December, 2011)

<sup>11</sup> RFQ No. Health/165/1314 Section A3 'Objectives'.

- What governance and other consultative mechanisms were effective and ineffective in the development and operation of Fifth Agreement programmes and services?
- What planning and monitoring arrangements were in place for the Fifth Agreement, and were they effective?
- What mechanisms exist to encourage competition and ensure contestable, transparent funding of Programmes?
- What changes would improve outcomes and efficiencies for future Community Pharmacy Agreements?

The RFQ and the Evaluation Framework also provided a series of detailed questions which informed the consultation protocols for the review. These are discussed in Section 2 of this report.

### ***1.3 Structure and content of the report***

This final report presents the key findings from the governance review and the implications of these findings. This report is presented in four main sections:

- Introduction
- Review methodology
- Key findings of the review
- Key findings as they relate to review questions, in particular options for changes to the governance structure that would improve outcomes and efficiencies for future community pharmacy agreements.



## Section 2: Review methodology

This review aligns with the Evaluation Framework for the Fifth Agreement which was developed by the Department with assistance and advice from the Guild, the ACC and the PRG. The Evaluation Framework sets out a detailed list of questions to be answered as part of this Governance Review. These detailed questions, along with those outlined in the RFQ, were used as a starting point for the development of consultation protocols in collaboration with the Department. Consultation protocols are provided at Appendix A and B.

In order to answer the review questions a mixed-method design was agreed including:

- **A document review** of approximately 700 documents (see Appendix E for the list of documents)
- **Telephone-based interviews** with the Departmental executive, ACC, PRG, Secretariat, the Guild and State and Territory Department representatives: Of the 45 stakeholders invited to participate in interviews 38 completed interviews, five declined and two were on leave during the consulting period (see Appendix D for the list of stakeholders consulted)
- An **online survey** with broader stakeholders of the review (e.g. The Australian Private Hospitals Association [APHA], Society of Hospital Pharmacists of Australia [SHPA]): Of the 18 online survey invitations sent to stakeholders, 34 individuals viewed the survey, 21 stakeholders started the survey and nine completed it fully (42% response rate)<sup>12</sup> (see Appendix D for the list of stakeholders invited to participate)
- A **face-to-face meeting** in Canberra with the PRG to receive their input into the review (8<sup>th</sup> October, 2014) (See Appendix C for the meeting agenda)
- A **face-to-face meeting** in Canberra with the Department to finalise and check data collected (3<sup>rd</sup> December, 2014).

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<sup>12</sup> It is useful to note that some survey invitees indicated that they would circulate the survey more broadly to others (e.g. Board members of the Australian Association of Consultant Pharmacy; AACP) and some indicated that they would complete combined responses on behalf of their organisation (e.g. SHPA and the APHA). The responses received do not suggest that a broader group other than those invited responded to the survey, however, some stakeholders did submit combined responses on behalf of their organisations.

### **Section 3: Key findings of the governance review**

This section of the report draws together data from consultations (interviews and online survey) and the document review to present the key findings of the governance review as they relate to the following four constructs: efficiency; effectiveness; transparency; and accountability. This approach has been taken to accommodate:

- the significant overlap in answers across questions
- the varying capacity and willingness of stakeholders interviewed to answer all questions
- the desire of some stakeholders to make statements not covered by the questions provided; and to
- promote ease of reading.

Further to this, most stakeholders felt unable to comment on a number of questions, citing that it would not be possible to determine answers until after evaluation findings become available. These questions included:

- the extent to which governance arrangements deliver professional pharmacy programmes that aim to optimise the effectiveness and value of the health system in general and the PBS in particular
- the extent to which current governance arrangements have supported the implementation of programmes and services including supporting changes in service provision and behaviour
- the extent to which operational arrangements supporting the governance of the fifth agreement maximise the opportunity for programmes and services to contribute to the effective patient-focused outcomes for consumers; and
- the extent to which Fifth Agreement governance structures have ensured that investments have delivered the results expected of them.

#### **3.1 Efficiency and effectiveness**

##### **3.1.1 Agreement Consultative Committee (ACC)**

###### **Terms of reference**

In order to assess the efficiency and effectiveness of the ACC, the review was mindful of the Committee's terms of reference, which include (but are not limited to):

1. Developing and implementing a work programme for the ACC, addressing agreed and emerging priorities relating to the Fifth Agreement;
2. Assisting to ensure the transparent, contestable, merit based allocation of Funds within an accountability framework, as covered under Clauses 5.2 and 16(c) of the Fifth Agreement;
3. Providing advice on issues pertaining to remuneration arrangements, as covered under Part 2 and Part 3 of the Fifth Agreement;
4. Overseeing the introduction of the Electronic Prescription Fee and conducting compliance monitoring associated with electronic prescriptions, as per clause 5.1a and clause 12.14 of the Fifth Agreement. As a result of monitoring under clause 12.14, the ACC may make recommendations to the Minister regarding possible changes to the clauses of this Agreement relating to the electronic prescription fees;
5. Considering and advising on administrative issues relating to the CSO Funding Pool;
6. Considering issues relating to the pharmacy Location Rules, and advising the Minister on whether an amendment to the location rules is required, as covered under clause 23.3 of the Fifth Agreement;
7. Overseeing programmes as covered under clauses 19 and 20 of the Fifth Agreement. This includes:
  - a. setting the objectives of the programmes and timelines for their implementation, as per clause 5.1b of the Fifth Agreement;

- b. the design of programmes and ensuring that their implementation is consistent with the terms of the Fifth Agreement, and the programmes agreed policy intent;
  - c. ensuring that business rules established to support programme delivery arrangements are consistent with the terms of the Fifth Agreement, and the programmes' agreed policy intent;
  - d. monitoring outcomes and expenditure of programmes under the Fifth Agreement;
  - e. requesting advice as required from the PRG, relating to the policy dimensions of programmes funded under the Fifth Agreement and their evaluation as per clause 5.1c of the Fifth Agreement;
  - f. providing advice to the PRG on its work programme and priorities; and
  - g. formally communicating with the PRG on progress with implementation reflecting particularly on PRG advice and progress relating to the overall implementation of programmes under the Fifth Agreement.
8. Taking into account the findings of reviews and evaluations undertaken under the Fourth Agreement, and implementing or assisting in the implementation of those findings, as covered under Clause 28 of the Fifth Agreement. The Ministers advice should be taken into account, where this advice is provided.
9. Receive and consider advice from the PRG and act on it where considered appropriate.
10. Any other activities or functions relating to the Fifth Agreement, as agreed between the Department and the Guild, or at the request of the Minister.<sup>13</sup>

There was general consensus amongst ACC members that the committee is efficient and effective in carrying out its duties in relation to terms of reference 1, 3, 4, 5, 6, 8 and 10 listed above. The document review supports this view, and its findings are presented in Table 1 below. It is apparent that the ACC puts considerable effort towards ensuring its own efficiency and effectiveness through the development and ongoing monitoring of the ACC Work Programme/Workplan, Action List, Fifth Agreement-Implementation Status Report, Fifth Agreement Evaluation Workplan, and the Fifth Agreement-Programmes Matrix. The ACC's significant work in the early phase of the Fifth Agreement to establish these monitoring tools is evident from the frequency of meetings during the first 12 months of the agreement (with the committee meeting a total of eight times). ACC meetings reduced in number in subsequent years as the focus changed from the planning and development phase to the implementation and monitoring phase of the Agreement.

**Table 1. Findings of the document review**

<b>Terms of reference</b>	<b>Document review</b>
<b>Development and implementation of the ACC work programme (1)</b>	A workplan has been developed and is updated by the Secretariat on a six monthly basis (1)
<b>Providing advice on issues pertaining to remuneration arrangements (3)</b>	Pharmacy remuneration arrangements including any changes are routinely dealt with by the ACC as necessary both in and out of session (3)
<b>Overseeing the introduction of the Electronic Prescription Fee (4)</b>	The electronic prescription fee was introduced early in the life of the agreement and compliance monitoring is conducted on an ongoing basis and reviewed in light of any new data which becomes available (4)
<b>Advising on administrative issues relating to the CSO Funding Pool (5)</b>	The ACC has and continues to oversee the current arrangements and considers/advises on administrative issues related to the CSO funding pool on an ongoing basis (5)
<b>Considering issues relating to the pharmacy location rules (6)</b>	Issues in relation to location rules have been discussed by the ACC when necessary and have led to amendments being proposed and signed off by the Minister (6)
<b>Implementing findings of reviews undertaken during the Fourth Agreement (8)</b>	The ACC has monitored the status of reviews under the Fourth Agreement until completion and provided advice on the priorities/proposed actions for review findings (8)

<sup>13</sup> Fifth Agreement ACC Administrative Guidelines (Update October 2013)

<b>Other activities and functions (10)</b>	The ACC has facilitated other activities such as the development of an Evaluation Framework for the Fifth Agreement (10).
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Those stakeholders who do not have direct line of sight to ACC operations felt unable to comment on the efficiency and effectiveness of the ACC, however, they did make comments about the lack of transparency in ACC meeting outcomes and how the committee arrives at decisions. They also suggested the need for independent oversight of the committee. Many stakeholders raised concern about the appropriateness of the ACC's role in the following:

- the transparent, contestable, merit based allocation of funds (term of reference 2; which are described in more detail in Section 3.2 of this report);
- the oversight of programmes and services (term of reference 7; discussed below); and
- the consideration of advice from the PRG (term of reference 9; discussed below).

### **Oversight of programmes and services (term of reference 7)**

Guild representatives interviewed felt that the ACC is an efficient and effective governance structure for overseeing the design and implementation of programmes and services. In contrast, some Departmental stakeholders indicated that they have reservations about the effectiveness of the ACC in the programme design and management component of the Fifth Agreement - relative to the processes the Department uses to design and administer other programmes. For example, some Departmental officers felt that normal Departmental processes would be a more efficient and effective way to design, manage, monitor and evaluate programmes and services under future agreements rather than having a standing committee like the ACC having these responsibilities. These Departmental officers suggested that establishing time-limited expert working groups appropriate to the various stages of the design and implementation of the programmes and services under the agreement may prove to be more cost effective.

### **Considering and acting on the PRG's advice (term of reference 9)**

A key function of the ACC is to receive and consider advice from the PRG and act on it where appropriate. ACC members' views about the usefulness of the PRG's advice varied:

- Some ACC members reported that the PRG's advice has been authentically considered and discussed at length and has been used to inform/modify decisions on a number of occasions
- Other ACC members indicated that some PRG advice has been useful and other advice has not been useful; and
- Some ACC members noted that PRG advice has sometimes been outside the scope of the PRG's terms of reference.

An analysis of ACC meeting minutes does suggest that the ACC has spent time considering the PRG's advice and also indicates that on a significant number of occasions the advice was incorporated into documents (e.g. Programme specific guidelines; statements of requirement; the Evaluation Framework etc) and used to inform current or future ACC deliberations. PRG member's views about whether or not they were satisfied with the way their advice was considered and acted on is presented in Section 3.1.2 below.

### **Factors seen to influence the efficiency and effectiveness of the ACC**

Other aspects of the ACC which were seen to influence its efficiency and effectiveness included:

- *Lack of timely access to expenditure data:* Financial oversight of programmes and services is a core function of the ACC. Most ACC members cited the committee's previous experience when they did not have timely access to expenditure data (provided by the Department of Human Services [DHS]) and how this impacted their capacity to identify a significant overspend in the Home Medicines Review (HMR) programme. This experience resulted in the management of programme payments being transferred from DHS to the Guild in early 2014. This move is reported to have had a positive impact on access to real time expenditure data, thereby increasing the ACC's capacity to proactively manage this programme (and other programmes') budget. While access to expenditure data has improved (for example, we note the inclusion of expenditure reports from the Guild in the agenda meeting papers for the 25<sup>th</sup> June 2014), Departmental officers noted that the accuracy and timeliness of data is still somewhat of an issue.

- *Membership*: Guild members on the ACC reported that they are satisfied with ACC membership, however, some members mentioned that the ACC would benefit from having Departmental officers from other policy areas to provide input at relevant points to better inform the decision making process during meetings. Departmental officers noted that consultation does take place internally with relevant sections of the Department behind the scenes and highlighted that MedsCheck in residential aged care facilities was a good example of where internal consultation occurred on an ongoing basis. PRG members and broader stakeholders of the agreement (e.g. State and Territory representatives, members of the Pharmaceutical Society of Australia [PSA]) felt that the ACC's membership is too narrow to accurately represent the interests of all stakeholder groups in the pharmacy sector.

*"It is inefficient and ineffective for the ACC to be determining major policies without consulting more widely, given that their knowledge and scope of pharmacy programmes and services is not representative of all facets of pharmacy that provide services funded by the Commonwealth..."*

- Survey respondent

In particular, the Guild's involvement in the negotiation and design of programmes and services is cause for concern amongst many stakeholders, as the Guild and its membership is perceived to directly benefit from most of the investments.

- *Relationship between the Department and the Guild*: Some Departmental and Guild stakeholders interviewed made comments about the nature of the working relationship between the Department and the Guild on the ACC. These comments related to Departmental officers' concern about issues of confidentiality, commercial in confidence and conflict of interest. However, comments made by both Guild and Departmental stakeholders indicate that over time these relationship tensions have been improved as the requirements about confidentiality, commercial in confidence and conflict of interest have been clarified and reemphasised by the Department.

### Summary of findings

There is evidence to suggest that the ACC has been efficient and effective in fulfilling the majority of its terms of reference. The ACC's role in the oversight of programmes and services is seen by the Guild as an efficient and effective process as it currently stands. Departmental officers, however, have a different view suggesting that programme design and management would be more efficient and effective if these functions were performed using normal Departmental processes as is the case for all other similar programmes. Those stakeholders who do not have direct line of sight to ACC operations felt unable to comment on the efficiency and effectiveness of the ACC, however, they did make comments about the lack of transparency in ACC meeting outcomes and how the committee arrives at decisions.

Findings from stakeholder consultations and the document review highlight that the efficiency and effectiveness of the ACC is influenced by a number of factors. Lack of timely access to expenditure data to assist manage programme budgets early in the life of the agreement contributed to a significant overspend in the HMR programme, however, measures were put in place towards the end of the agreement to prevent this situation from reoccurring. Many stakeholders feel that the ACC's current membership is not adequate given its responsibilities in the negotiation and design of programmes and services under the Fifth Agreement. Broadening the membership of the ACC to include a more diverse range of stakeholders in the early phases of the agreement was cited as a key priority of most stakeholders interviewed and a number of different structural governance options were mentioned. The relationship between Departmental officers and Guild members on the ACC was seen as problematic in the early part of the Fifth Agreement due to issues which arose in relation to confidentiality, commercial in confidence and conflict of interest. These issues, however, appear to have since been clarified by the Department.

#### 3.1.2 Programmes Reference Group (PRG)

##### Terms of reference

As above, in order to assess the efficiency and effectiveness of the PRG, the review considered the Committee's terms of reference, which include (but are not limited to):

1. The PRG is responsible to the ACC and the Minister for Health for providing timely advice, when such advice is requested, on the policy dimensions of new and continuing programmes under the Fifth Agreement.
2. The PRG will seek to provide a consensus view where possible, when providing any advice requested.
3. Advice to be provided includes, but is not limited to, the scope, objectives, target groups (where relevant) and evaluation requirements of programmes, taking into account:
  - I. the findings of any evaluations of programmes under the Fourth Agreement and the findings of any relevant research, particularly research conducted under the Fourth Agreement Research and Development Programme;
  - II. the allocation of Funds to the programmes under this Agreement.
4. The PRG will also undertake any other function that may be agreed between the Minister or the Department and the Guild, as covered under Clause 6.1(b) of the Fifth Community Pharmacy Agreement. This includes advising the ACC on broader integration of pharmacy programmes into the wider health arena, including ways to increase collaboration with other health providers and promote programme uptake.
5. The PRG may establish a sub-committee to enable consideration of particular matters referred to it by the ACC or the Minister, when expressly requested by the ACC or Minister to do so.<sup>14</sup>

The document review suggests that the PRG may be fulfilling its terms of reference (See Table 2). Meeting minutes and agenda papers confirm that the PRG continues to provide policy advice on programmes and services under the Fifth Agreement (including any changes to Programme Specific Guidelines) to the ACC, when requested. The PRG also made a significant contribution to the establishment of an Evaluation Framework for the Fifth Agreement which included the development of programme logics, performance indicators, evaluation questions and the identification of data sources. The PRG also continues to be involved in evaluations as they are rolled out under the Fifth Agreement.

**Table 2. Findings of the document review**

<b>Terms of Reference</b>	<b>Document review</b>
<b>Providing timely advice, when such advice is requested, on the policy dimensions of new and continuing programmes under the Fifth Agreement (1)</b>	Based on their workplan, the PRG has and continues to provide policy advice on the full range of programmes and services under the Fifth Agreement (both new and continuing) as requested by the ACC.
<b>Providing a consensus view where possible, when providing any advice requested (2)</b>	It is not clear based on a review of documents whether consensus was reached each time the PRG provided advice to the ACC.
<b>Providing advice which includes the scope, objectives, target groups and evaluation requirements of programmes, taking into account:</b> <ul style="list-style-type: none"> <li>- the findings of evaluations or research under the Fourth Agreement</li> <li>- allocation of Funds to the programmes under the current agreement (3)</li> </ul>	In line with their workplan, the PRG has been asked to provide policy advice on suggested changes to the operation of some programmes based on programme specific guidelines and outcomes of Fourth Agreement evaluations (e.g. Section 100 Support Allowances to Remote Area Aboriginal Health Services; Aboriginal and Torres Strait Islander Pharmacy Workforce). It is not clear whether the PRG's advice was mindful of the allocation of funds to the different programmes.
<b>Undertaking any other function that may be agreed between the Minister or the Department and the Guild (e.g. advising the ACC on broader integration of pharmacy programmes into the wider health arena, including ways to increase collaboration with other health providers and promote Programme uptake (4)</b>	A key role of the PRG was to provide advice on the development of an Evaluation Framework for the Fifth Agreement and the evaluations which flow from the Framework.
<b>Establishing (where appropriate) a sub-committee to enable consideration of particular</b>	The Minister and the ACC have not requested the PRG to establish any sub-committees during the life of the

<sup>14</sup> Fifth Agreement PRG Administrative Guidelines (Updated April 2014)



<b>matters referred to it by the ACC or the Minister, when expressly requested by the ACC or Minister to do so (5)</b>	Fifth Agreement.
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Despite contributions in these areas, many stakeholders question the efficiency and effectiveness of the PRG. There is a significant level of dissatisfaction among PRG members in relation to: their role; and use of their expertise by the ACC. The reasons for these opinions are described below.

