

Pharmacy Review 2016

My name is Craig Clark and I have a pharmacy in Bunbury W.A. I have been in pharmacy for 30 years and would like to see pharmacy have a very bright future. I have two son's that are in pharmacy school in Western Australia.

In the 30 years I have been in pharmacy I have never seen the cuts to pharmacy remuneration like I have seen in April 2014 and the years that followed. Many years ago the government decided to bring location rules into pharmacy to make pharmacy more efficient and save the government money. The value of pharmacies increased with time and so did the rents charged to pharmacies.

Over the years I have seen pharmacy change from a small corner store with the pharmacist hidden from view and one shop girl to now a pharmacy that provides many services that is a vital part of the community. These services are not designed to compete with doctors but aid in screening of patients and help with referral to doctors and maybe eventually specialists. At our pharmacy in Bunbury we provide jobs for 28 local people and have the following services;

1. Vaccination
2. Walking Group- run by a local personal trainer
3. Blood Pressure check and charting (FREE)
4. Diabetes check and advice (FREE)
5. Clinical Interventions- hundreds of errors in dosing, drug interactions are picked up and changed with the doctors consent
6. Sleep Apnoea - home sleep test, machines ,spare parts and one annual seminar
7. Pain Management service at the pharmacy- Advice on pain management medication and one annual seminar.(FREE)
8. Weight Loss centre- we have a special counselling room for weight loss and advice.(FREE)
9. Nursing Home Packaging- we provide thousands of packs per week of medication to nursing homes, with some days up to thirty alterations of the patients medication.
10. Community Webster Paks- we have a free delivery service to over 150 community residents who find it difficult to look after their own medication. (FREE)
11. Mole Check- we provide a quick mole check through the pharmacy to refer onto the local clinic
12. Seminars- we provide over 12 seminars each year to nursing homes and the community through our seminar room instore. (FREE)
13. Methadone room- we have designed a methadone room at the rear of the shop to dispense in privacy to our methadone clients.
14. Open 7 days each week with free delivery.
15. Sponsorship of local football teams, surf life saving etc
16. Charity events to raise money for Ovarian Cancer
17. Travel Health

We redesigned our pharmacy so every customer that brings a script into the pharmacy will talk with a pharmacist, one on one, every visit. We have three pharmacists on all week. We automated three years ago with a robotic dispenser for better efficiencies and a webster packing machine to help with the weekly webster paks. We have a free information booth that customers can get print out's on any health matters. We have three counseling rooms, which are all designed for comfort and privacy of the patient pharmacist interaction.

The sudden decrease in income has made us look at all aspects of the business including many of the free services, the seven days a week opening, the staffing levels, and rent. I think we all understand that prices for medication can be reduced over time but doing so with remuneration in other areas (services) to cover for this massive loss to pharmacy. Many pharmacies will have to close their doors and shopping centre pharmacies may be a thing of the past. We do not want to wind back pharmacy to the dark ages. We have one of the best pharmacy models in the world.

The ownership of pharmacy should be tightened up and reviewed. We should tighten ownership rules to only two pharmacies per pharmacist, allowing new graduates the ability to purchase a new pharmacy. Large pharmacy groups that are owned by only a few pharmacists should be investigated and dealt with.

We have to think about the whole industry if we are going to make more cuts. Continued cuts to the industry and opening up of location rules:

1. **Consumers-** will lose the most. If we open up location rules we may see the big box discounters take over. We know that their whole focus is to turn as much stock with the least amount of expense. I can't see them helping the customers with bags out to the car, purchasing bread down the street, or going to their home to change a dressing. Will the consumers get cheaper prices? We have seen in many industries the ACCC come in and destroy industries over night. Instead of stopping monopolies they create monopolies and this is what will occur in our industry. We have seen this happen with fuel, liquor, hardware and dairy. Then, when they have the monopoly they increase price to higher than they use to be.
2. **Location of Pharmacies-** we will lose pharmacies in major shopping centres (rent), in rural and remote areas (not viable). The current system has given Australia a great and fair distribution of pharmacies throughout Australia.
3. **Pharmacists Wage-** we all understand the pharmacists wage is low compared to other professions. This wage has been at the rates for as long as I have been in pharmacy. Lawyers \$500.00/hour, Doctor's \$200-300.00 per hour Plumbers \$100.00/hour, Nurse Practitioners \$70.00/hour, Retail Pharmacy Managers \$35.00 per hour and pharmacists anywhere between \$25- \$40.00 per hour. If you keep cutting pharmacy remuneration there is no way we can increase our pharmacists wages that work in our stores.
4. **Wholesalers-** if the price of medications keeps decreasing we will see the whole distribution of medications collapse. How will wholesalers be able to distribute medications if they are making 7% of \$5.00, it simply would not be worth it. The government really needs to understand the ripple effect from changes made to

pharmacy income.

5. **Nursing Homes-** I have seen the quality of nursing homes medication supply improve exponentially when pharmacists started getting involved. The introduction of Webster Paks 25 years ago cleaned up a lot of the industry. This pharmacy service has been propped up for many years by the profit from medication. With this profit being squeezed, this service will not be affordable to the local pharmacy and the industry. When is the government going to subsidise pharmacies that are on call twenty four hours a day before the service supplied by pharmacy collapses and is not viable.
6. **Consultant Pharmacist-** the changing of the rules for RMMR's and HMR's overnight nearly killed a whole branch of pharmacy that had taken 15 years to establish. Medication reviews have been shown to be a very effective tool for the best use of medicines. We need money to be spent in this area. This will also help pharmacists graduating to have a good income stream and make a big difference in the patient's health. As a consultant pharmacist for 15 years I have been involved in medication reviews in nursing homes and home medication reviews. I was also part of a Palliative Care Home medication reviews pilot in the southwest, which was a very successful program that was loved by all including the palliative care nurses. This was not taken any further.

The cross subsidisation of pharmacy services has to stop. The money we earn when we dispense should be for dispensing. If we supply a service we should be paid for it like other health professional's. The idea of medicare numbers for pharmacists to supply professional services in pharmacy will be a great way of increasing the income for pharmacists that are providing a great service. We see exercise physiologists and nurse practitioners have medicare numbers and are only new professions.

The best health models world wide have been shown to be models that have the patient as the centre of care and not the doctor. Doctor's, pharmacist and all health care professionals should be part of a health care team that works together for the better of the patient. Pharmacists can play a key role in the dispensing of medication, screening of many disease states, educating patients and referring to doctors for the best care.

In conclusion, the decision's you make can have a massive effect on pharmacy and the quality of pharmacy in Australia. I have seen and worked in pharmacies in England and our pharmacy system is the best in world. Ownership needs to be under control of a pharmacist, remuneration needs to be fair for all health professionals and location rules have worked in providing larger more efficient pharmacies with an even spread geographically.