



The Hon. Greg Hunt MP
Minister for Health

MEDIA RELEASE

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Continued support for Australia's community pharmacies

The Liberal National Government has announced key measures to support the delivery of medicines and important patient services through community pharmacy including guaranteed remuneration for dispensing of PBS medicines, measures to improve pharmacy cash flow and a new trial to support patients with mental health issues amongst others.

Pharmacists and pharmacies are an essential part of our health care system and our Government is taking action to make sure this sector can evolve and expand beyond the delivery of essential medicines.

In the keynote address to the 2019 Australian Pharmacy Professional Conference on the Gold Coast Health Minister Greg Hunt announced key initiatives and commitments that build upon the Government's strong track record on the PBS by:

- Guaranteeing the current Administration, Handling and Infrastructure (AHI) fee for the dispensing of PBS medicines through a new \$200 million investment which will provide certainty until mid-2023.
- Reducing pharmacy payment timeframes for claiming PBS medicines, from 9-16 days to two to nine days from 1 April 2019
- A new \$5 million mental health pharmacy trial focusing on medication adherence for people with mental health issues.
- A Commitment to expedited negotiation of the next Community Pharmacy Agreement by the end of 2019 six months ahead of the expiry of the current Agreement in June 2020.
- Working through COAG to harmonise access to vaccinations through community pharmacy in all States and Territories.
- Reaffirmed the Morrison Government commitment to the community pharmacy model including through ongoing support for Pharmacy Location Rules and Community Pharmacy Ownership Rules.

A key feature of the Sixth Community Pharmacy Agreement (6CPA) signed in 2015 was the replacement of the percentage-based mark-up on most medicines, with a flat rate AHI fee.

This change means PBS reforms don't erode pharmacists' income from dispensing as the price of many PBS medicines drops.

The extension of the current AHI fees, which were increased in 2017, will continue to ensure the timely availability of PBS subsidised medicines through the community pharmacy network.

The payment timeframe for PBS claims under the 6CPA will be reduced from up to 16 days to between two and nine days from receipt of electronic claims.

This change recognises the importance of effective cash flow and stock management for the business of community pharmacy and will be a very positive change for community pharmacies, hospital pharmacies and prescribers Australia-wide.

Another important trial will shortly get under way through the \$50 million Pharmacy Trial Program. This new trial will directly benefit people with mental health issues.

This \$5 million trial is called Bridging the Gap between Physical and Mental Illness in Community Pharmacy, or the PharMIbridge trial.

The primary goal of this trial is to help people better manage their medication and improve their quality of life.

The trial will start later this year and involve 35 pharmacies in Western Australia, New South Wales and the ACT.

Pharmacists taking part in the trial will receive training and work closely with the patients' other health professionals.

The trial will be jointly led by the Guild and the Pharmaceutical Society of Australia in collaboration with researchers at Griffith University and the University of Sydney.

Minister Hunt also reaffirmed the Morrison Government commitment to Pharmacy Location Rules, Community Pharmacy Ownership Rules and the community pharmacy model

The community pharmacy of the future will be a trusted and highly accessible health care hub, working in collaboration with medical and allied health professionals, hospitals and the community sector.

Community pharmacies will become more focused on providing health services to meet the increasingly personalised and complex needs of Australians across the nation.

The Australian Government is committed to working with pharmacists to build and extend on their professional skills to ensure the viability and prosperity of the community pharmacy sector.

Negotiations for the next pharmacy agreement will begin in coming months, underpinned by mutual respect and understanding of our shared responsibilities for the health system, and particularly the PBS.

Importantly a re-elected Morrison Government will finalise these negotiations by the end of 2019 to provide certainty for patients and community pharmacy.

Since 2013, our Government has announced more than 2,000 new or amended items on the PBS.

This represents an average of around 30 listings per month—or one each day— at an overall cost of around \$10.6 billion.

Unlike Labor we are listing all medicines on the PBS that have been recommended by the medical experts.

Our commitment to the PBS is rock solid. Together with Medicare, it is a foundation of our world-class health care system.

(ENDS)

Authorised by Greg Hunt MP, Liberal Party of Australia, Somerville, Victoria.