PRG members reported that they feel “boxed in” by their terms of reference as they are only able to respond to requests for advice from the ACC rather than be proactive and initiate advice about issues which they perceive as relevant to their expertise and pertinent to the implementation of the Fifth Agreement. PRG members felt that their input could be optimised if they were able to contribute to their own agenda or workplan.

Many PRG members feel that requests for advice from the ACC have been “selective” and “tokenistic” and that “one-way communication” has not only impacted on the efficient and effective functioning of both committees, but has resulted in a strained relationship between committees.

*“The PRG has been ineffective and inefficient because it has not been consistently consulted. When the PRG has been in the position of offering advice, which is not often and irregularly, this advice is rarely taken up by the ACC”*

- Survey respondent

*“As a member of the PRG there were times when it was obvious our opinions were not sought; while at other times there was good interaction and I felt that our expertise was both recognised and accepted”*

- Survey respondent

PRG members’ discontent and frustration in relation to ACC requests for advice are also reflected in meeting minutes. Some of the examples include:

- PRG members reporting that they had not been provided with enough background information prior to meetings to inform their advice back to the ACC and the Minister
- PRG members reporting that the ACC does not provide sufficient transparent feedback on the advice the PRG provides (i.e. whether it has been considered and/or taken up)
- ACC members highlighting that they do not consult with the PRG on every matter and as an advisory body the PRG has no entitlement as such to be consulted, nor is the ACC accountable to the PRG in terms of justifying their decisions.

Departmental officers and Guild representatives interviewed reported that the PRG often step outside their parameters/terms of reference and have had to be reminded on a number of occasions of their role.

Stakeholders identified a number of factors which impacted on the PRG’s capacity to fulfil their terms of reference. These include:

- access to relevant and timely information to inform their advice to the ACC (term of reference 1; described below)
- providing advice on evaluation requirements of programmes (term of reference 3; described below).

**Lack of access to timely and relevant information (term of reference 1)**

PRG members felt that lack of access to timely and relevant background papers, programme activity data and evaluation information at key points in the budget and programme cycle has impacted their capacity to provide useful advice to the ACC on a number of occasions. For example, the PRG felt unable to comment on the Medication Management programmes agenda paper, in particular on the issues of HMR, “due to lack of detail and background information in the meeting papers” (Meeting minutes from 30th April 2013). The reasons for lack of timely access to relevant information are described in subsequent sections of this report.

### **Providing advice on evaluation requirements of programmes (term of reference 3)**

Given a key role of the PRG is to consider programme evaluation requirements, members indicated that they should have been involved in the design phase of programmes and services to identify what data could have been routinely collected for ongoing monitoring purposes and ensure there were clear objectives and outcomes for programmes so they could be measured against these. Those members who were previously involved in the PPSAC arrangement acknowledged that the committee got caught up in the detailed design of programmes under the Fourth Agreement which led to delays in programme implementation. The PRG's current role was therefore designed to limit the committee's involvement in this phase. Removing this process was seen as both a strength and a potential weakness of the current arrangement.

### **Factors seen to influence the efficiency and effectiveness of the PRG**

Other aspects of the PRG which were seen to influence its efficiency and effectiveness included:

- *Membership:* All stakeholders interviewed agree that the PRG membership is diverse and representative of many of the groups which have an interest in the administration of the Fifth Agreement. Members of the PRG are seen to have broad and relevant experience necessary to represent the range of voices that a pharmacy agreement might need as well as the capacity to advise on the evidence base for programmes and services under the agreement. PRG members' willingness and dedication to improve the agreement and improve programmes was also seen as a strength of the committee. While the diversity of the PRG membership is seen as a strength from the point of view of representativeness, some stakeholders noted that a standing committee is not a cost effective use of those members time who do not have relevant technical knowledge when matters requiring specific expertise are discussed at length at PRG meetings.
- *Commercial in confidence:* The commercial in confidence provision of section 135A of the *National Health Act 1953* as advised by the Department has been seen as a barrier to the PRG's provision of advice to the ACC, as PRG members felt they were often unable to consult more broadly with the organisation/s they were representing.
- *Meetings:* Most PRG members interviewed noted that the reduction in the number of agreed annual meetings (from four to three) and the subsequent cancellation of meetings in some years (from three to two) reduced their capacity to provide timely advice to the ACC. In terms of procedural matters, some members reported that greater use of teleconference or videoconferencing technologies would have better facilitated work out of session (when required), allowed for cancelled meetings to proceed (if necessary) and led to greater inclusion of those members who were unable to attend meetings face-to-face due to work commitments. Most PRG members suggested that the committee could be enhanced if the chairperson selected was independent of the Department, to ensure discussion wasn't limited. Some members also suggested the need for an annual joint meeting between the two committees so PRG members could be better informed about ACC operations and decision making processes (i.e. increased transparency).

### **Changes to governance structure since the Fourth Agreement**

The PRG was established early in the life of the Fifth Agreement in line with the findings of a review of the governance structures of the Fourth Agreement. Factors identified as limiting the effectiveness of the PPSAC under the Fourth Agreement included:

- differing levels of support for its role in overseeing the funding of projects, encouraging competition in the management and provision of programmes, monitoring outcomes of programmes and ensuring accountability for programme performance
- significant delays in reaching agreement on the programme design and in establishing the programmes
- robustness of governance mechanisms including the PPSAC membership which had over 50 per cent of members with some vested commercial interest in the outcomes of the advice provided
- effectiveness of stakeholder engagement strategies and the perception that some stakeholder voices were given limited consideration, particularly within the PPSAC; and
- limited timely, robust performance information available from programmes.



Given significant delays in the design and establishment of programmes under the Fourth Agreement, these responsibilities, including the allocation and oversight of programme funding, were transferred to the ACC in the Fifth Agreement. In order to address concerns about PPSAC membership, a broad range of members representative of various parts of the pharmacy industry were selected for the PRG. It was hoped that changes to the Committee's membership and terms of reference would improve communication, transparency of advice, and performance monitoring. Despite attempts to address some of the limitations through the establishment of the PRG, some of these issues remain.

While PRG's diverse membership is seen as a strength, PRG members feel that their current terms of reference don't make best use of their broad expertise. It is also possible that some members of the PRG have a commercial interest in the outcomes of the advice they provide, however, given their role has changed, this may be less of an issue for the PRG and of more concern for the ACC which is made up of 50 percent Guild members. There also still appears to be an issue accessing robust performance information from programmes in a timely manner, despite the development of an Evaluation Framework for the Fifth Agreement.

### **Summary of findings**

Despite the PRG's significant role in the development of an Evaluation Framework for the Fifth Agreement and ongoing provision of advice to the ACC on the policy dimensions of new and continuing programmes, very few stakeholders believe that the PRG has been an efficient or effective governance structure. There is a significant level of dissatisfaction among PRG members in relation to their role and use of their expertise by the ACC. PRG members reported that they feel "boxed in" as they are only able to respond to requests for advice from the ACC and these requests have been perceived as "selective" and "tokenistic". Departmental officers and Guild representatives interviewed reported that the PRG often step outside their terms of reference and have had to be reminded on a number of occasions of their role.

Findings from stakeholder consultations and the document review highlight that the efficiency and effectiveness of the PRG is influenced by a range of factors. PRG members felt that lack of access to timely and relevant background papers, programme activity data and evaluation information has impacted their capacity to provide useful advice to the ACC. They also feel that they should have been involved in the design phase of programmes and services to identify what data could have been routinely collected for ongoing monitoring and evaluation. PRG members felt that the reduction in the number of annual PRG meetings has negatively impacted their capacity to provide timely advice to the ACC, as has the commercial in confidence provision of section 135A of the *National Health Act 1953*. The diversity of the PRG membership is seen as a strength by all stakeholder groups. However, many ACC members query the cost effectiveness of a standing committee whose varying technical expertise is only sought intermittently throughout the Fifth Agreement life cycle. Despite attempts to address some of the limitations of the governance arrangements under the Fourth Agreement (i.e. the PPSAC) through the establishment of a new committee (i.e. the PRG), some of these issues remain, such as lack of access to timely, robust programme performance information.

#### **3.1.3 Secretariat**

Secretariat support for the ACC and PRG is provided by the Department and includes:

- establishing the ACC and PRG
- preparing workplans for each committee, and updating the workplans at regular intervals
- providing general support to both committees, including developing agendas for committee meetings, co-ordinating or drafting agenda papers and associated reports, distributing meeting agendas and papers to members
- preparing minutes, monitoring action items and progressing action items assigned to the secretariat
- keeping members informed of issues and information relevant to the work of the committee
- coordinating appropriate venues and catering for meetings
- records management within the Department

- arranging travel and accommodation and verifying reimbursement of eligible expenses, where applicable (PRG only).<sup>15</sup>

In line with Administrative Guidelines for both committees the secretariat is required to provide agendas and agenda papers direct to members by email and hardcopy no later than one week prior to ACC meetings and two weeks prior to PRG meetings. Late papers are provided separately as available with explanations as appropriate. Following meetings, minutes are cleared by the Chair and provided to ACC members within two weeks and PRG members within four weeks of the meeting (where possible) and are endorsed at the next meeting.

ACC and PRG members interviewed agreed that the secretariat is relatively efficient and effective in carrying out the majority of its functions with the exception of providing relevant information in a timely manner on some occasions. PRG members in particular noted that:

- agenda papers are sometimes provided late which does not enable careful consideration of information in advance of meetings (they did acknowledge however that recent information may need to be ‘hot off the press’)
- the volume of agenda papers varies considerably from meeting to meeting which has also been seen to impact on the productivity of the committee and ultimately the capacity to provide advice to the ACC.

Some PRG members think that:

- meeting records exchanged between the ACC and PRG (including whether PRG advice was taken up by the ACC) lack depth which makes members feel like they are censored
- they need access to more programme activity data and that updates on programme implementation including uptake should be documented in agenda papers rather than being provided verbally at meetings<sup>16</sup>
- they need access to outcome evaluation data/information at key review and reflection points in the budget and programme cycle to assist them to carry out their role.

Most PRG members did realise that that the reason some data wasn’t available at the various points in the agreement life cycle was because these reporting points were not built into the Evaluation Framework.

Members from both committees made note of the length of time it has taken on some occasions for the secretariat to finalise meeting minutes. A review of meeting minutes, however, indicates that this may be a result of the length of time between meetings and/or committee members’ failure to endorse meeting minutes rather than a failure of the secretariat to prepare the documentation.

Departmental officers’ interviewed report that from time to time resources can be stretched but generally routine secretariat support is well supplied to both the ACC and PRG. They noted that some information which is requested by PRG members cannot be provided due to the commercial in confidence provision of section 135A of the *National Health Act 1953*. The Department also noted that it is not within their terms of reference to respond to ad hoc requests for data which are not seen as pertinent to committee proceedings. It was also reported that delays in the provision of meeting papers can sometimes be a result of delays at the Guild’s end.

### Summary of findings

The secretariat is reported by ACC and PRG members to be relatively efficient and effective in carrying out the majority of its functions with the exception of providing relevant information in a timely manner on some occasions. PRG members in particular note that this impacts on their capacity to provide advice to the ACC when requested, as does the varying volume of agenda papers. PRG members also highlighted the need for:

- access to programme activity data and outcome evaluation data to support them fulfil their role

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<sup>15</sup> Fifth Agreement ACC and PRG Administrative Guidelines (Updated October 2013 and April 2014, respectively).

<sup>16</sup> We note that the ACC-PRG engagement strategy states that these updates will be provided verbally.

- more in-depth records of meeting minutes, particularly those relating to any communications exchanged between the ACC and PRG
- formally documented feedback about whether the ACC has taken up their advice.

While resources can sometimes be stretched the Department believes that the secretariat has met its responsibilities, which do not extend to ad hoc requests for data and other information which does not add value to committee proceedings.

### 3.1.4 Stakeholder engagement

As described previously, the PRG was established to ensure broader stakeholder engagement in the governance of the Fifth Agreement. Both Departmental officers and Guild representatives interviewed acknowledge that the PRG, however, is not necessarily their primary source of advice when it comes to obtaining broader stakeholder views on programme design or ongoing implementation. They note that broader stakeholder engagement has occurred on a regular basis prior to and during the Fifth Agreement through existing Departmental and Guild mechanisms/processes.

Further to this, the document review confirms the Department and the Guild's intent to receive input into the design, implementation and evaluation of the full range of programmes and services implemented under the Fifth Agreement. Documentation which provides an overview of consultation activities offers evidence that a broad range of stakeholders are engaged across the life of the agreement (e.g. December 2009 to December 2013) to provide advice on the agreement as a whole and specific components of the programmes. For example, in early 2010 the Department funded the Consumer Health Forum (CHF) to undertake a consultation project to inform the Government about consumer views on the content of the Fifth Agreement prior to its finalisation. This consultation process involved initial informal consultations, two focused teleconferences, a national consultative workshop and a discussion paper on the implementation of the Fifth Agreement. The document review confirms that CHF's feedback informed policy options and negotiations for the Fifth Agreement. Other stakeholder groups engaged to provide advice on specific elements of projects include (but are not limited to): the PSA; AACP; SHPA; Australian General Practice Network (AGPN); and State and Territory Health Departments.

A communication strategy was also developed early in the life of the agreement in order to promote and increase uptake and understanding of programmes and services funded under the Fifth Agreement. Specifically, the Fifth Agreement *Multi Schedule Funding Agreement* (schedules 20, 22 and 23) includes annual communication strategy projects which allocate funding to the Guild to plan, measure and report on their stakeholder engagement efforts. The communication strategy projects are annually funded by the Commonwealth under the Fifth Agreement to the order of approximately \$4.5 million over three years.

Despite this level of investment in a communication strategy and the fact that the document review indicates that a broad range of stakeholders have been involved in consultation activities across different programmes and throughout various stages of the current agreement, many stakeholders consulted as part of this review still feel that the level and nature of stakeholder engagement is inadequate.

*"The views of wider stakeholders have been repeatedly expressed over a long period of time however the vested interests of the Guild, and the Department make it difficult for wider stakeholder views to receive serious and sustained attention".*

- Survey respondent

*"It is necessary that the Department consults more widely to determine best practice and major policy directions of existing and future programs".*

- Survey respondent

### Stakeholder engagement during the negotiation phase

In line with the *National Health Act 1953*, negotiations around pharmacy remuneration (including dispensing fees, pharmacy and wholesale mark-up, extemporaneously prepared and dangerous drug fees, premium free dispensing incentive and electronic prescription fees) takes place between the Department and the Guild. As the agreements have progressed over the last 25 years the agreement has evolved to include negotiation about the high level design and allocation of funding to programmes and services. Stakeholders consulted including PRG members and State and Territory

representatives feel that there is little or no ability to provide input into the negotiated outcomes of the agreement. Also with no transparency about or insight into the negotiations which take place between the Department and the Guild, it is generally perceived that the Guild not only negotiate remuneration on behalf of community pharmacy owners, but also the programme and services to be funded.

*“The Fifth Agreement is all about funds for pharmacists. The programmes are designed by pharmacists for pharmacists”.*

- Survey respondent

*“The consultation/engagement process could be improved by ensuring all matters are considered by all key stakeholders, and the Department should not continue to exclusively consult with the Guild. The Guild does not represent the views of the entire profession, nor other stakeholders”.*

- Survey respondent

In contrast to these views, the Department reports that opportunities are available to all stakeholders to provide input across all stages of the agreement and that the extent to which stakeholders choose to exercise their right to provide input differs.

### **Stakeholder engagement during the design phase**

Most State and Territory representatives agreed that there is not an adequate opportunity for jurisdictions to be involved in the design of programmes and services under the Fifth Agreement. Many noted that this may have resulted in missed opportunities to align/streamline services under the Fifth Agreement with existing State and Territory programmes and services. They believe that this would ensure more sustainable programmes and reduce duplication at the state and territory level. State and Territory representatives highlighted that lack of consultation with jurisdictions during the design phase of the Fifth Agreement has resulted in several programmes which were negotiated between the Department and the Guild requiring legislative change at a state level.

### **Stakeholder engagement during the implementation phase**

The ongoing management and implementation of programmes and services under the Fifth Agreement is overseen by the Department and the Guild and extends to those subcontracted by the Guild. State and Territory representatives interviewed noted that there are opportunities to provide feedback during the implementation phase of programmes and services through ‘requests for comment’ which are actively sought by the Guild from State and Territory Departments. State and Territory representatives and Guild representatives interviewed indicated that there are also other formal and ad hoc opportunities to provide feedback throughout the implementation phase (e.g. such as forums) about the delivery of programmes and services on the ground. Guild representatives interviewed also highlighted that ongoing consultation with key groups such as the PSA takes place on a regular basis and with stakeholders who are assisting with programme delivery. Some stakeholders are happy with the extent and nature of stakeholder engagement facilitated by the Guild.

*“The Guild’s efforts at consultation have been broad and all-embracing for those that really want to contribute”*

- Survey respondents

Many stakeholders commented, however, that they feel opportunities for authentic engagement are few.

*“The Pharmacy Guild occasionally holds stakeholder meetings but these are usually fairly tokenistic”*

- Survey respondent

### **Stakeholder engagement during the evaluations**

The Fifth Agreement evaluation framework has been designed mindful of the need to consult with a broad range of stakeholders including (but not limited to) Departmental executive, consumers, industry representatives (e.g. PSA, SHPA etc), health professionals, health professional organisations, private sector and prescribers via a range of methods (e.g. surveys, interview, “public consultation processes”). A review of the methodologies from some of the evaluations commissioned under the Fifth Agreement confirm that broad consultation with stakeholders (e.g. consumers and providers) via a range of methods (e.g. focus groups, surveys, interviews) is taking place.

## **Suggested improvements to stakeholder engagement**

Stakeholders suggested the following ways to increase the engagement of the broadest possible set of appropriate stakeholders in the future:

- extend the ACC's or PRG's role to include formal liaison with other Commonwealth and state run programmes and services during the design and planning phase to ensure opportunities for links or cooperative approaches are explored
- develop a formal consultation process/official pathway so that States and Territories can provide input into the design and planning phases of initiatives
- consider the involvement of State and Territory representatives in the governance of what comes next
- consider the establishment of an interdepartmental group which allows the DHS and DVA to engage with the Department of Health in the pre-negotiation phase of future agreements and at key reflection points as agreements progress
- consider reversing the roles of the ACC and PRG, as the PRG is more representative of broader stakeholder views.

The Department reports that they understand both the desire for and the capacity of stakeholders to have useful input at the design phase of programmes and services. They note, however, that when deliberations are underway, these processes are "Budget-in-Confidence" and it is not possible for the Department to conduct extensive consultation. That is, the government sets the priorities for the budget and then the Department is tasked with further design and implementation work which includes stakeholder consultation.

