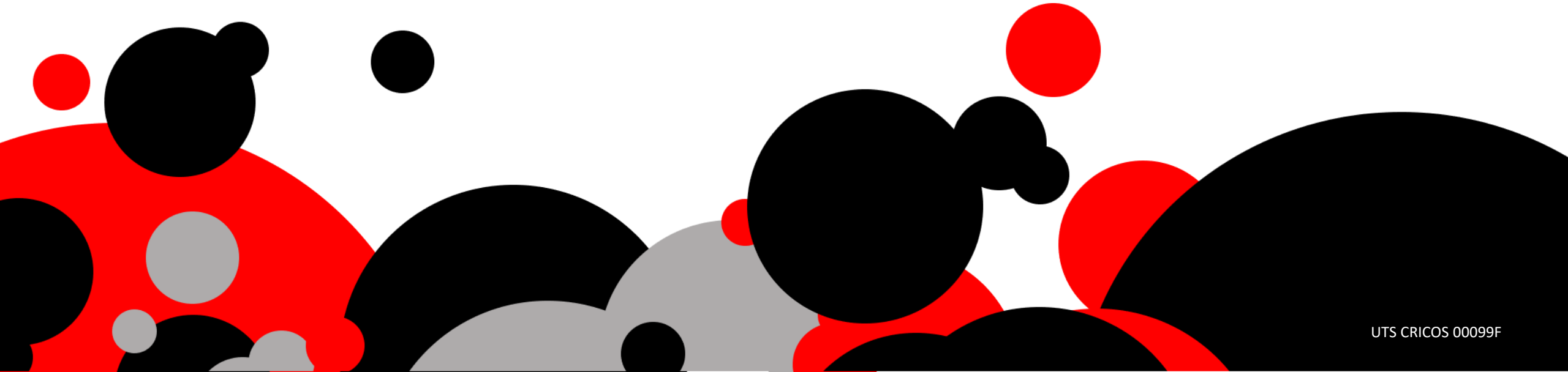
UTS Centre for Health Economics Research and Evaluation (CHERE)

Efficient Funding of Chemotherapy Review Webinar

1 February 2024



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Background

Focus is the EFC :

- Funding for the supply and delivery of EFC-listed products
- Remuneration based on most efficient combination of vials

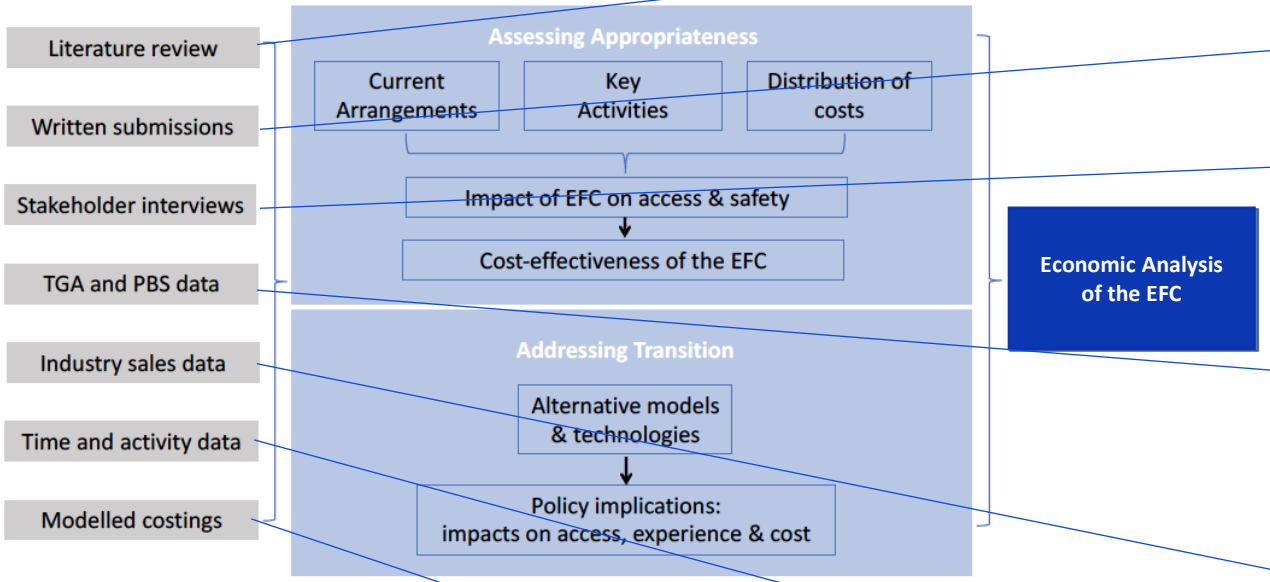
Complex system and context:

- Cancer care is a critical and complex area
- EFC is a core component of the broader PBS
- Many ‘moving parts’ to be represented
- Numerous stakeholders with varying interests

Priority is to maintain integrity of patients’ access to care.

