Australian Government

Australian Government response to the Senate Community Affairs References Committee Report:

Inquiry into the Supply of chemotherapy drugs such as Docetaxel

February 2013

RECOMMENDATION 1

The committee recommends that the Government and industry parties, through the review, continue the examination of issues in chemotherapy drug pricing to ensure that existing funds under the Fifth Community Pharmacy Agreement as already agreed are appropriately directed to reflect the costs and benefits of the supply of chemotherapy drugs, and to ensure the ongoing supply of these drugs across all services, particularly in rural and regional areas. (3.41)

Response

The Australian Government notes the recommendation.

The Australian Government supports the ongoing supply of chemotherapy infusions for all Australians, particularly in rural and regional areas.

The Department of Health has completed the 'Review of Funding Arrangements for Chemotherapy Services' (the Review).

On 30 November 2013, the Prime Minister, the Hon Tony Abbott MP and the Minister for Health, the Hon Peter Dutton MP jointly announced the Government's decision to provide an additional $82 million over 18 months from 1 January 2014 to 30 June 2015 to help hospitals and pharmacies deliver essential chemotherapy infusions to cancer patients.

For this period, the Australian Government is providing an additional $60.00 for each chemotherapy infusion prepared and dispensed under the PBS 'Efficient Funding of Chemotherapy' schedule. As a result of this increase, the Australian Government will now provide a new fee of $137.66 per infusion.

The funding arrangements for PBS chemotherapy infusions beyond 30 June 2015 will be considered, in conjunction with all other pharmacy remuneration, in the development of the broader funding arrangements for pharmacy following the expiry of the 5CPA.

Additional comments by Senator Nick Xenophon

RECOMMENDATION

The Australian National Audit Office conducts an audit of the funding model for the supply of chemotherapy drugs every three years. (1.13)

Response
The Australian Government notes this recommendation.

All Australian Government programmes are subject to independent audit by the Australian

National Audit Office (ANAO), including any current or future funding provided to support the provision of PBS chemotherapy infusions.

The ANAO is currently conducting a 'Performance Audit of the Administration of the Fifth Community Pharmacy Agreement'. This audit is due to be tabled in the Autumn 2015 session of Parliament.