### **Summary of findings**

The document review and consultations with the Department and the Guild confirm that extensive stakeholder consultation has taken place prior to and during the implementation of the Fifth Agreement. However, many stakeholders consulted still feel that the level and nature of stakeholder engagement is inadequate, particularly during the design phase of the agreement. The Department recognises the desire for and the capacity of stakeholders to have useful input at the design phase of programmes and services. They note, however, that when deliberations are underway, these processes are "Budget-in-Confidence" and it is not possible for the Department to conduct extensive consultation.

Stakeholders put forward some suggestions to ensure that the broadest possible set of stakeholders were engaged into the future. These include: extending the ACC's or PRG's role to include formal liaison with other Commonwealth and state run programmes and services during the design and planning phase; developing a formal consultation process so that States and Territories can provide input into the design and planning phases of initiatives; considering the involvement of State and Territory representatives in the governance of what comes next; considering the establishment of an interdepartmental group which would allow the DHS and DVA to engage with Health in the pre-negotiation phase of future agreements and at key reflection points as agreements progress; and reversing the roles of the ACC and the PRG, as the PRG is more representative of broader stakeholder views.

## **3.2 Transparency**

### **3.2.1 Transparency and conflict of interest**

The significant increase in scope of the Guild's role in pharmacy agreements over time to include decisions about programmes and services has led to concern amongst broader stakeholders of the agreement. In particular, but not only because, the Guild receives funding to implement, manage and deliver programs. With the exception of ACC members, most stakeholders interviewed reported that the decisions made during the negotiation and design phase of the programmes and services through to their commissioning is not transparent. Stakeholders that do not have direct line of sight of these processes, highlighted the need for more open and transparent processes for the allocation of funds.

Documents reviewed and stakeholders consulted suggest that despite efforts to streamline the design and implementation phases of the Fifth Agreement by giving the ACC roles that previously belonged to the PPSAC (and were seen to delay the design process), perceptions of direct conflicts of interest and threats to transparency and independence of the process still remain. The ACC now, given its



role in the design and management of programmes and services, is perceived by most stakeholders, with the exception of the Guild representatives interviewed, to have a commercial interest in the outcomes of their deliberations. There have also been instances cited by the Department where potential conflicts of interest had to be named by them, and in addition, where confidential information from the ACC which could have had an impact on businesses was disclosed. It would appear that these matters have been clarified by the Department and there have not been recurrences.

The document review supports the view that there are continuous and declared conflict of interests that need to be managed, with Guild members on the ACC and Guild observers signing deeds of confidentiality and conflicts of interests prior to the first ACC meeting in June 2010. Meeting minutes confirm that these remain standing declarations for community pharmacy owners and Guild office bearers throughout the life of the Fifth Agreement. Where other instances have been declared at meetings over the course of the Fifth Agreement, these have been duly noted and/or where none were in place, additional deeds of confidentiality and conflicts of interests were signed.

### **Stakeholder perceptions of undue influence**

When asked whether any stakeholders have undue influence on the governance of the Fifth Agreement, stakeholders highlighted the importance of broadening stakeholder engagement beyond the Guild who ultimately represent and therefore advocate for business owners of community pharmacies.

*“Only the Guild and the Department seem to have influence”.*

- Survey respondent

*“SHPA does not believe that the Guild should continue to have disproportionate influence compared to other stakeholders with respect to governance of the CPA”.*

- Survey respondent

### **Stakeholder confidence in the management of the Fifth Agreement**

Stakeholders were also asked to comment on the extent to which broader stakeholders of the agreement support and have confidence in the way the Guild and the Department have managed the Fifth Agreement. ACC members interviewed noted that the HMR overspend resulted in some tough decisions having to be made by the Department and the Guild which restricted pharmacists' access to programme funds (so the programme could continue for the duration of the agreement) which inevitably resulted in some people being put offside as this decision disrupted their business model. ACC members believe, however, that this did reinforce within the industry that programmes were being managed properly.

The extent to which stakeholders support and have confidence in the management of the Fifth Agreement was also seen to be influenced by the perceived lack of transparency during the negotiation and design phases. Many representatives perceive there to be an inherent conflict of interest for the Guild who has a significant say in how programme funding is allocated and who it is allocated to.

*“...it is difficult for wider stakeholders to have strong confidence in a process which concentrates the decision making power in the hands of the two primary stakeholders”*

- Survey respondent

### **The evidence base for professional pharmacy programmes and services**

Those stakeholders (e.g. the Guild) closest to the design and delivery of the programmes and services under the Fifth Agreement feel that the evidence base for programmes and services is strong, as they build on the findings and experience of programmes and services implemented through previous pharmacy agreements and/or are established based on an understanding of what has worked in other countries. Those stakeholders who are further removed from the design and delivery of programmes (e.g. PRG members) are more likely to question the evidence base for programmes and services and therefore are uncertain why decisions are made about funding allocation. Those stakeholders not involved in the governance of the Fifth Agreement are most likely to question the evidence base of programmes and services under the Fifth Agreement. Lack of access to formative evaluation data during the implementation of programmes and services is also likely to contribute to this view. Ultimately, lack of transparency around the allocation of programme

funding and lack of broader stakeholder engagement during early decision making processes appears to perpetuate these views.

### **The respective roles and responsibilities of the Department and the Guild**

Some stakeholders suggested the governance of agreements could be strengthened by having more explicit statements about the roles and responsibilities of:

- the Department,
- the Guild; and
- the working relationship between the Department and the Guild.

The move towards making the roles and nature of the relationship between the Department and the Guild more public is envisaged to improve transparency. Stakeholders acknowledged that these roles and responsibilities may change over the life of the agreement and therefore noted that it would be important for the reasons for change to be explicit and broadly disseminated. This way people would not be left wondering whether or not changes have to do with the Guild's influence, rather than a practical decision that has been taken.

### **3.2.2 Contestable, merit based allocation of funds**

There have been three contractual agreements between the Guild and the Department over the course of the Fifth Agreement. The Guild received substantial funding during the first year of the agreement to lead the design of programmes and services. The second funding agreement was signed in early 2011 with the Guild being awarded further funding to directly administer programmes and collaborate with other organisations through subcontracts. The final contract for services between the Department and the Guild resulted in the administration of seven programmes being transferred from DHS to the Guild in early 2014. These different arrangements are described in more detail below.

### **Design of programmes and services**

The Fifth Agreement *Multi Schedule Funding Agreement* between the Department and the Guild was executed in July 2010 for one year to cover the cost of programme design. This Agreement contained 12 schedules and allocated up to approximately \$3 million (GST inclusive)<sup>17</sup> funding to the Guild to develop strategic direction and planning for 12 programmes and services ready for presentation to the ACC and where required, the PRG. The programmes included:

1. Residential Medication Management Review (RMMR) Programme
2. Diabetes Medication Management Service Programme
3. Electronic Recording of Controlled Drugs (ERCD) Programme
4. Home Medicines Review (HMR) Programme
5. Medication Charts in Nursing Homes (MCNH) Programme
6. Medication Continuance (MU) Programme
7. Medicines Use Review (MUR) Programme
8. Research and Development (R&D) Programme
9. Clinical Interventions Practice Incentive Programme
10. Dose Administration Aids (DAA) Practice Incentive Programme
11. Staged Supply Practice Incentive Programme
12. Pharmacy Practice Incentive Programme.

Specifically, the funding was provided to:

- develop operational guidelines and communication strategies
- develop, produce and disseminate communication materials

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<sup>17</sup> Note this figure was obtained by adding the dollar amounts together in the 12 schedules.

- develop and implement systems and operational guidelines for programs
- develop papers and materials for stakeholder consultation
- develop and produce training materials for programs

manage and administer various programs including making program payments. The Guild noted that this funding was provided under a grant and funding could only be expended for the performance of a project.

### Implementation of programmes and services

The Fifth Agreement *Deed of Multi Schedule Funding* between the Department and the Guild was signed in January 2011. This document provides the overarching contractual obligations for 23 schedules and their variations. While the Guild is the primary participant in each of the schedules, there are clauses relating to subcontracting and specific collaboration requirements for some of the projects. The majority of the schedules are multi-year funding agreements committing funds over three financial years until the expiration of the Fifth Agreement in June 2015. The review of the deed suggests that a number of procurement and contracting processes were used (see Table 3).

**Table 3. Funding approaches for programmes under the Fifth Agreement<sup>18</sup>**

Schedule	Funding approach
1: Pharmacist Academics at University Department of Rural Health (PAUDRH)	"The Guild is <b>funded</b> to enter into a Service Agreement (sub-contract) with the eleven University Departments of Rural Health identified in the Schedule."
2. Pharmacy Practice Incentives Programme – Pharmacy Patient Charter	"The Guild is <b>funded directly</b> to conduct a primary stakeholder workshop (with a facilitator), develop a draft outcomes document for distribution to primary stakeholders and secondary stakeholders, develop a final report with a proposed implementation plan for the patient charter."
3. Development of software specifications for the recording of clinical interventions	" <b>The Guild intends to subcontract</b> Dialog Information Technology. Dialogue Information Technology which is currently participating in several service provider panels for Commonwealth agencies and the Participant has identified Dialogue Information Technology as the most appropriate organisation to undertake the Project given its specialist knowledge and experience in this type of work."
4. Development of an Online Registration System, Website and Telephone Enquiry	" <b>seeking quotes</b> from up to three organisations for services; or in the event where there are less than three organisations available to provide a quote for services, the Participant must provide the Commonwealth Liaison Officer with this advice in writing, and include justification as to why a particular organisation has been selected." "The Participant will <b>subcontract</b> Healthlinks."
5. Quality Use of Medicines (QUM) Framework to support rural and urban Aboriginal Health Services	"The Participant <b>must enter into a subcontract agreement with NACCHO</b> to assist with the development, implementation and management of the Quality Use of Medicines Maximised for Aboriginal and Torres Strait Islander Peoples (QUMAX) Programme.....In addition, the Participant will be required to enter into funding agreements with each participating ACCHS to formalise staged payment arrangements..."
6. Research and Development projects under the Fifth Agreement	"The Participant <b>must work with the Department, the ACC and where required the PRG</b> , to implement the R&D Programme under the 5CPA...in consultation with the Department ...the Participant must ...manage the R&D application process...this would include, but not be limited to: identifying research topics; developing and advertising <b>Request for Tender</b> documentation; <b>developing and administering the evaluation process for selecting successful applications</b> for R&D projects; reporting to the ACC and Department on progress and/or outcomes of selection processes for R&D projects."
7. Medicine Use Review and Diabetes Medication Management	"The Commonwealth requires, and the Participant has agreed, to <b>undertake the Project</b> .....including Managing registration of and

<sup>18</sup> The funding approach was identified by reviewing the individual schedules in the Deed of Multi Schedule Funding.



Service Programmes	payment to the participating Pharmacies during the Pilot period.”
8. Rural Pharmacy Workforce Programme (RPWP) – Rural Pharmacy Emergency Locum Service (ELS)	“The Participant will extend the engagement of the current ELS provider to the 30 <sup>th</sup> June 2012. During 2011 the participant will <b>complete a tender process</b> in accordance with Commonwealth Procurement Guidelines to select the ELS provider for the remainder of the Fifth Agreement from 1 July 2012. The Department must be a member of any panel established for the tender process and must approve the outcome of the tender process....the Participant will enter into a <b>sub-contract arrangement</b> with the selected ELS Provider.”
9. Rural Pharmacy Workforce Programme (RPWP) - Administration and Programme Support	“The Guild is <b>funded directly</b> to administer the elements of the Rural Pharmacy Workforce Programme (RPWP) as outlined in the Administrative and Programme Specific Guidelines of each of the ten elements of the RPWP as set out in the six schedules relating to and identified as part of the RPWP to the Deed of Multi Schedule Funding”
10. RPWP – Rural Pharmacy Intern Incentive Allowance and The Rural Pharmacy Post intern Incentive Allowance	“The Participant will develop, in consultation with the Department, Administrative Guidelines and/or Programme Specific Guidelines for <b>assessing applications</b> under this Project...The Participant will provide allowances to applicants in line with the eligibility criteria in the Administrative Guidelines and/or Programme Specific Guidelines.”
11. RPWP – Rural Pharmacy Continuing Professional Education Allowance and The Rural Pharmacy Intern Training Allowance	“The Participant will develop, in consultation with the Department, Administrative Guidelines and/or Programme Specific Guidelines for <b>assessing applications</b> under this Project...payment of the allowance to approved applicants.”
12. RPWP – Rural Pharmacy Scholarship Scheme and the Rural Pharmacy Scholarship Mentor Scheme	“The Participant will, in consultation with the Department, update the Administrative Guidelines and/or Programme Specific Guidelines for <b>assessing applications</b> . The Participant will select students for pharmacy scholarships having regard to the updated Administrative Guidelines... the Participant will provide funding for students from rural and remote areas who wish to study pharmacy.” “The Participant will, in consultation with the Department, develop Administrative Guidelines and/or Programme Specific Guidelines for participation in the Scholarship mentor scheme. The Participant will <b>determine eligibility for payment</b> to mentors having regard to the Administrative Guidelines and/or Programme specific guidelines the Participant will provide funding to mentors of students from rural and remote areas who wish to study pharmacy.
13. RPWP – Rural Pharmacy Student Placement Allowance and Administrative Support to Pharmacy Schools	“The Participant will manage the Rural Pharmacy Student Placement Allowance scheme as agreed by the Guild and the Department, as detailed in the Administrative Guidelines and/or Programme Specific Guidelines.....Rural scholarship holders (under the RPWP) and Aboriginal and Torres Strait Islander pharmacy scholarship holders (under ATSIPSS) will also be eligible for the placement allowances. <b>The Participant will enter into a formal agreement with each Australian university which elects to participate</b> and which provides pharmacy undergraduate and graduate entry course...” (16 universities were named in the schedule as a starting point)
14. Home Medicines Review and Residential Medication Management Review Programmes	“... The Participant to develop strategic direction, planning and advice for the HMR Programme ready for presentation to the Department, ACC and where required the PRG or for implementation, as appropriate.....For the HMR Rural Loading Payments, the Participant must make timely, accurate payments to eligible recipients.”
15. The Section 100 Pharmacy Support Allowance	“The participant must develop Programme Specific Guidelines for implementation of the Programme, raising awareness of the Programme <b>in consultation with the Commonwealth and the NACCHO</b> ... The Participant will provide support to the programme in accordance with the Latest Approved version of the Programme Specific Guidelines.”
16: Aboriginal and Torres Strait Islander Pharmacy Workforce	“The participant must develop Programme Specific Guidelines for implementation of the Programme, manage, administer and monitor Programme fund payments, raise awareness of the Programmes <b>in consultation with the Commonwealth and the NACCHO</b> .....In accordance with the Latest Approved Version of the Programme Specific Guidelines, the Participant will make payments: for Traineeships to

	eligible Section 90 pharmacies under the programme; and for Scholarships, to approved Aboriginal and Torres Strait Islander students under the programme.”
17. Administration and Support for the Pharmacy Practice Incentives Programme	“The aim of this project is for the Pharmacy Guild of Australia to provide administrative and Programme support to <b>assist the Department of Health</b> in the effective management of the Fifth Community Pharmacy Agreement Pharmacy Practice Incentives (PPI) Programme...project structured around seven key activities: 1.Communication; 2.Stakeholder Engagement; 3.Funding Model; 4. Evaluation; 5. Guidelines; 6. Strategic Development; 7. Administration.”
18. Support for the Implementation of the Supply and PBS Claiming from a Medication Chart in Residential Aged Care Facilities Initiative	The <b>Participant is being funded</b> by the Department to continue its role in supporting the development and implementation of the Medication Charts initiative in its next phase of development in the 2011-12 financial year.
19. Support for the Implementation of the Continued Dispensing of PBS Medicines in Defined Circumstances Initiative	The <b>Participant is being funded</b> by the Department to continue its role in supporting the development and implementation of the Continued Dispensing initiative in its next phase of development in the 2011-12 financial year.
20. Fifth Community Pharmacy Agreement Communication Strategy	“The aim of the project is for the Pharmacy Guild of Australia to <b>support the Department of Health</b> in the implementation of the communication strategy for the Fifth Community Pharmacy Agreement..”
21. Rural Pharmacy Liaison Officer (RPLO) Programme	“An <b>Invitation to Apply (ItA) for funding</b> under the Fifth Agreement’s RPLO Programme (during the second half of 2011) will identify which universities and which projects will be funded as part of the RPLO Programme. It is a <b>select competitive process</b> that is targeted at all universities currently with UDRHs. This means that funding will be based on the outcome of the RPLO ItA process.” “...The Participant must provide funding to the successful Applicant(s) from the ItA process.....The Participant must contract with each successful Applicant(s) through its primary university (as identified through the ItA).”
22. Fifth Community Pharmacy Agreement Communication Strategy	“The aim of the project is for the Pharmacy Guild of Australia to <b>support the Department of Health</b> in the implementation of the communication strategy for the Fifth Community Pharmacy Agreement.”
23. Fifth Community Pharmacy Agreement Communication Strategy	“The aim of the project is for the Pharmacy Guild of Australia to <b>support the Department of Health</b> in the implementation of the communication strategy for the Fifth Community Pharmacy Agreement.”

The document review suggests that the procurement and contracting that the Guild has undertaken on behalf of the Department appears to have been appropriate. It also highlights that the Guild is the sole administrator of a substantial number of programmes and services under the Fifth Agreement. Other arrangements do, however, exist. For example:

- A Multi-Schedule Funding deed was executed between the Department and the Pharmaceutical Society of Australia to undertake various projects such as the review and development of Professional Practice Standards and Guidelines
- The National Prescribing Service received funding to develop communication strategies for the Electronic Transfer of Prescriptions (ETP) project
- The Australian Commission on Safety and Quality in Health Care (ACSQHC) received funding from the Department for the development and trial of the National Residential Medication Chart
- A number of organisations received funding for the Electronic Recording and Reporting of Controlled Drugs project including the Medical Software Industry Association (MSIA), Tasmanian Department of Health and Human Services, XVT Solutions, DLA Piper and Cordelta
- A number of contracts have been executed between the Department and other organisations for evaluation/review services, e.g. Price Waterhouse Coopers, Deloitte Access Economics, Urbis.

## **Changes in the administration of programmes and services**

The Fifth Agreement *Contract for Services* between the Department and the Guild came into effect in February 2014 and enabled the transfer of the administration of seven programmes HMR; RMMR, QUM, MUR, Rural Pharmacy Maintenance Allowance [RPMA], Section 100 Pharmacy Support Allowance, and Pharmacy Practice Incentives [PPI]) from DHS to the Guild as of the 1st March 2014. This change ensured access to timely programme expenditure data.

## **Open and transparent reporting about the allocation of funds**

Most PRG members believe that there is lack of transparency about the allocation of funds under the Fifth Agreement. They suggest that only the Department and the Guild are privy to this information and/or detailed expenditure data. PRG members do, however, receive high level ball park figures for how various programmes are tracking.

The Department clearly understands its role and the requirements of it for the transparent and merit based allocation of funds. The Department has indicated that they are open to transparent reporting on the allocation of programme funds and decisions about who will administer programmes and services. The Department reports that efforts have been made and will continue to be made to publish up-to-date information on funds allocated as it becomes available on the Fifth Agreement website. It is unclear therefore why stakeholders involved in the governance structures are not aware of these transparency mechanisms and as noted in a number of matters throughout this report, the further away stakeholders are from the governance structure (or parts of it), the less transparent the allocation of funds appears. This may have implications for future communication strategies within whatever governance structures emerge from this review and between the governance structures and broader stakeholders of the agreement.

## **Summary of findings**

The significant increase in scope of the Guild's role in pharmacy agreements over time to include decisions about programmes and services has led to concern amongst broader stakeholders of the agreement. In particular, but not only, because the Guild receives funding to implement, manage and deliver programs. Despite efforts to streamline the design and implementation phases of the Fifth Agreement by giving the ACC roles that previously belonged to the PPSAC, perceptions of direct conflicts of interest still remain. The ACC now, given its role in the design and management of programmes and services, is perceived by most stakeholders, with the exception of the Guild representatives interviewed, to have a commercial interest in the outcomes of their deliberations, with 50 per cent of members coming from the Guild. Those stakeholders who do not have direct line of sight of the negotiation, design, procurement and contracting of programmes and services, highlight the need for a more open and transparent process for the allocation of funds. The Department has indicated that they are open to transparent reporting on the allocation of programme funds and decisions about who will administer programmes and services. The Department also reports that efforts have been made, and will continue to be made, to publish up-to-date information on funds allocated as it becomes available on the Fifth Agreement website.

## **3.3 Accountability**

### **3.3.1 Monitoring and evaluation**

The Fifth Agreement includes the requirement for the Department and the Guild to participate in a review of the Agreement prior to its expiry in June 2015 in order to inform negotiations for any subsequent agreement (clause 34.1).<sup>19</sup> Based on this requirement the Department, with assistance and advice from the Guild, the ACC and the PRG developed an Evaluation Framework for the Fifth Agreement. The Framework was finalised in December 2011 and provides guidance for all evaluations being conducted under the Fifth Agreement. The overall purpose of the Evaluation Framework is to articulate:

- appropriate timeframes for undertaking the overall review of the Fifth Agreement as required by Clause 34.1 of the Agreement
- a consistent mechanism for the evaluation of individual programmes across the Fifth Agreement

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<sup>19</sup> Fifth Agreement (July 2010 to June 2015)

- a strategy to bring evaluations of programmes together
- details of what to measure and performance indicators to use in the programme evaluations
- details of data to be gathered for programme evaluations and timeframes for doing so
- advice on ongoing monitoring and reporting mechanisms that should be adopted during the Fifth Agreement.<sup>20</sup>

It also sets out a series of reviews including: the Combined Review of Fifth Agreement Medication Management Programmes; the Combined Thematic Review of Access, Consumer Experience and Quality Use of Medicines; several implementation, progress and outcome reviews of programmes; and this Governance Review. A Fifth Agreement Evaluation Workplan also exists which describes all programmes undergoing review including key decisions made and timeframes. The overarching programme logic for the Fifth Agreement indicates that positive health outcomes for consumers and value for money are hoped for outcomes within the life of the Fifth Agreement.

One of the factors limiting the effectiveness of the PPSAC under the Fourth Agreement included *“limited access to timely, robust performance information available from programmes as a result of lack of impact and outcome measures and limited evaluation measures integrated in the programme design.”*<sup>21</sup>

Therefore, one of the strategies put forward in the review of the PPSAC (2010) was to improve performance management and accountability including the need to *“initiate an in depth analysis of problems experienced in establishing programme evaluations and develop interventions to enable integration of evaluation measures at the programme design phase”*.

Stakeholders interviewed agreed that there was an attempt to build evaluation into new and some existing programmes under the Fifth Agreement. This is confirmed in minutes from the first ACC meeting (June, 2010) which demonstrates that the ACC was considering evaluation arrangements very early in the life of the Fifth Agreement including the need to engage evaluators during the programme planning phase.<sup>22</sup> Furthermore, all stakeholders interviewed recognised that monitoring and evaluation of programmes and services under pharmacy agreements is critical to ensure accountability for the allocation of programme funding (i.e. to demonstrate that taxpayers’ funds are being properly expended in an efficient, effective and ethical manner).

Despite this effort, very few stakeholders appeared to be satisfied with the current arrangements for the design, commissioning and conduct of process and outcome evaluation. For example:

- Many PRG members noted that there is a lack of programme level data which provides a sense of what is happening at an individual programme level. Some members also commented that outcome data isn’t being collected (e.g. health outcomes for consumers), but rather there is a focus on indicators of processes such as service uptake. The PSA also expressed concern about the success measures being used in a discussion paper (released in October 2014 page 14), which relate to uptake and total volume of services delivered. They said that *“Clinical outcomes and cost effectiveness do not seem to be part of the evaluation parameters”*.<sup>23</sup>
- Many stakeholders commented that evaluations commissioned under the Fifth Agreement were designed to be ‘point in time’ (summative) and therefore will only deliver findings toward the end of the Agreement which is too late to inform timely improvements as programmes are rolled out. Access to monitoring data (formative) throughout the life of an agreement was considered very important for ongoing assessment of programme effectiveness and accountability. Documents reviewed, in particular the PPSAC Governance Review (KPMG, 2010), highlight that a focus on point in time (summative) outcome evaluation was also an issue under the Fourth Agreement: *“Delays in establishing the programme evaluations meant that for many of the programmes these*

<sup>20</sup> Fifth Agreement Evaluation Framework (December 2011)

<sup>21</sup> KPMG Review of the PPSAC: Final Report (June, 2010)

<sup>22</sup> The Department noted that despite attempts to engage independent evaluators to develop an evaluation framework with assistance from the PRG through a well-publicised request for quote process, no responses lead to the requirement for this to be developed in house.

<sup>23</sup> Better health outcomes through improved primary care: Optimising pharmacy’s contribution. PSA. (October, 2014)

were not formative and so were not able to deliver ideas for iterative improvements of the programmes”.

- An analysis of the Fifth Agreement conducted by the CHF in May 2010 notes a marked improvement in accountability in their view (since the Fourth Agreement) for the delivery of funded services, especially the Pharmacy Practice Incentives (PPI) Programme. The CHF consultation project anticipated a significant improvement in Governance by replacing the PPSAC with the PRG through a “*substantial change in membership and including a consumer representative*”.<sup>24</sup> Later correspondence from the CHF to the Minister (July, 2013) expressed less confidence and some concerns about “*the governance of the agreement, the absence of a robust evaluation framework, and the lack of consumer and broader stakeholder involvement in the negotiation and allocation of these funds*”.

In contrast to these findings which suggest that the evaluation of the Fifth Agreement is inadequate, there are other examples of where evaluation has been built into programmes at the design phase and therefore have provided timely access to data that allows for the monitoring of the effectiveness of programme implementation. For example, significant funding for a formative independent evaluation was allocated to QUMAX to ensure the longevity of the programme and facilitate improvements into the future.

### **Assessing value for money and health benefits for consumers**

A key term of reference for the ACC is to: “*monitor outcomes and expenditure of programmes under the Fifth Agreement*”. This could be seen to relate to assessing value for money and health benefits for consumers.

A range of views existed on the ACC’s ability to assess whether programmes are value for money and/or result in health benefits for consumers. Some ACC member comments included:

- that it is not the role of the ACC to assess whether programmes were value for money or result in health benefits for consumers, but the role of an evaluation
- that programmes wouldn’t be implemented if they weren’t proven (through overseas or Australian based trials and/or programmes) to be value for money or result in consumer benefits in the first place
- that the improvement in real time access to expenditure data (since the recent transfer of responsibilities from DHS to the Guild) would now make it easier to undertake these assessments using this data
- that current attempts to assess whether programmes under the agreement result in health benefits for consumers are flawed by focusing on ‘point in time’ evaluations (after the programmes have been implemented) rather than having ongoing monitoring mechanisms in place which can provide real time data about how programmes are contributing to health benefits for consumers.

PRG members indicated that they were not aware of any attempts to assess whether programmes are ‘value for money’ or cost effective and they believe little has been done to comprehensively evaluate outcomes for consumers. Furthermore they highlighted that assessing value for money and health benefits for consumers would be difficult given the lack of programme level data that allows for cost effectiveness and consumer outcome studies to be undertaken (e.g. data is collected on uptake such as number of services offered rather than data which allows you to assess the impact of programmes at the patient level).

As described above, a number of evaluations have been commissioned to evaluate the Fifth Agreement. At the time of reporting for this review, a progress report documenting emerging themes for the *Combined Review of Fifth Agreement Medication Management Programmes* was available (due for completion in late 2014/early 2015), as were the findings of the evaluation of the *MedsCheck and Diabetes MedsCheck Pilot Programme* (July 2012). The methodologies for both evaluations appear to include broad consultation with stakeholders (e.g. consumers and providers) via a range of methods (e.g. focus groups, surveys, interviews) and the analysis of programme data to answer evaluation questions. Further to this both evaluations appear to be designed to report on how the

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<sup>24</sup> Analysis of the Fifth Community Pharmacy Agreement: CHF. (May 2010)



programmes are contributing to health outcomes for consumers and on the 'cost effectiveness' or 'investment value' of the programmes. The final report for the *MedsCheck and Diabetes MedsCheck Pilot Programme* notes that it was beyond the scope of the pilot evaluation to assess some objectives and they suggest that:

*"To assess whether the MedsCheck programme is generating the desired outcomes for patients, and doing so cost effectively, we suggest it will be important to monitor and investigate: the characteristics of patients who receive services (e.g. age, gender, medicine regimen); the number of services delivered (including state/territory, number of pharmacies providing services); whether patient adherence with medicine pre and post check has changed; and conduct a study of cost effectiveness (i.e. assess the benefits to patient health and use of medicines and the cost of achieving these benefits)".*

The overall aim of the *Combined Review of Fifth Agreement Medication Management Programmes* is to: "understand how the Medication Management Programmes and services contribute to improving consumer health outcomes" and a more specific objective is to: "examine the investment value of each specific programme". The progress report for the review (March 2014) does however state that:

*"...at the consumer level, whilst the [programme] data being analysed will detail number of services provided and trends for uptake for consumers, it will provide little impact and outcomes information for consumers."*

These two reviews highlight the there is definitely the intent to assess whether programmes contribute to positive health outcomes for consumers and whether they are cost effective, however, they also suggest that data may not currently be available to do so.

It may be possible, once all evaluations commissioned under the Fifth Agreement are completed, to obtain a more accurate picture of whether data collected across all programmes allows for value for money and health benefits for consumers to be assessed.

### **Summary of findings**

The importance of monitoring and evaluation of programmes and services for ongoing improvement and accountability purposes was recognised by all stakeholders. Findings from stakeholder consultations and the document review confirm that there was an attempt to build evaluation into new and some existing programmes during the early stages of the Fifth Agreement. It is also apparent that there was an attempt to assess whether programmes contribute to positive 'health outcomes for consumers' and whether they are 'cost effective' – both key objectives of Part 4 of the Fifth Agreement. Despite this effort and investment in the evaluation design, very few stakeholders appear to be satisfied with the current arrangements for the design, commissioning and conduct of process and outcome evaluation. In particular, it appears that some of the factors limiting the effectiveness of the PPSAC under the Fourth Agreement still remain. These include:

- a focus on service uptake rather than clinical outcomes
- a focus on summative evaluation rather than formative evaluation.

Once all evaluations commissioned under the Fifth Agreement are completed, it may be possible to obtain a more accurate picture of whether data collected across all programmes allows for value for money and health benefits for consumers to be assessed.

## **Section 4: Key findings as they relate to review questions**

This section of the report draws together all the data analyses to present the key findings, as they relate to review questions. Potential options for changes to the governance structure that would improve outcomes and efficiencies for future community pharmacy agreements are also presented here.

### ***4.1 What is the value and utility of the current governance structures?***

There are mixed views about both the value and utility of the current governance arrangements. Views vary depending on how close stakeholders are to the actual operations of the governance structures. For example, those stakeholders with direct line of sight to the operations of the ACC (i.e. ACC members) feel that the committee is efficient and effective in carrying out its terms of reference. In contrast, stakeholders that do not have direct line of sight of these processes highlight the need for more open and transparent processes for:

- ACC operations including decision making
- the relationship between the Department and the Guild
- the negotiation (including allocation of funds), design, procurement and contracting of programmes and services
- internal and external stakeholder engagement and consultation processes.

Further to this, stakeholder consultations and the document review highlight that some operational aspects of the governance arrangements are perceived to add value and are seen as useful, rather than the overarching structures themselves. For example, at key points in the Fifth Agreement life cycle the ACC provided a useful vehicle to address implementation difficulties in the HMR programme roll out and in the consideration of programmes and services under the Fifth Agreement; and the PRG provided useful support to the Department in the consideration of evaluation matters.

In cost constrained times the value of allocating scarce resources to the support and operation of even the most effective of standing committees over and above what might be achieved by more time limited and targeted stakeholder engagement and expert input processes needs careful consideration. The options for potential future governance arrangements presented in Section 4.8 of this report allows for the consideration of relative value for money.

### ***4.2 What governance arrangements worked well and what arrangements did not?***

After some early and useful learning experiences about issues such as conflict of interest and confidentiality, the ACC appears to have worked well and within its terms of reference. The PRG made some useful contributions such as the development of an Evaluation Framework but generally members felt constrained by their terms of reference and were unsatisfied with the working relationship between the ACC and the PRG.

### ***4.3 What administrative arrangements were in place to support the development, management and monitoring of the Fifth Community Pharmacy Agreement?***

Secretariat support was provided by the Department to the ACC and PRG throughout the life of the agreement. There have also been a number of contractual agreements between the Department and the Guild to support the development, management and monitoring of the Fifth Agreement. The design of programmes and services was led by the Guild who received funding from the Department in the first year of the agreement. The Guild was then awarded further funding to directly administer some programmes and collaborate with other organisations through subcontracts. The final contract for services resulted in the administration of seven programmes being transferred from DHS to the Guild in early 2014. More detail on the negotiation process through to monitoring and evaluation is described below.

#### ***4.3.1 Negotiation and high level design of programmes and services***

As described above, the negotiation phase for the Fifth Agreement (similar to previous agreements) took place between the Department and the Guild. The key purpose of the negotiation process is to determine: a) the Commonwealth price that pharmacists receive for dispensing PBS medicines and the regulations regarding the location of pharmacies; and b) programmes to be funded. Those programmes to be funded include a combination of existing programmes and services designed and delivered under the previous agreement and new programmes. With the exception of Departmental

officers and Guild staff who are involved in the negotiation process, the majority of stakeholders who were interviewed as part of this review do not consider this process to be transparent.

#### *4.3.2 Procurement and contracting*

Once the agreement is signed, the responsibility for procurement and contracting is undertaken by the Department and the Guild. For the Fifth Agreement a combination of methods were used to bring organisations on board to assist implement programmes including direct, select and open tender processes. Guild members on the ACC who were interviewed indicate that there is rigor around this selection process in terms of bidding for available funds and that these are keenly contested. PRG members and broader stakeholders of the agreement were unable to comment on procurement and contracting processes as they are not aware of them.

#### *4.3.3 Design and detailed project planning*

The detailed design and project planning of programmes and services is undertaken by the Guild and/or subcontracted (by the Guild) to other organisations. During this process programme specific guidelines are developed by the Guild in collaboration with subcontracted agencies. For example, the Department, Guild and NACCHO worked together from the beginning of the Fifth Agreement to design and plan QUMAX including building evaluation into the programme from the beginning. They then continued to manage the programme and monitor its performance over the life of the Fifth Agreement. The ACC was involved in the design and planning process to approve programme specific guidelines. The PRG had little involvement in the design and planning of programmes and services under the Fifth Agreement.

#### *4.3.4 Implementation and management*

The implementation of programmes and services is undertaken by the Department, the Guild and organisations subcontracted to assist with this process. The ACC oversee the management of the programmes and services which takes up a significant part of their time during meetings. Once programme specific guidelines are developed and programmes are rolled out, the ACC's role shifts to maintenance during which time they deal with issues as they arise. PRG members report that they have little involvement in, and communication about this process over and above responding to ACC requests for advice.

#### *4.3.5 Monitoring and evaluation*

For the first time since community pharmacy agreements began, the Department with assistance from the ACC and PRG, developed an Evaluation Framework. While significant effort was involved in the development of the Framework, this process took place independent of the design of programmes and services and therefore was seen to only partially work. Furthermore, the Framework was designed with a 'point in time' focus which was seen by some stakeholders to not allow for the ongoing assessment of programme effectiveness and accountability.

### **4.4 What administrative arrangements worked well and what arrangements did not?**

The secretariat support provided by the Department was seen by stakeholders as efficient and effective with the exception of some perceptions that the data necessary for the PRG to provide advice or to inform ACC decisions was not available in a timely manner. Stakeholder consultations and the document review suggest that some data referred to would only be available after the various evaluations commissioned had reported towards the end of the Fifth Agreement.

The design and detailed planning of programmes and services under the Fifth Agreement was undertaken by the Guild and/or subcontracted (by the Guild) to other organisations with input from the ACC at relevant points. This process was seen to be much more efficient than the arrangements which took place under the Fourth Agreement by the PPSAC which was reported to result in significant delays to the design and establishment of programmes and services. Further to this, the management of programmes and services was seen to improve further when the administration of seven programmes was transferred from the DHS to the Guild in early 2014. While there are still some issues with the timeliness and accuracy of data now provided by the Guild to the ACC, both the Guild representatives and Departmental officers interviewed report that improvements are in hand.



#### 4.5 What governance and other consultative mechanisms were effective and ineffective in the development and operation of Fifth Agreement Programmes and services?

For both governance and consultative mechanisms, the answer to this question varies relative to where stakeholders sit and how much of a direct line of sight they have to governance operations and consultative mechanisms at the different points of the Agreement lifecycle. Those stakeholders furthest from governance arrangements believe that there is a need for more transparency about: decision making around the allocation of programme funding; more and broader stakeholder engagement efforts; and less power in the hands of the Guild.

Similarly for those close to the governance committees, in particular, those who actively participate in them, their experience varies considerably. PRG members are the most dissatisfied with their perceived capacity to influence the ACC and therefore the design, implementation and evaluation of the programmes and services even though an analysis of key documents suggests that their input is considered and is often influential.

The ACC does appear to have effectively met its terms of reference, however, the lack of support for the extent and nature of its roles and responsibilities and the potential for improvements in stakeholder confidence and buy-in to future agreements, suggests a need to consider a range of other options. These are presented below.

#### 4.6 What planning and monitoring arrangements were in place for the Fifth Agreement, and were they effective?

The Fifth Agreement was the first agreement with an Evaluation Framework in place. The Framework was developed by the Department with assistance from the ACC and the PRG who had a number of members with health services research experience. A review of the Framework and stakeholder consultations suggest that the framework was designed and heavily weighted towards summative (point in time), outcome based evaluations. While summative evaluations are useful at the end of a programme or initiative when key decisions have to be made about the programme's worth and/or ongoing funding, formative and developmental evaluation are just as important for ensuring ongoing improvements to programmes and services as they are rolled out. The different approaches to evaluation are presented in Table 4.

**Table 4. Different evaluation approaches<sup>25</sup>**

Type of evaluation	Situation
<b>Summative</b>	At the end of a program or initiative when key decisions about its future are going to be made. When judging the model's merit or worth for continuation, expansion, going to scale, or other major decisions.
<b>Formative</b>	When fine-tuning a model. When a future summative evaluation is expected and baseline data will likely be needed.
<b>Developmental</b>	When working in situations of high complexity. When working on early stage social innovations.

An opportunity exists that when the evaluation of future community pharmacy agreements (or whatever alternative arrangements are implemented) is undertaken, it could be developed in line with the following principles:

- *Developmental evaluation*: that evaluators' work collaboratively with programme planners and implementers, and service participants (e.g. consumers) to improve the programme and its evaluation in an incremental manner.

<sup>25</sup> Gamble, J. A. A. (2008). A developmental evaluation primer. Montreal: J.W. McConnell Family Foundation.

- *Cost effectiveness*: that the evaluation uses the most cost effective methods possible in the collection and analysis of data. This can include, for example, the use of existing data sources.
- *Rigour*: that the methods suggested provide data that is reliable and valid. For example, triangulation of data sources (and inter-rater reliability) and analysis of non-programme factors can assist confidence in attributing causal links.

Developmental evaluation allows for regular reflection on programme and service implementation and therefore provides an opportunity to fine tune/make adjustments as necessary instead of waiting to the end of a programme lifecycle. For example, in line with the developmental approach to evaluation, regular reflection points between relevant stakeholders of the agreement should be convened and the evaluation implementation plan refined as the agreement progresses.

In addition to adopting a developmental approach to evaluation there is a need to consider cost effective methods to collect data on an ongoing basis for monitoring purposes (i.e. formative) and towards the end of the agreement for assessing overall impact (i.e. summative). The differences between formative and summative evaluation are presented in Table 5.

**Table 5. The difference between monitoring and evaluation**

Monitoring/formative evaluation	Summative evaluation
Measurement is through time (continuous monitoring).	Summative evaluation is a point in time.
Is a continual monitoring of a result through time, often for many years, to look for different signals of change that might be due to a range of different programmes or campaigns or initiatives.	Is usually about a before and after comparison. You want to set a baseline with certain indicators before an intervention takes place, and then compare those same indicators after the intervention is done. This however is often not practical or feasible as it is not possible to stall programmes and services from commencing. Instead questions can be asked retrospectively to gain an understanding of what things were like before the programme began.
Focuses on implementation stage of programmes.	Focuses on outcomes of programmes.
Its purpose is to provide stakeholders with early detailed information on the progress or delay of a programme or service so that action can be taken to correct the deficiencies as quickly as possible.	Its purpose is to collate a range of data/evidence about whether programmes have achieved their outcomes (often relating to effectiveness, efficiency) and to provide recommendations and lessons learned to stakeholders (about aspects of programmes/services which worked and didn't work) to ensure successful mechanisms for future projects.  Evaluation also contributes to building an evidence base for programs.

There are two ways to reduce the cost of evaluation, ensure the availability of timely information and reduce the process burden of data collection on programme managers. These include:

- making maximum use of existing data
- building the collection of data (not already existing) into the day to day operations of programmes.

One way to build data collection into the routine operations of programmes as they are implemented is for funding bodies to design progress report templates (which are required for accountability purposes) so they include (where possible) data (often collected through online databases) that is indicative of programme inputs, activities and outputs. In some cases, government funded programmes and services have been able to agree on standardised measures to be collected at regular points with the consumers of services and these too can be regularly entered as their collected at the point of service delivery.

While existing data sources/routine data should be used to inform evaluation questions it is likely that some questions will have to be answered by stakeholder consultations and/or the commissioning of special research studies (e.g. case studies). These studies may need to be

undertaken to evaluate innovative programmes that don't have a precedent and therefore don't allow for the generalisability of findings from similar programs in other countries or in one setting in Australia.

The first steps however in any evaluation would be to:

- Identify and agree on the key overarching questions the evaluation will need to answer and specific questions for any sub programmes of effort within the scope of the agreement
- develop a data strategy to answer those questions (see Table 6).

**Table 6. Example Data strategy**

Outcome to be evaluated	Evaluation question	Data sources				
		Non-routine data			Routine data	
		Consultations	Survey	Case studies	Progress reports	Service uptake
Reduction in service gaps	Has the intervention led to a reduction in service gaps?	✓	X	X	✓	✓

At the end of the evaluation cycle data from all sources across the life of the agreement would be drawn together and analysed in line with outcomes and evaluation questions.

It is also important to consider issues of attribution and contribution early in the life of the agreement. A contribution analysis can be conducted to identify programme and non-programme factors that might impact on the success of the various programmes and services. This information provides advice to evaluators about the factors that could plausibly contribute to, or impede, the timely production of outputs and subsequent achievement of short-term and long-term outcomes of the programmes being implemented under the agreement. Best practice processes for contribution analysis as outlined by the Former Auditor General of Canada, John Mayne.<sup>26</sup> Further to this, during the development of the evaluation framework including the programme logic there will also need to be clarity about the kinds of consumer and or sub/population health status outcomes which are realistic to measure within the timeframes of one agreement and the evidence base for believing that the intervention implemented will have the hoped for outcomes at the consumer or community level.

#### **4.7 What mechanisms exist to encourage competition and ensure contestable, transparent funding of Programmes?**

With the exception of ACC members and some Departmental and Guild officers interviewed, very few people were able to comment on the mechanisms which exist to encourage competition and ensure contestable, transparent funding of programmes. The document review suggests that a number of procurement and contracting processes were used during the Fifth Agreement. These include a combination of direct, select and open tender processes.

The perceived lack of transparency in these processes, in addition to the significant increase in the scope of the Guild's role in pharmacy agreements over time (to include decisions about programmes and services) has led to concern amongst broader stakeholders of the agreement. The Department understands the need for, and the importance of, transparency in this area and continues to work to improve this where possible and appropriate.

<sup>26</sup> [http://www.cgjar-ilac.org/files/publications/briefs/ILAC\\_Brief16\\_Contribution\\_Analysis.pdf](http://www.cgjar-ilac.org/files/publications/briefs/ILAC_Brief16_Contribution_Analysis.pdf)

## **4.8 What changes would improve outcomes and efficiencies for future Community Pharmacy Agreements?**

### **4.8.1 Views about changes to the governance structure**

With the exception of the Guild, there are very few stakeholders who believe that the ACC with its current broad responsibilities is as representative as required. Many stakeholders indicate that if the design and implementation of programmes and services remain within the ACC's remit, the committee's membership must be broadened to include State and Territory representatives, the PSA and consumer representatives (at a minimum). There is strong support across most stakeholder groups about the need for some mechanism/s that allows both pharmacists and consumers (those impacted by the Fifth Agreement) to be involved in the design phase, implementation, monitoring and evaluation of programmes and services.

Many stakeholders consulted consider that an effective governance structure going forward could include time-limited expert working groups with policy and content experts, representatives of the profession and consumers tailored to each programme's focus. This process is seen to more closely align with normal Departmental processes and is more fit for purpose/targeted than the current PRG standing committee arrangement. Most Departmental officers' note that they would prefer the programmes and services component of the agreement to be designed, commissioned, monitored and evaluated using the normal administrative mechanisms of the Department.

There is a less common (and more novel) idea that there may be no need for either the ACC or PRG as expensive standing committees in resource constrained times. In line with the *National Health Act 1953*, under this model the Guild would be consulted about pharmacy remuneration, CSO funding pool and location rules in the design of the agreement about these matters, and then become one of a number of stakeholders for the design of programmes and services and their monitoring and evaluation. As part of normal Departmental processes, expertise would be drawn on at relevant points in time across the agreement lifecycle.

It was also suggested that a totally independent governance structure (such as a Board) could be established to oversee the agreement in its next iteration. It was proposed that this structure could be made up of a number of experts in various fields, to oversee the decision making process. This arrangement would be similar to the Pharmaceutical Benefits Advisory Committee (PBAC) which is an independent expert body appointed by the Australian Government and includes doctors, health professionals, health economists and consumer representatives. The Department, while indicating that this may be a useful arrangement during the negotiation phase of the agreement when decisions are made about new programs, suggested that there would not be an ongoing necessity for this type of arrangement throughout the life of the agreement which focuses on the ongoing management, monitoring and evaluation of programmes and services.

Based on:

- a) stakeholder advice about the benefits and limitations of the existing governance structures (and alternate governance structures) discussed in the earlier sections of this report; and
- b) the review of Fifth Agreement documentation relating to existing governance arrangements, a number of potential options have been put forward for governance structures which could be established under any future agreements. These options have been developed mindful of the *National Health Act 1953*. The options considered are:

*Option 1: Retain the ACC and PRG and address process-related issues*

*Option 2: Retain the ACC and replace the PRG with time-limited expert working groups*

*Option 3: Retain the ACC (but with broadened membership) and replace the PRG with time-limited expert working groups*

*Option 4: Uncouple the processes for the management, monitoring and evaluation of the remuneration component of the pharmacy agreement (currently Part 2, 3 and 5) from the design, delivery, monitoring and evaluation of programmes and services (currently Part 4)*

*Option 5: Abolish the ACC and PRG and the Department oversees the remuneration and programme components*

*Option 6: Establish an interdepartmental group (e.g. Department of Health, DHS and DVA) to develop a negotiation stance to inform negotiations between Health and the Guild under the National Health Act 1953 relating to remuneration.*

It is important to note that the bringing together of expert working groups for specific purposes (as suggested by some of the options below) can be more resource intensive over short periods of time and may not produce specific cost savings. They may, however ensure better value for money and improve the quality of working relationships between stakeholders involved. It is also important to acknowledge that the practicalities of some of the options presented may be more feasible than others.

#### 4.8.2 Broader stakeholders of the agreement

Broader stakeholders of the agreement referred to in subsequent sections of this report may include:

- State and territory government representatives
- Consumers
- Society of Hospital Pharmacists of Australia (SHPA)
- Pharmaceutical Society of Australia (PSA)
- Pharmacy Guild of Australia (Guild)
- Australian Association of Consultant Pharmacy (AACP)
- Professional Pharmacists Australia (PPA) (Formerly APESMA)
- National Australian Pharmacy Students' Association (NAPSA)
- Australian Community Pharmacy Authority (ACPA)
- Pharmacy Board of Australia (PBA)
- National Pharmaceutical Services Association (NPSA)
- Medicines Australia
- Generic Medicines Industry Association (GMiA)
- Australian Rural Health Education Network (ARHEN)
- National Aboriginal Community Controlled Health Organisation (NACCHO)
- Australian Medical Association (AMA)
- Royal Australian College of General Practitioners (RACGP)
- Australian General Practice Network (AGPN)
- Australian Private Hospitals Association (APHA)
- National Rural Health Alliance (NRHA)



### 4.8.3 Potential options for governance arrangements

#### Option 1: Retain the ACC and PRG and address process-related issues

Option 1 is to retain the ACC and PRG and address process issues. Processes would need to be put in place to address:

- access to timely and relevant information/data
- the engagement of the PRG at key points in the design and implementation of the agreement - therefore improving their influence over the advice that goes forward from the ACC to the Department and the Minister (i.e. engaging the PRG at the right time about the right things)
- monitoring and evaluation of the agreement overall
- engagement with broader stakeholders of the agreement.

Under this option:

- The Department and the Guild would continue as signatories to the agreement and oversee both Pharmacy remuneration and professional pharmacy programmes and services as part of the ACC
- The Department would continue to provide the Secretariat support to the ACC and the PRG
- An evaluation framework would be developed for both components of the agreement and designed based on input from relevant representatives (e.g. Department, State and Territories, Guild, PSA etc)
- The PRG would be invited to provide advice on the design, implementation (including ongoing monitoring) and evaluation of programme and services over the life of the agreement
- There would be joint meetings between the ACC and PRG at key design and review points
- Formal mechanisms would be put in place to ensure stakeholder input is captured and informs the design, ongoing implementation and evaluation of the overall agreement.

The relationships of this governance arrangement are illustrated in Figure 1.

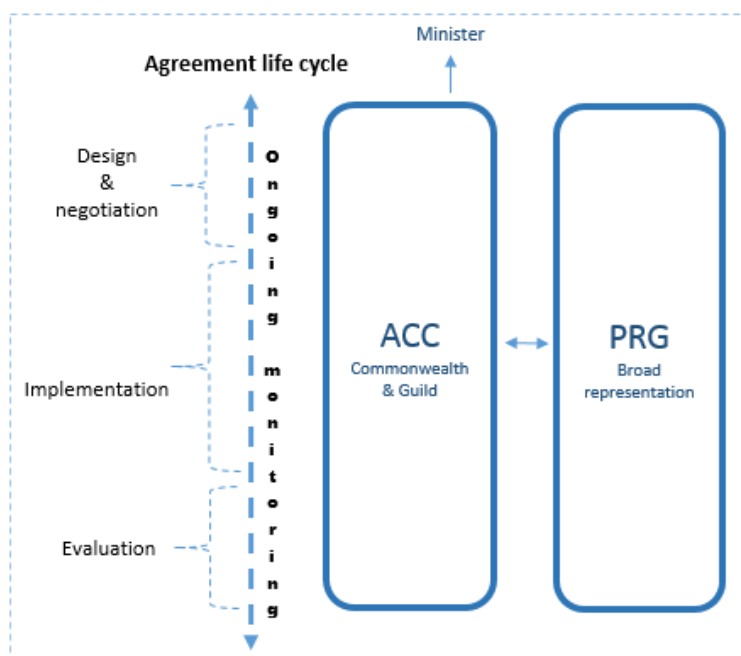


Figure 1. Retain the ACC and PRG and address process-related issues (Option 1)

## Option 2: Retain the ACC and replace the PRG with time-limited expert working groups

Option 2 is to retain the ACC and replace the PRG with time-limited working groups with the expertise and skills relevant to the programme focus and phase (negotiations, design, implementation and monitoring and evaluation). These time-limited expert working groups would draw from the broadest range of the relevant stakeholder groups and expertise as outlined in Section 4.8.2 of this report. Processes would need to be put in place to address:

- access to timely and relevant information/data
- the engagement of the working groups at key points in the design and implementation of the agreement - therefore ensuring their influence over the advice that goes forward from the ACC to the Department and the Minister (i.e. engaging working groups at the right time about the right things)
- monitoring and evaluation of the agreement overall.

Under this option:

- The Department and the Guild would continue as signatories to the agreement and oversee both Pharmacy remuneration and professional pharmacy programmes and services as part of the ACC
- The Department would continue to provide the Secretariat support to the ACC and working groups
- An evaluation framework would be developed for both components of the agreement and designed based on input from relevant representatives (e.g. Department, State and Territories, Guild, PSA etc)
- Time-limited working groups would be established based on the phase of the agreement (design, implementation and/or evaluation) and the expertise necessary to inform programme focus
- There would be joint meetings between the ACC and the expert working parties at key design and review points.

The relationships of this governance arrangement are illustrated in Figure 2.

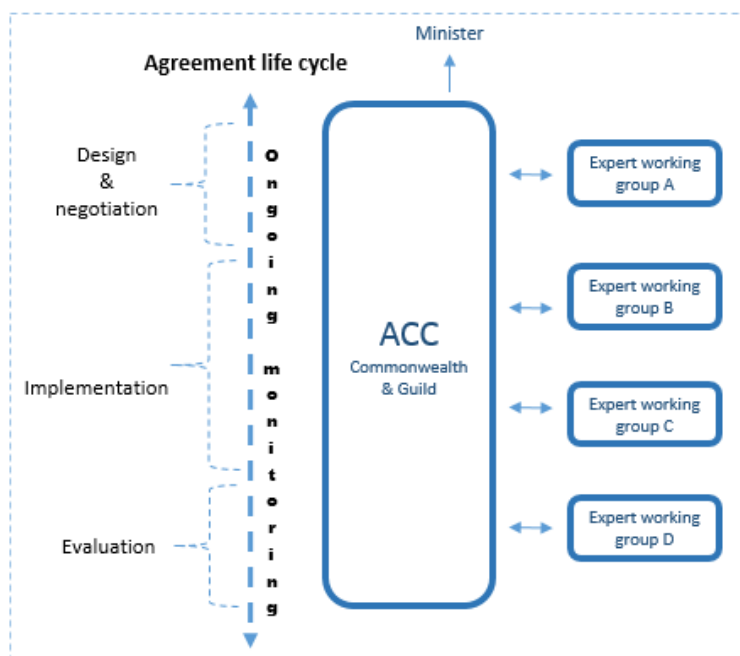


Figure 2. Retain the ACC and establish time-limited expert working groups (Option 2)

### Option 3: Retain the ACC (but with broadened membership) and replace the PRG with time-limited expert working groups

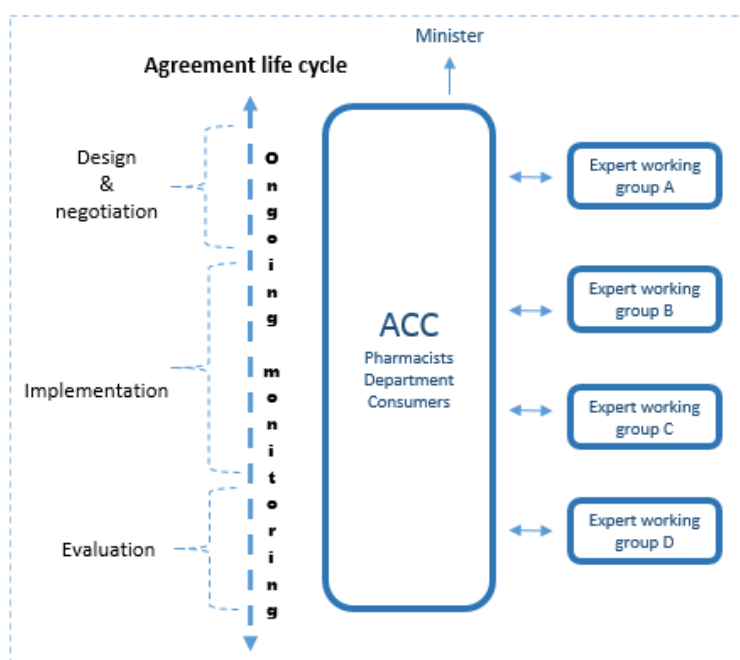
Another option for the governance of the agreement is to retain the ACC but with broadened membership; and replace the PRG with time-limited working groups with the expertise and skills relevant to the programme focus and phase (negotiations, design, implementation and monitoring and evaluation). Processes would need to be put in place to address:

- access to timely and relevant information/data
- the engagement of the working groups at key points in the design and implementation of the agreement - therefore ensuring their influence over the advice that goes forward from the ACC to the Department and the Minister (i.e. engaging working groups at the right time about the right things)
- monitoring and evaluation of the agreement overall.

Under this option:

- The Department and the Guild would continue as signatories to the agreement and oversee both Pharmacy remuneration and professional pharmacy programmes and services as part of the ACC
- ACC membership would be broadened to potentially represent the following groups:
  - 1) Pharmacists (representing pharmacists; e.g. PSA; Guild; SHPA; Pharmacy Board of Australia; Professional Pharmacists Australia (Formerly APESMA); Australian Association of Consultant Pharmacy; National Pharmaceutical Services Association; The National Australian Pharmacy Students' Association)
  - 2) The Department (representing Australian tax payers; e.g. Department, State and Territory representatives); and
  - 3) Consumers (representing recipients of the programmes; e.g. CHF; Federation of Ethnic Communities' Councils of Australia (FECCA); Carers Australia)
- The Department would continue to provide the Secretariat support to the ACC; and working groups
- An evaluation framework would be developed for both components of the agreement and designed based on input from relevant representatives (e.g. Department, State and Territories, Guild, PSA etc)
- Time-limited working groups would be established based on the phase of the agreement (design, implementation and/or evaluation) and the expertise necessary to inform programme focus
- There would be joint meetings between the ACC and the expert working parties at key design and review points.

The relationships of this governance arrangement are illustrated in Figure 3.



**Figure 3. Retain the ACC (but with broadened membership) and replace the PRG with time-limited expert working groups (Option 3)**

**Option 4: Uncouple the processes for the management, monitoring and evaluation of the remuneration component of the pharmacy agreement (currently Part 2, 3 and 5) from the design, delivery, monitoring and evaluation of programmes and services (currently Part 4)**

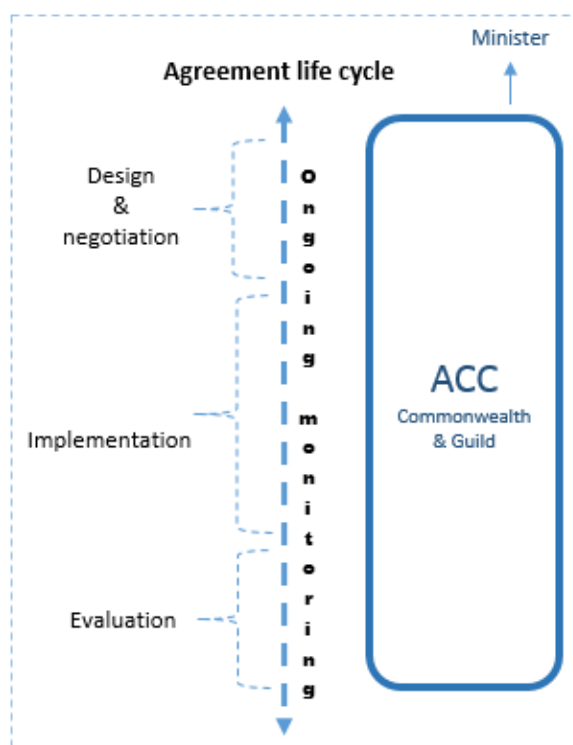
Option 4 is to uncouple the processes for the management, monitoring and evaluation of the remuneration component of the pharmacy agreement (currently Part 2, 3 and 5) from the design, delivery, monitoring and evaluation of programmes and services (currently Part 4).

Under this option:

- The Department and the Guild, in line with 98BAA (1) of the *National Health Act 1953*, as part of the ACC would negotiate Pharmacy remuneration and agree on a process for oversight of the agreement including (but not limited to) a process for assessing value for money. The Department and the Guild would undertake negotiations prior to the commencement of the agreement and meet as part of the ACC on a biannual basis or more regularly if ongoing monitoring and/or evaluation indicates that this is necessary.
- Programmes would no longer be part of the agreement and would be designed, implemented (and monitored on an ongoing basis) and evaluated as a normal part of Departmental business. In line with existing Departmental processes, consultations with experts and broader stakeholders of programmes and services would take place throughout the life of the agreement as necessary and appropriate.
- An evaluation framework would be developed for the agreement (related to Pharmacy remuneration) and programmes and services (no longer apart of the agreement) and would be designed based on input from relevant representatives (e.g. Department, State and Territories, Guild, PSA etc.).

It is important to note that this approach does not exclude the Guild from being a key stakeholder in the design and delivery of programmes and services.

The relationships of this governance arrangement are illustrated in Figure 4.



**Figure 4. Uncouple the processes for the management, monitoring and evaluation of the remuneration component of the pharmacy agreement from the design, delivery, monitoring and evaluation of programmes and services (Option 4)**



### Option 5: Abolish the ACC and PRG and the Department oversees the remuneration and programme components

Option 5 is to abolish the ACC and PRG and the Department oversees the remuneration and programme components.

Under this option:

- The Department and the Guild, in line with 98BAA (1) of the *National Health Act 1953* would negotiate Pharmacy remuneration (including dispensing fee, pharmacy and wholesale mark-up, extemporaneously prepared and dangerous drug fees, premium free dispensing incentive and electronic prescription fee) and the Department oversees the management, monitoring and evaluation of the agreement.
- Programmes would no longer be part of the agreement and would be designed, implemented (and monitored on an ongoing basis) and evaluated as a normal part of Departmental business. In line with existing Departmental processes, consultations with experts and broader stakeholders of programmes and services would take place throughout the life of the agreement as necessary and appropriate. For example, a process could be developed where the Department, Guild, State and Territory representatives, consumers, PSA and other stakeholders decide on priorities for pharmacy programmes and services that contribute to population health, individual health and health system performance.
- An evaluation framework would be developed for the agreement (related to Pharmacy remuneration) and programmes and services (no longer part of the agreement) and would be designed based on input from relevant representatives (e.g. Department, State and Territories, Guild, PSA etc.).

This approach does not exclude the Guild from being a key stakeholder in the design and delivery of programmes and services.

The relationships of this governance arrangement are illustrated in Figure 5.

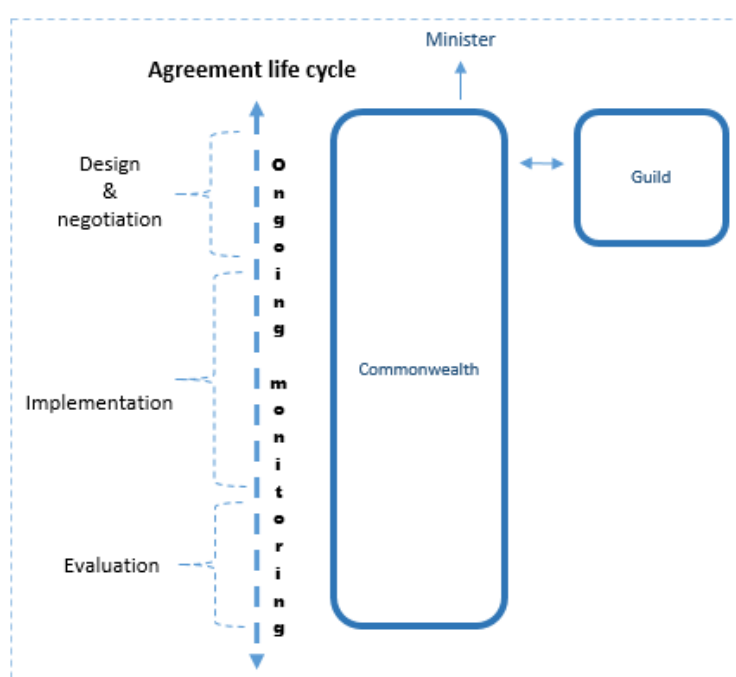


Figure 5. Abolish the ACC and PRG and the Department oversees the remuneration and programme components (Option 5)



**Option 6: Establish an interdepartmental group (e.g. Health, DHS and DVA) to develop a negotiation stance to inform negotiations between Health and the Guild under the *National Health Act 1953* relating to remuneration**

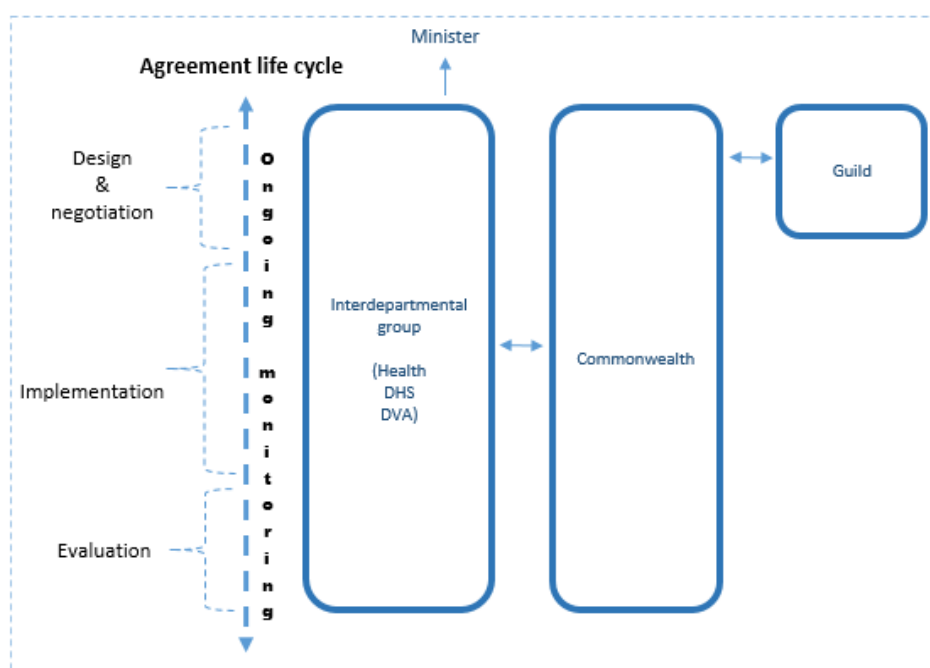
Option 6 is to establish an interdepartmental group (e.g. Health, DHS and DVA) to develop a negotiation stance to inform negotiations between Health and the Guild under the *National Health Act 1953* relating to remuneration.

Under this option:

- An interdepartmental group would be formed with representatives from Health, Human Services and Veteran Affairs in order to add strength to the Department’s negotiation stance with the Guild around pharmacy remuneration. This interdepartmental group could also:
  - provide ongoing advice (e.g. technical) at the policy and system level throughout the life of the agreement
  - have a stakeholder reference group attached to it which provides ongoing advice to the Department about the management, implementation, monitoring and evaluation of the agreement.
- The Department and the Guild, in line with 98BAA (1) of the *National Health Act 1953* would negotiate Pharmacy remuneration (including dispensing fee, pharmacy and wholesale mark-up, extemporaneously prepared and dangerous drug fees, premium free dispensing incentive and electronic prescription fee) and the Department oversees the management, monitoring and evaluation of the agreement.
- Programmes would no longer be part of the agreement and would be designed, implemented (and monitored on an ongoing basis) and evaluated as a normal part of Departmental business. In line with existing Departmental processes, consultations with experts and broader stakeholders of programmes and services would take place throughout the life of the agreement as necessary and appropriate.
- An evaluation framework would be developed for the agreement (related to Pharmacy remuneration) and programmes and services (no longer apart of the agreement) and would be designed based on input from relevant representatives (e.g. Department, State and Territories, Guild, PSA).

This approach does not exclude the Guild from being a key stakeholder in the design and delivery of programmes and services.

The relationships of this governance arrangement are illustrated in Figure 6.



**Figure 6. Establish an interdepartmental group to develop a negotiation stance to inform negotiations between Health and the Guild (Option 6)**

# Review of the Governance Structures established under the Fifth Community Pharmacy Agreement

**Final Report: Appendices**

**January, 2015**



·SIGGINS MILLER



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## Appendix A: Interview protocol

### Review of the Governance Structures established under the Fifth Community Pharmacy Agreement

Siggins Miller has been engaged by the Australian Government Department of Health to undertake a Review of the Governance Structures established under the Fifth Community Pharmacy Agreement (including the Agreement Consultative Committee [ACC] and the Program Reference Group [PRG]). As part of this review, Siggins Miller will be conducting telephone-based interviews (also available in online survey format) with a range of stakeholders of the project.

Thank you for agreeing to participate in an interview with us. The interview will be semi-structured, and the questions that will be discussed in the interview are listed below so that you can prepare your thoughts beforehand. Alternatively, if you are unavailable for an interview, you may wish to submit a written response via email using this protocol.

Please note not all questions may be relevant to you – so we ask that you comment in as little or as much detail as your position allows.

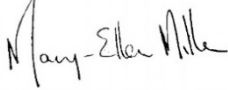
The interview should take approximately 40 minutes. The interview will be audio recorded only if you consent to it being recorded.

All the information you provide will be confidential and reported only in a de-identified aggregate form. Your participation in this process is entirely voluntary and you may withdraw your participation at any time, for any reason.

If you have any questions or concerns about the project and its direction, please contact Lauren Davies from Siggins Miller on (07) 3374 2801 or [lauren.davies@sigginsmiller.com.au](mailto:lauren.davies@sigginsmiller.com.au).

We appreciate the value of your input and time and thank you in advance for your cooperation. We look forward to speaking with you soon.

Sincerely,



Professor Mel Miller

**Director, Siggins Miller Consultants**

**Please note that not all questions in this protocol may be relevant to you – so we ask that you comment in as little or as much detail as your position allows. In order to determine the extent and nature of your experience/involvement with the governance and administrative arrangements of the fifth agreement we have included screening questions in some parts of this protocol.**

**Personal information**

<b>Name</b>	[insert response]
<b>Position in relation to the Fifth Agreement</b> (e.g. member of the ACC or the PRG; departmental executive, secretariat support; representative etc)	[insert response]
<b>How long have you been in this role?</b>	[insert response]

**Governance arrangements**

**ACC**

We understand that the role of the ACC is to:

- be the mechanism for consultation between the Commonwealth and Pharmacy Guild on implementation of all aspects of this Agreement, including issues relating to Approved Pharmacists’ payments, the Community Service Obligation Funding Pool (CSO), Location Rules, Electronic Prescriptions, and Programmes;
- oversee the programmes (including, but not limited to, their design, business rules, timelines, outcomes and expenditure)
- seek advice from the PRG on the policy dimensions of programmes and their evaluation.

**SCREENING QUESTION**

<b>What is the extent and nature of your experience with the ACC?</b> <i>Prompts:</i> <ul style="list-style-type: none"> <li>• <i>What is your level of understanding about the ACC and its operation? Are you aware of the structure and processes of the ACC?</i></li> <li>• <i>Do you have direct experience with the ACC? If yes, what is your understanding of it? If no, how would you expect it to work?</i></li> </ul>	[insert response]
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<b>In your view, are you in a position to comment on the efficiency and effectiveness of the ACC (including its membership and functions)?</b>	
Yes – go to question 1	No – go to question 4

**1. Efficiency and effectiveness**

	<b>In your view, how <u>effective</u> is the ACC in carrying out its role? (i.e. Is it adequate to accomplish its purpose? Is it producing its intended results?)</b> Very ineffective (1) Ineffective (2) Effective (3) Very Effective (4) Uncertain	<b>In your view, how <u>efficient</u> is the ACC? (i.e. is it functioning in the best possible manner with the least waste of time and effort?)</b> Very inefficient (1) Inefficient (2) Efficient (3) Very Efficient (4) Uncertain	<b>Enablers: What factors have assisted the ACC’s <u>effective and efficient</u> functioning?</b>	<b>Barriers: What factors have got in the way of the ACC’s <u>effective and efficient</u> functioning?</b>
--	--	--	---	--



<b>Why? Why not?</b>	[insert response]	[insert response]	[insert response]	[insert response]
<b>Can you suggest any <u>changes</u> to improve the effectiveness and efficiency of the ACC? (e.g. role/functions/ Terms of reference?)</b>	[insert response]			

## 2. Membership and meetings

	<p><b>In your view, is the ACC membership sufficiently representative enough for stakeholders who have an interest in the administration of the fifth agreement?</b></p> <p>No (1) Somewhat (2) Yes (3) Uncertain</p> <p><b>Prompts:</b></p> <ul style="list-style-type: none"> <li>• <i>Is there an appropriate and sufficient mix of skills, experiences and perspectives within the ACC to administer the programmes effectively?</i></li> <li>• <i>Who do you think should be involved in these governance processes and/or consultation processes?</i></li> <li>• <i>What should be the extent and nature of involvement of different stakeholder groups?</i></li> </ul>	<p><b>In your view, to what extent do you think ACC meetings provide an effective forum for providing advice, considering information and/or making decisions?</b></p> <p>Hardly ever (1) Sometimes (2) Frequently (3) Almost always (4) Uncertain</p>
<b>Why? Why not?</b>	[insert response]	[insert response]
<b>Can you suggest any <u>changes</u> to membership or meetings?</b>	[insert response]	[insert response]

## 3. Value for money and health benefits for consumers

	<p><b>What mechanisms are there in place so that the ACC can assess whether programmes are <u>value for money</u>? How effective are these mechanisms?</b></p> <p>Very ineffective (1) Ineffective (2) Effective (3) Very Effective (4) Uncertain</p>	<p><b>What mechanisms are there in place so that the ACC can assess whether the programmes result in <u>health benefits for consumers</u>? How effective are these mechanisms?</b></p> <p>Very ineffective (1) Ineffective (2) Effective (3) Very Effective (4) Uncertain</p>
<b>Why? Why not?</b>	[insert response]	[insert response]
<b>Can you suggest any <u>changes</u> to these mechanisms?</b>	[insert response]	

PRG

We understand that the role of the PRG is to:

- provide advice to the Minister and the ACC, when such advice is requested, on the policy dimensions of new and continuing Programmes including, but not limited to, the scope, objectives, target groups (where relevant) and evaluation requirements, taking into account:
  - findings of any evaluations of programmes under the Fourth Agreement and the findings of any relevant research, particularly research conducted under the Fourth Agreement Research Development Programme
  - the allocation of Funds to the Programmes under the Fifth Agreement.
- any other function that may be agreed between the Minister or the Department and the Guild.

### SCREENING QUESTION

<b>What is the extent and nature of your experience with the PRG?</b> <i>Prompts:</i> <ul style="list-style-type: none"> <li>• <i>What is your level of understanding about the PRG and its operation? Are you aware of the structure and processes of the PRG?</i></li> <li>• <i>Do you have direct experience with the PRG? If yes, what is your understanding of it? If no, how would you expect it to work?</i></li> </ul>	[insert response]
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<b>In your view, are you in a position to comment on the efficiency and effectiveness of the PRG (including its membership and functions)?</b>	
Yes – go to question 4	No – go to question 7

### 4. Efficiency and effectiveness

	<b>In your view, how <u>effective</u> is the PRG in carrying out its role? (i.e. Is it adequate to accomplish its purpose? Is it producing its intended results?)</b> Very ineffective (1) Ineffective (2) Effective (3) Very Effective (4) Uncertain	<b>In your view, how <u>efficient</u> is the PRG? (i.e. is it functioning in the best possible manner with the least waste of time and effort?)</b> Very inefficient (1) Inefficient (2) Efficient (3) Very Efficient (4) Uncertain	<b>Enablers: What factors have assisted the PRG's <u>effective and efficient</u> functioning?</b>	<b>Barriers: What factors have got in the way of the PRG's <u>effective and efficient</u> functioning?</b>
<b>Why? Why not?</b>	[insert response]	[insert response]	[insert response]	[insert response]
<b>Can you suggest any <u>changes</u> to improve the effectiveness and efficiency of the PRG? (e.g. role/functions/ Terms of reference?)</b>	[insert response]			

### 5. Membership and meetings

	<p><b>In your view, is the PRG membership sufficiently representative enough for stakeholders who have an interest in the administration of the fifth agreement?</b></p> <p>No (1) Somewhat (2) Yes (3) Uncertain</p> <p><b>Prompts:</b></p> <ul style="list-style-type: none"> <li>• <i>Is there an appropriate and sufficient mix of skills, experiences and perspectives within the PRG to administer the programmes effectively?</i></li> <li>• <i>Who do you think should be involved in these governance processes and/or consultation processes?</i></li> <li>• <i>What should be the extent and nature of involvement of different stakeholder groups?</i></li> </ul>	<p><b>In your view, to what extent do you think PRG meetings provide an effective forum for providing advice, considering information and/or making decisions?</b></p> <p>Hardly ever (1) Sometimes (2) Frequently (3) Almost always (4) Uncertain</p>
<b>Why? Why not?</b>	[insert response]	[insert response]
<b>Can you suggest any changes to membership or meetings?</b>	[insert response]	[insert response]

#### 6. PRG advice to the ACC and the Minister

	<p><b>How <u>useful</u> is the PRG's advice to the ACC and the Minister?</b></p> <p>Not Useful (1) Somewhat Useful (2) Useful (3) Very useful (4) Uncertain</p>	<p><b>How <u>timely</u> is the PRG's advice to the ACC and the Minister?</b></p> <p>Not timely (1) Somewhat timely (2) Timely (3) Uncertain</p>	<p><b>How responsive is the PRG's advice to the ACC and the Minister about the full range factors at play in the sector/ environment?</b></p> <p>Not responsive (1) Somewhat responsive (2) Responsive (3) Very responsive (4) Uncertain</p>
<b>Why? Why not?</b>	[insert response]	[insert response]	[insert response]

#### 7. Reporting mechanisms

<b>What reporting mechanisms exist between the ACC and PRG?</b>	<p><b>Are these effective?</b></p> <p>Very ineffective (1) Ineffective (2) Effective (4) Very effective (5) Uncertain</p>	<p><b>Are these efficient?</b></p> <p>Very inefficient (1) Inefficient (2) Efficient (3) Very Efficient (4) Uncertain</p>	<b>Why? Why not?</b>
[insert response]	[insert response]	[insert response]	[insert response]
<b>How could these be improved?</b>	[insert response]		

#### 8. Issue management

<b>How are issues in relation to the Fifth Agreement managed and dealt with between parties of the agreement and others?</b>	<p><b>Are these effective?</b></p> <p>Very ineffective (1) Ineffective (2)</p>	<p><b>Are these efficient?</b></p> <p>Very inefficient (1) Inefficient (2)</p>	<b>Why? Why not?</b>
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	Effective (4) Very effective (5) Uncertain	Efficient (3) Very Efficient (4) Uncertain	
[insert response]	[insert response]	[insert response]	[insert response]
<b>How could these be improved?</b>	[insert response]		

### 9. Department and the Guild

**Are the administrative arrangements between the Department and the Guild appropriate to support the activities of the Fifth Agreement?**

[insert response]

### 10. Consultative mechanisms

**What governance and other consultative mechanisms were effective and ineffective in the development and operation of the Fifth agreement programmes and services?**

[insert response]

### Programmes and services

We understand that the ACC and PRG oversee a range of programmes and services being implemented under the fifth agreement. The questions in this section aim to determine how these governance arrangements contribute to the effective and efficient delivery of these programmes and services.

#### SCREENING QUESTION

**In your view, are you in a position to comment on programmes and services being delivered under the Fifth Agreement?**

Yes – go to question 7

No – go to question 10

### 11. Objectives of the Fifth Agreement relating to programmes and services

	<p><b>In your view, do the governance arrangements:</b></p> <ul style="list-style-type: none"> <li>Clearly delineate the respective roles and responsibilities between the Department and the guild in delivering programs?</li> <li>Deliver evidence based professional pharmacy programmes and services?</li> <li>Deliver professional pharmacy programs that aim to optimise the effectiveness and value of the health system in general and the PBS in particular?</li> <li>Promote accountability and transparency in the administration and delivery of programs?</li> </ul> <p>No (1) Somewhat (2) Yes (3) Uncertain</p>
<b>Why? Why not?</b>	[insert response]

### 12. Implementation of programmes and services

	<b>In your view, have the governance arrangements supported the implementation of programmes and services, including supporting changes in service provision and behaviour?</b>	<b>In your view, to what extent do the operational arrangements supporting the governance of the Fifth Agreement maximise the opportunity for programmes and services to contribute to the</b>
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	Hardly ever (1) Sometimes (2) Frequently (3) Almost always (4) Uncertain	<b>effective patient-focused health outcomes for consumers?</b> Hardly ever (1) Sometimes (2) Frequently (3) Almost always (4) Uncertain
<b>Why? Why not?</b>	[insert response]	[insert response]

### 13. Programme and service outcomes

<b>In your view, to what extent have the Fifth Agreement governance structures ensured that investments have delivered the results expected of them?</b> Hardly ever (1) Sometimes (2) Frequently (3) Almost always (4) Uncertain	<b>Why? Why not?</b>
[insert response]	[insert response]

### Administrative arrangements

We understand that there are various administrative arrangements in place to support the development, management and monitoring of the Fifth Agreement. This includes the provision of secretariat support to the ACC and PRG, as well as departmental policies and procedures ensuring compliance with the legislative environment, demonstrating contestable, transparent funding of programmes. We would like to discuss these arrangements with you in order to evaluate their efficiency and effectiveness.

### SCREENING QUESTION

<b>In your view, are you in a position to comment on the administrative arrangements in place to support:</b>	
<ul style="list-style-type: none"> <li>• the design and negotiation of the Fifth Agreement?</li> <li>• The management of the fifth agreement?</li> <li>• The monitoring of the fifth agreement?</li> </ul>	
Yes – go to question 14  If yes to any of these questions - What is the extent and nature of your involvement in these stages of the Fifth agreement?	No – go to question 21

### 14. Planning, implementation and Monitoring

<b>What administrative arrangements were/are in place for the planning and development, management and monitoring of the Fifth Agreement?</b>	<b>Are these effective?</b> Very ineffective (1) Ineffective (2) Effective (4) Very effective (5) Uncertain	<b>Are these efficient?</b> Very inefficient (1) Inefficient (2) Efficient (3) Very Efficient (4) Uncertain	<b>Why? Why not?</b>
<b>Planning &amp; Development</b>	[insert response]	[insert response]	[insert response]

<b>Management</b>	[insert response]	[insert response]	[insert response]	[insert response]
<b>Monitoring of performance</b>	[insert response]	[insert response]	[insert response]	[insert response]

### 15. Expenditure

**How is expenditure under the Fifth Agreement managed and monitored to ensure that funds are being expended in an efficient, effective, ethical manner?**

[insert response]

## Compliance

### 16. Contestable and transparent funding of programmes

<b>What is your understanding of the mechanisms which exist to encourage competition and ensure contestable, transparent funding of programmes?</b>	<b>Are these effective?</b> Very ineffective (1) Ineffective (2) Effective (4) Very effective (5) Uncertain	<b>Are these efficient?</b> Very inefficient (1) Inefficient (2) Efficient (3) Very Efficient (4) Uncertain	<b>Why? Why not?</b>
[insert response]	[insert response]	[insert response]	[insert response]
<b>How could these be improved?</b>	[insert response]		

### 17. Procurement, contracting and confidentiality

<b>In your view, how effective have the following administrative processes been in supporting the efficient and effective management of the programmes under the Fifth Agreement?</b>	<b>Are these effective?</b> Very ineffective (1) Ineffective (2) Effective (4) Very effective (5) Uncertain	<b>Why? Why not?</b>
<b>Procurement and contracting?</b>	[insert response]	[insert response]
<b>Confidentiality?</b>	[insert response]	[insert response]
<b>How could these be improved?</b>	[insert response]	

## Secretariat

### 18. Processes and functions

<b>What are the key <u>processes</u> and <u>functions</u> the Secretariat provides to the ACC and PRG?</b>	<b>How <u>satisfied</u> are you with these?</b> Very dissatisfied (1) Dissatisfied (2) Neither satisfied nor dissatisfied (3) Satisfied (4) Very satisfied (5) Uncertain	<b>Why? Why not?</b>
<b>ACC</b>	[insert response]	[insert response]
<b>PRG</b>	[insert response]	[insert response]

How could these be improved?	[insert response]
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### 19. Provision of information

	As a member of the ACC or PRG, have you been provided with information from the Secretariat (which assists the operation of the committee) in a <u>timely way</u> ?	Was the information both <u>relevant</u> and <u>complete</u> ?
Why? Why not?	[insert response]	[insert response]
How could this be improved?	[insert response]	

### 20. Stewardship, accountability and transparency

	In your view, to what the extent does the Secretariat meet its obligations in relation to stewardship, accountability and transparency? Hardly ever (1) Sometimes (2) Frequently (3) Almost always (4) Uncertain	Why? Why not?
Stewardship (i.e. manage resources efficiently and effectively in the public interest)?	[insert response]	[insert response]
Accountability (i.e. submission to appropriate external scrutiny)?	[insert response]	[insert response]
Transparency (i.e. meaningful consultation with stakeholders and communicating clear and accurate information)?	[insert response]	[insert response]

## Stakeholder engagement

### 21. Effectiveness and efficiency of stakeholder engagement in the Fifth Agreement

	What mechanisms are in place to ensure stakeholder interests are reflected in the Fifth agreement through the following phases?	In your view, how <u>effective</u> are these processes/mechanisms? Very ineffective (1) Ineffective (2) Effective (3) Very Effective (4) Uncertain	In your view, how <u>efficient</u> are these processes/mechanisms? Very inefficient (1) Inefficient (2) Efficient (3) Very Efficient (4) Uncertain	Why? Why not?
Design phase	[insert response]	[insert response]	[insert response]	[insert response]
Negotiation phase	[insert response]	[insert response]	[insert response]	[insert response]
Implementation phase	[insert response]	[insert response]	[insert response]	[insert response]



<b>Can you suggest any <u>changes</u> to these processes to improve stakeholder engagement?</b>	[insert response]
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**22. Stakeholder confidence**

<b>In your view, to what extent do stakeholders support and have confidence in the way the Guild and the Department have managed the Fifth Agreement?</b>
[insert response]

**23. Stakeholder influence**

<b>In your view, do any stakeholders have any undue influence on the governance of the Fifth Agreement?</b>
[insert response]

**Final Comments**

**24. Other comments**

<b>Do you have anything further to add?</b>
[insert response]

*Thank you for participating*

## **Appendix B: Online survey (for broader stakeholders of the review)**

### **Review of the Governance Structures established under the Fifth Community Pharmacy Agreement**

Siggins Miller has been engaged by the Australian Government Department of Health to undertake a Review of the Governance Structures established under the Fifth Community Pharmacy Agreement (including the Agreement Consultative Committee [ACC] and the Program Reference Group [PRG]). Siggins Miller is inviting a range of stakeholders of the Fifth Agreement to complete an online survey.

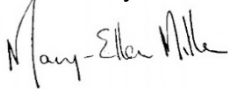
Please note not all questions may be relevant to you – so we ask that you comment in as little or as much detail as your experience allows. The survey should take approximately 15 minutes. All the information you provide will be confidential and reported only in a de-identified aggregate form. Your participation in this process is entirely voluntary and you may withdraw your participation at any time, for any reason. The survey will remain open until the 10th October 2014. Any responses submitted after this date might not be included.

All the information you provide will be confidential and reported only in a de-identified aggregate form. Your participation in this process is entirely voluntary and you may withdraw your participation at any time, for any reason.

If you have any questions or concerns about the project and its direction, please contact Lauren Davies from Siggins Miller on (07) 3374 2801 or [lauren.davies@sigginsmiller.com.au](mailto:lauren.davies@sigginsmiller.com.au).

We appreciate the value of your input and time and thank you in advance for your cooperation. We look forward to speaking with you soon.

Sincerely,



Professor Mel Miller

**Director, Siggins Miller Consultants**

**Please note that not all questions in this protocol may be relevant to you – so we ask that you comment in as little or as much detail as your position allows. In order to determine the extent and nature of your experience/involvement with the governance and administrative arrangements of the fifth agreement we have included screening questions in some parts of this protocol.**

### **Personal information**

<b>Name</b>	[insert response]
<b>Position in relation to the Fifth Agreement</b> (e.g. consumer, health professional etc)	[insert response]

### **Governance arrangements**

#### **SCREENING QUESTION**

<b>Are you aware of the governance and administrative structures that have supported the Pharmacy Guild and the Department to manage the Fifth Agreement?</b>	
Yes – go to question 1	No – go to question 3

#### **FOR THOSE STAKEHOLDERS WHO ARE AWARE OF GOVERNANCE AND ADMINISTRATIVE STRUCTURES**

##### **1. Extent and nature of experience with the Governance and administrative structures**

<b>What is the extent and nature of your experience with the governance and administrative structures that support the Fifth agreement?</b>	<b>ACC</b>	<b>PRG</b>
	[insert response]	[insert response]

##### **2. Efficiency and effectiveness**

<b>In your view, how <u>effective</u> have these governance and administrative arrangements been?</b> Very ineffective (1) Ineffective (2) Effective (3) Very Effective (4) Uncertain	<b>In your view, how <u>efficient</u> have these governance and administrative arrangements been?</b> Very inefficient (1) Inefficient (2) Efficient (3) Very Efficient (4) Uncertain	<b>Why? Why not?</b>
[insert response]	[insert response]	
<b>How would you like to see these arrangements changed to improve their effectiveness?</b>	[insert response]	

### **Stakeholder engagement**

##### **3. Awareness of stakeholders' views/expectations**

<b>In your view, are stakeholder views known amongst the people who support the implementation of the fifth agreement? (i.e. including ACC, PRG, Department, Guild etc)</b> Yes (1) No (2) Somewhat (3) Uncertain (4)	<b>Why? Why not?</b>
[insert response]	[insert response]

**4. Addressing of stakeholders' views/expectations**

**In your view, how do the people who support the implementation of the fifth agreement fulfil stakeholder expectations/address their views? (i.e. including ACC, PRG, Department, Guild etc)**

*Prompt: How does the ACC, PRG, Department and/or Guild address/fulfil stakeholder's views?*

[insert response]

**5. Barriers and enablers to stakeholders' views/expectations being addressed**

**In your view, what are the barriers and enablers to stakeholder expectations/views being fulfilled?**

[insert response]

**SCREENING QUESTION**

**As a stakeholder have you been consulted about the Fifth Community Pharmacy Agreement? In particular, about the governance and administration of the Fifth agreement?**

Yes – go to question 6

No – go to question 12

**FOR THOSE STAKEHOLDERS WHO HAVE BEEN CONSULTED BEFORE**

**6. Purpose of consultation**

**What were you consulted about?**

[insert response]

**7. Method and frequency of consultation**

**How were you consulted? And how often? (i.e. what was the channel of communication? Phone call, survey, participation in meetings etc)**

[insert response]

**8. Suggested improvements to the stakeholder engagement process**

**Do you have any suggestions about how this consultation/engagement process could be improved in the future? (e.g. channel of communication, frequency of consultation)**

[insert response]

**9. Stakeholder interests reflected in the Fifth Agreement**

**From where you sit, how well do you think stakeholder interests have been reflected in the operation of the Fifth Agreement?**

- Very poorly (1)
- Poorly (2)
- Well (3)
- Very well (4)
- Uncertain

**Why? Why not?**

[insert response]

[insert response]

**How do you think stakeholders interests could be better reflected in the operation of the Fifth Agreement in the future?**

[insert response]

**10. Stakeholder confidence**

<b>In your view, to what extent do stakeholders support and have confidence in the way the Guild and the Department have managed the Fifth Agreement?</b> Not at all (1) A little (2) Quite a bit (3) Completely (4) Uncertain	<b>Why? Why not?</b>
[insert response]	[insert response]

**11. Stakeholder influence**

<b>In your view, do any stakeholders have any undue influence on the governance of the Fifth Agreement?</b>
[insert response]

**FOR THOSE STAKEHOLDERS WHO HAVE NOT BEEN CONSULTED BEFORE**

**12. Purpose of consultation**

<b>What would you like to be consulted about?</b>
[insert response]

**13. Method of consultation**

<b>How would you like to be consulted? (i.e. What channels of communication would be most useful to you?)</b>
[insert response]

**14. Frequency of consultation**

<b>How often would you like to be consulted?</b>
[insert response]

**Final Comments**

**15. Stakeholder engagement process**

<b>Do you have any further suggestions about how to improve the stakeholder engagement process?</b>
[insert response]

**16. Other comments**

<b>Do you have anything further to add?</b>
[insert response]

*Thank you for participating*

## Appendix C: PRG Meeting Agenda

### PRG Meeting

Wednesday 8<sup>th</sup> October, 2014

1.00pm - 4.00pm

**Venue:** Ground Floor, Sirius Building, Function Room No. 2

#### Attendees

<b>PRG</b>	Ms Felicity McNeill (Chair) Ms Toni Riley Dr Alison Roberts Ms Sue Kirsa Mr Bruce Elliot Dr Agnes Vitry Prof Sally Green Dr Shane Jackson Ms Kate Moore A/Prof John Gullotta AM Mr Roy Monaghan (Observer)
<b>The Department</b>	Tony Wynd Chris Parker Ingrid Struzina
<b>Siggins Miller</b>	Prof Mel Miller (Director) Ms Lauren Davies (Associate Director)

Wednesday 8 <sup>th</sup> October, 2014 (1.00pm to 4.00pm)			
1.00pm	1.	<b>Introductions and purpose of session</b>	All
1.10pm	2.	<b>Discuss the strengths and weaknesses of the PRG's operation</b>	All
1.40pm	3.	<b>Discuss the enablers and barriers to the PRG's operation</b>	All
2.10pm	4.	<b>Discuss the extent and nature of the requests for advice from the ACC; and the PRG's capacity to respond to requests</b>	All
2.40pm	5.	<b>Discuss the governance structures overall across the following stages:</b> <ul style="list-style-type: none"> <li>• design and planning</li> <li>• implementation</li> <li>• monitoring and evaluation.</li> </ul>	All
3.10pm	6.	<b>The overarching purpose of the PRG is to provide timely advice, when such advice is requested, on the policy dimensions of new and continuing Programmes under the Fifth Agreement. This advice includes, but is not limited to, the scope, objectives, target groups (where relevant) and evaluation requirements of Programmes.</b> <b>Based on this core purpose - is the PRG, as it currently stands, the most effective and efficient mechanism for:</b> <ul style="list-style-type: none"> <li>- The PRG to provide advice?</li> <li>- The ACC to receive advice?</li> </ul> <b>Can you suggest an alternate mechanism for advice to be exchanged?</b>	All
4.00pm		<i>Close</i>	

## Appendix D: Stakeholders consulted<sup>1</sup>

### Consultation protocol 1: Departmental executive, ACC, PRG, Secretariat and Pharmacy Guild of Australia

#	Name	Position/organisation	Phone	Email	Interview status	Notes
<b>ACC Members and Secretariat</b>						
1	Mr Paul Sinclair (Co-Chair)	Pharmacy Guild Representative (Member) AND Pharmacy Guild representative PRG	0419 279 693	<a href="mailto:paul.sinclair@guild.org.au">paul.sinclair@guild.org.au</a>	Completed	
2	Mr Stephen Armstrong	Pharmacy Guild Representative (Member)	02 6270 1888	<a href="mailto:stephen.armstrong@guild.org.au">stephen.armstrong@guild.org.au</a>	Completed	Participated with Fiona Mitchell and Erica Vowles
3	Ms Toni Riley	Pharmacy Guild Representative (Member) AND Member PRG	0409 503 930 03 5443 5233 (w)	<a href="mailto:toni.r@toniriley.com.au">toni.r@toniriley.com.au</a>	Completed	
4	Mr Ian Todd	Pharmacy Guild Representative (Member)	0419 847 397	<a href="mailto:ian@guildsa.asn.au">ian@guildsa.asn.au</a> <a href="mailto:ian.todd@guild.org.au">ian.todd@guild.org.au</a>	Completed	
5	Ms Fiona Mitchell	Pharmacy Guild observers/support AND Pharmacy Guild observers/support for PRG	02 6270 1888	<a href="mailto:fiona.mitchell@guild.org.au">fiona.mitchell@guild.org.au</a>	Completed	Participated with Erica Vowles and Erica Vowles
6	Ms Felicity McNeill (Co-Chair)	DoH Representative (Member) AND member/Chair PRG	02 6289 7085	<a href="mailto:felicity.mcneill@health.gov.au">felicity.mcneill@health.gov.au</a>	Completed	
7	Mr Paul Creech	DoH Representative (Member)	02 6289 7045	<a href="mailto:paul.creech@health.gov.au">paul.creech@health.gov.au</a>	Completed	
8	Mr Steve Dunlop	DoH Representative (Member)	02 6289 2378	<a href="mailto:steve.dunlop@health.gov.au">steve.dunlop@health.gov.au</a>	Completed	
9	Mr Kim Bessell	DoH Representative (Member) AND Secretariat for PRG	02 6289 8372	<a href="mailto:kim.bessell@health.gov.au">kim.bessell@health.gov.au</a>	Completed	Participated with Tony Wynd and Christopher Parker
10	Mr Tony Wynd	Secretariat AND Secretariat for PRG AND Director, CPA Operations & Location Rules	02 6289 8700 or 02 6289 7595	<a href="mailto:tony.wynd@health.gov.au">tony.wynd@health.gov.au</a>	Completed	Participated with Kim Bessell and Christopher Parker
11	Mr Christopher Parker	Secretariat AND Secretariat for PRG AND Assistant Director, CPA Operations & Location Rules	02 6289 2361	<a href="mailto:christopher.parker@health.gov.au">christopher.parker@health.gov.au</a>	Completed	Participated with Tony Wynd and Kim Bessell
<b>PRG Members and Secretariat</b>						
12	Dr Alison Roberts	Member (Pharmaceutical Society of Australia representative)	0405 323 254	<a href="mailto:alison.roberts@psa.org.au">alison.roberts@psa.org.au</a>		

<sup>1</sup> We note that some stakeholders have dual roles on the ACC and PRG.



#	Name	Position/organisation	Phone	Email	Interview status	Notes
			03 9593 2694 (H)		Completed	
13	Ms Sue Kirsas	Member (Society of Hospital Pharmacists of Australia representative)	0439 800 590 03 9656 1212 (W) 03 9656 1405 (F)	<a href="mailto:sue.kirsas@petermac.org">sue.kirsas@petermac.org</a>	Completed	
14	Mr Bruce Elliot	Member (expertise in Rural pharmacy - a practising rural pharmacist)	0404 002 011 07 4939 1055	<a href="mailto:bruceelliot@chemcoast.net">bruceelliot@chemcoast.net</a>	Completed	
15	Dr Agnes Vitry	Member (expertise in Health economics)	0407 562 254 08 8302 2392 08 8302 1087 (F)	<a href="mailto:agnes.vitry@unisa.edu.au">agnes.vitry@unisa.edu.au</a>	Declined	
16	Adj. Professor Claire Harris	Member (expertise in Programme evaluation)	03 9686 3106(W) 0418 815 602	<a href="mailto:claire.harris@monash.edu">claire.harris@monash.edu</a>	Declined	
17	Dr Geoff March	Member (representing Community pharmacy - a practising approved pharmacist)	08 8302 2635 0421 324 213	<a href="mailto:geoff.march@unisa.edu.au">geoff.march@unisa.edu.au</a>	Completed	
18	Dr Shane Jackson	Member (representing Pharmacist credentialing)	0408 485 430 03 6244 2210	<a href="mailto:shane.jackson@utas.edu.au">shane.jackson@utas.edu.au</a>	Completed	
19	Ms Kate Moore	Member (representing Consumers)	0409 801 954 02 6288 2672	<a href="mailto:kate.moore@homemail.com.au">kate.moore@homemail.com.au</a>	Completed	
20	Ms Vicki Sheedy	Australian College of Rural and Remote Medicine Strategic Programs manager	07 3105 8200	<a href="mailto:vsheedy@acrm.org.au">vsheedy@acrm.org.au</a>	Completed	
21	A/Prof Sophia Couzos	James Cook University School of Medicine & Dentistry	07 4781 6062	<a href="mailto:sophia.couzos@jcu.edu.au">sophia.couzos@jcu.edu.au</a>	Completed	
22	Heather Volk	Gove Amcal Pharmacy Consultant Pharmacist	0409 915 168 08-8987 1155	<a href="mailto:heatherapothecary@gmail.com">heatherapothecary@gmail.com</a>	Completed	
23	A/Prof John Gullotta AM	Member (representing General practice)	0418 233 069 02 9311 2525 (W)	<a href="mailto:drjohnngullotta@bigpond.com">drjohnngullotta@bigpond.com</a>	On leave	
24	Ms Julianne Bryce	Member (representing Allied health/nursing)	0409 221 699 03 9602 8520 (W)	<a href="mailto:julianne@anf.org.au">julianne@anf.org.au</a>	Completed	
<b>Directors and Assistant Directors in the Pharmaceutical Access Branch (The Department)</b>						
25	Lynda Hurley	Director, Product Schemes	02 6289 4523	<a href="mailto:lynda.hurley@health.gov.au">lynda.hurley@health.gov.au</a>	Completed	Participated with David Pearson and Libby Kerr

#	Name	Position/organisation	Phone	Email	Interview status	Notes
	David Nott	Assistant Director, Product Schemes	02 6289 7903	<a href="mailto:david.nott@health.gov.au">david.nott@health.gov.au</a>	N/A	BACK-UP
26	Libby Kerr	Director, Program Services	02 6289 4521	<a href="mailto:libby.kerr@health.gov.au">libby.kerr@health.gov.au</a>	Completed	Participated with David Pearson and Lynda Hurley
	Charis Ianniello	Assistant Director, CPA Operations & Location Rules	02 6289 2362	<a href="mailto:charis.ianniello@health">charis.ianniello@health</a>	N/A	BACK-UP
27	David Pearson	Director, Specialised Supply	02 6289 2415	<a href="mailto:david.pearson@health.gov.au">david.pearson@health.gov.au</a>	Completed	Participated with Libby Kerr and Lynda Hurley
28	Ms Laura Toyne	Director, Strategic Policy & Modelling	02 6289 7244	<a href="mailto:laura.toyne@health.gov.au">laura.toyne@health.gov.au</a>	Completed	
<b>State and Territory Department Representatives and others</b>						
29	Erica Vowles	Pharmacy Guild of Australia	02 6270 1888	<a href="mailto:erica.vowles@guild.org.au">erica.vowles@guild.org.au</a>	Completed	Participated with Fiona Mitchell and Stephen Armstrong
30	Lance Emerson	Pharmaceutical Society of Australia	02 6283 4703	<a href="mailto:Lance.emerson@psa.org.au">Lance.emerson@psa.org.au</a>	Completed	
31	Grant Kardachi	National President of the Pharmaceutical Society of Australia	02 6283 4703	<a href="mailto:omania.terry@psa.org.au">omania.terry@psa.org.au</a>	Declined	
32	Jenny Greenhalgh	Director Assistance Programs Branch	02 6143 8073	<a href="mailto:Jenny.greenhalgh@humanservices.gov.au">Jenny.greenhalgh@humanservices.gov.au</a>	Declined	
33	Jenny Thomson	National Manager Health Compliance Strategies Branch Department of Human Services	Direct 02 6143 8148  EA Chris Purdy 6143 8274	EA <a href="mailto:Chris.purdy@humanservices.gov.au">Chris.purdy@humanservices.gov.au</a>	Completed	
34	Donna Griffin	Donna Griffin National Manager Pharmaceutical Benefits Branch Health Programmes Division Department of Human Services	02 6141 8394 0407 001 864	<a href="mailto:donna.griffin@humanservices.gov.au">donna.griffin@humanservices.gov.au</a>	Completed	
35	William Hanham	Acting Assistant Secretary Department of Veteran Affairs	02 6289 4896	<a href="mailto:will.hanham@dva.gov.au">will.hanham@dva.gov.au</a>	Completed	
36	Ruth Hay	QLD State Chief Pharmacist			Completed	

#	Name	Position/organisation	Phone	Email	Interview status	Notes
37	Katherine Burchfield	Director Integrated Care Branch, NSW Ministry of Health – Pharmaceutical Services	02 9391 9472	<a href="mailto:KBURC@doh.health.nsw.gov.au">KBURC@doh.health.nsw.gov.au</a>	Completed	Participated with Stephen Bourke
38	Stephen Bourke	NSW Ministry of Health	N/A	N/A	Completed	Participated with Katherine Burchfield
39	Judith Mackson	Chief Pharmacist Department of Health NSW	02 9391 9944	<a href="mailto:jmack@doh.health.nsw.gov.au">jmack@doh.health.nsw.gov.au</a>	Completed	
40	Vivienne Bevan	Chief Pharmacist Pharmaceutical Services Health Protection Service ACT Health	02 6205 0961	<a href="mailto:Vivienne.beevan@act.gov.au">Vivienne.beevan@act.gov.au</a>	Completed	
41	Jon Evans	Director, VIC Department of Health – Strategy and Policy Division	03 9096 7059	<a href="mailto:jon.evans@health.vic.gov.au">jon.evans@health.vic.gov.au</a>	On leave	
42	Amber Roberts	Director of Medication Strategy and Reform, TAS Department of Health – Strategy and Policy Division	03 6233 4949	<a href="mailto:amber.roberts@dhhs.tas.gov.au">amber.roberts@dhhs.tas.gov.au</a>	Completed	
43	Naomi Burgess	Director Medicines Technology Policy and Programs, SA Department of Health – Medicine and Technology Policy and Programs Branch	08 8226 7240	<a href="mailto:Naomi.burgess@health.sa.gov.au">Naomi.burgess@health.sa.gov.au</a>	Completed	
44	Neil Keen	Chief Pharmacist, WA Department of Health – Pharmaceutical Services Branch	08 9222 6883	<a href="mailto:poisons@health.wa.gov.au">poisons@health.wa.gov.au</a>	Completed	
45	Helgi Stone	NT Department of Health – Medicines and Poisons Control	08 8922 7341	<a href="mailto:helgi.stone@nt.gov.au">helgi.stone@nt.gov.au</a>	Declined and could not provide advice on appropriate replacement	

### Consultation protocol 2: Broader stakeholders of the Fifth Agreement

#	Name	Position/organisation	Phone	Email	Online survey status	Notes
1	Grant Martin	CEO, Australia Association of Consultant Pharmacy (AACP)	02 6120 2800	<a href="mailto:aacp@aacp.com.au">aacp@aacp.com.au</a> <a href="mailto:grant.martin@aacp.com.au">grant.martin@aacp.com.au</a>	Survey sent	
2	Helen Dowling	CEO, Society of Hospital Pharmacists of Australia (SHPA)	03 9486 0177 0402 049 418	<a href="mailto:hvdowling@shpa.org.au">hvdowling@shpa.org.au</a>	Survey sent	

#	Name	Position/organisation	Phone	Email	Online survey status	Notes
3	Adam Stankevicius	CEO, Consumers Health Forum of Australia	02 6273 5444	<a href="mailto:info@chf.org.au">info@chf.org.au</a>	Survey sent	
4	Lisa Briggs	CEO, National Aboriginal Community Controlled Health Organisation	0469 300409	<a href="mailto:CEO@naccho.org.au">CEO@naccho.org.au</a>	Survey sent	
5	Dr Geoff March	President, Professional Pharmacists Australia (PPA; formerly APESMA)	08 8302 2635 0421 324213	<a href="mailto:geoff.march@unisa.edu.au">geoff.march@unisa.edu.au</a>	Survey sent to APESMA who recommended Geoff March (who was interviewed instead as PRG member) and to be booked in for	
6	Dr Zena Burgess	CEO, Royal Australian College of General Practitioners (RACGP)	03 8699 0414	<a href="mailto:racgp@racgp.org.au">racgp@racgp.org.au</a> <a href="mailto:helen.gaskin@racgp.org.au">helen.gaskin@racgp.org.au</a>	Survey sent	
7	Dr Richard Kidd	Australian Medical Association (AMA) - AMA representative (councillor) on the HMR refining patient eligibility Advisory Panel.	07 3266 8488	<a href="mailto:richardkidd@me.com">richardkidd@me.com</a>	Survey sent	
8	Michael Roff	CEO, Australian Private Hospitals Association (APHA)	6273 9000	<a href="mailto:Member-office@apha.org.au">Member-office@apha.org.au</a>	Survey sent	
9	Lucy Cheetham	Director of Policy and Research, Australian Private Hospitals Association (APHA)	6273 9000	<a href="mailto:Member-office@apha.org.au">Member-office@apha.org.au</a> ; <a href="mailto:Lucy.Cheetham@apha.org.au">Lucy.Cheetham@apha.org.au</a>	Survey sent	
10	No contact provided	Australian General Practice Network (AGPN)	08 8112 1110	<a href="mailto:agpn@agpn.com.au">agpn@agpn.com.au</a>	Survey Sent – To Whom It May Concern	
11	Steve Marty	Pharmacy Board Australia (PBA)	03 9356 8400	<a href="mailto:registrar@pharmacy.vic.gov.au">registrar@pharmacy.vic.gov.au</a>	Survey sent	
12	Pattie Beerens	The National Pharmaceutical Services Association (NSPA)	03 9026 1520	<a href="mailto:info@npsa.org.au">info@npsa.org.au</a>	Survey sent	
13	Tim Kelly	Chairperson of the Board of the National Rural Health Alliance (NRHA)	02 6285 4660	<a href="mailto:nrha@ruralhealth.org.au">nrha@ruralhealth.org.au</a>	Survey Sent	
14	John Jackson	Residential Aged Care Facilities	03 94278944	<a href="mailto:john.jackson@aphs.com.au">john.jackson@aphs.com.au</a>	Survey Sent	Deputy Chair of the National

#	Name	Position/organisation	Phone	Email	Online survey status	Notes
		representative - Vice president of the Victoria Branch of the PSA	0425 725 286			residential medication Chart reference group and in that capacity was aware of issues in residential Aged Care facilities
15	Ms Charis Ianniello (ACPA Secretariat)	Australian Community Pharmacy Authority (ACPA)	02 6289 2419	<a href="mailto:acpamail@health.gov.au">acpamail@health.gov.au</a>	Survey Sent	
16	Belinda Wood	Acting CEO of the Generic Medicines Industry Association (GMiA)		<a href="mailto:belinda.wood@gmia.com.au">belinda.wood@gmia.com.au</a>	Survey Sent	
17	Janine Ramsay	National Director Australian Rural Health Education Network (ARHEN)	02 6282 2166	<a href="mailto:janine.ramsay@arhen.org.au">janine.ramsay@arhen.org.au</a>	Survey Sent	
18	Xavier Agostino	RMIT, President of the National Australian Pharmacy Students' Association (NAPSA)		<a href="mailto:secretary@napsa.org.au">secretary@napsa.org.au</a>	Survey Sent	

## Appendix E: List of documents reviewed

Documents	Number (approximately)
Fifth Agreement and related papers (e.g. fact sheets, contracts/multi schedule funding agreements )	40
ACC documents (e.g. administrative guidelines, terms of reference, meeting agenda papers including minutes)	300
PRG documents (e.g. administrative guidelines, terms of reference, meeting agenda papers including minutes)	200
Programs and services under the Fifth Agreement (e.g. program specific guidelines, progress reports, fact sheets)	120
Fifth Agreement communication strategy	20
Previous evaluations and reviews	20
Relevant strategies and policies (e.g. National Health Act 1953, national strategy for Quality Use of Medicines)	6
Other (previous agreements)	2
<b>Total</b>	<b>708</b>