Commenced 2021 - Released 2023

Overview of Approach



- >7,800 abstracts coded
- Peer-reviewed and grey literature

- 40 written submissions

- 23 'face-to-face' consultations
- 67 interviewees, 23 organisations

- 6.3 million observations of PBS use (2016/17 to 2020/21)
- 8,669 instances of safety events (TGA)

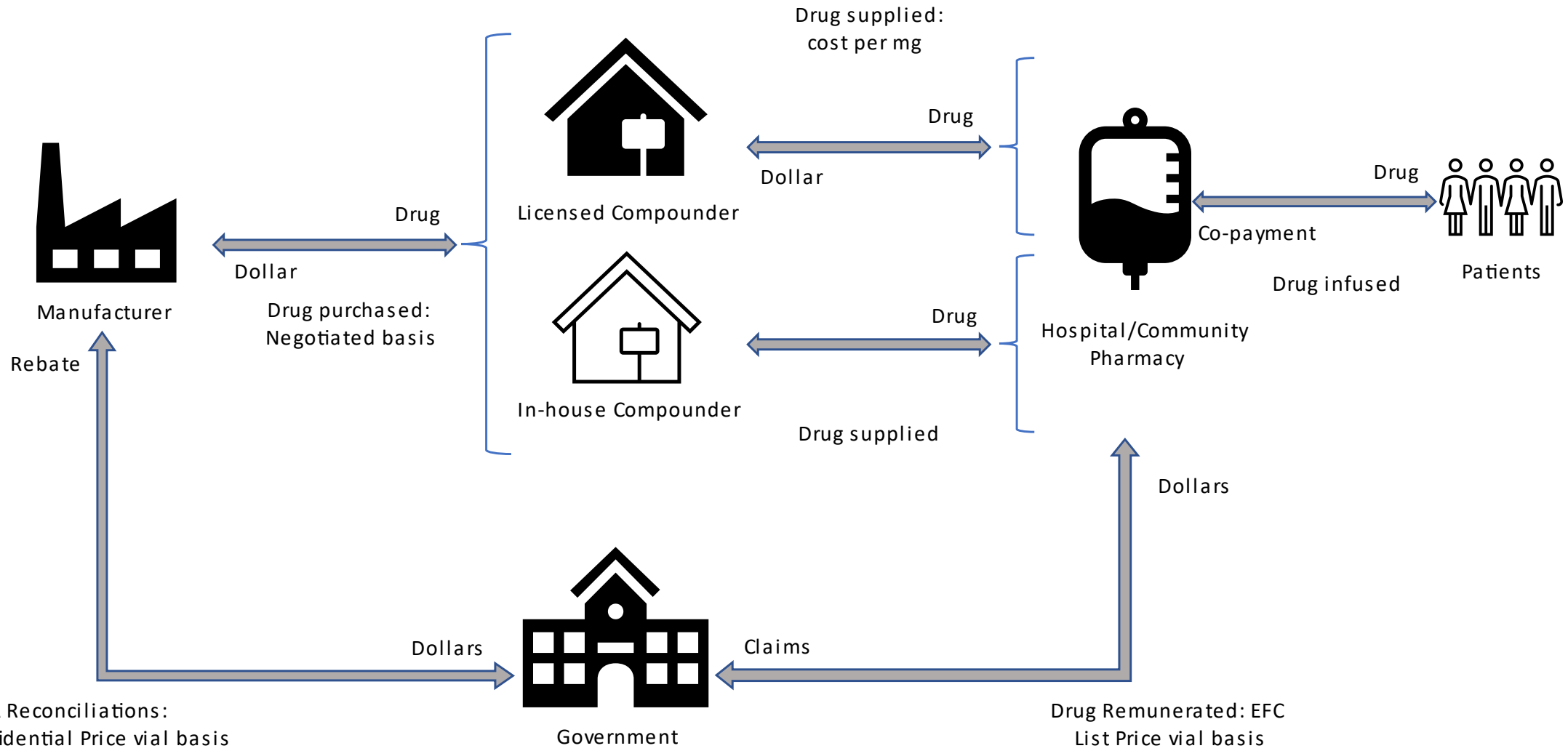
- 93,000 records of sales within supply chain (IQVIA) – 2016-2020

- Information from literature and consultations

- PBS line-level data to investigate impact of changing funding model

Input from Expert Advisory Panel

Multiple stakeholders: critical to system analysis



Recommendations: Waste and vial sharing

Short-term: Continue the current system of reimbursement based on the most efficient combination of vials. (Recommendation 12)

Medium-term: Investigate the introduction of a PBS Dose-Banding chart for cancer medicines to facilitate ease of prescribing within bands (with an aim to reduce wastage on a per patient basis). Reimbursement would continue to be based on the most efficient combination of vials (ad-interim). (13)

Medium-term: Upgrade PBS data collection and reporting systems to ensure information on the form and strength of vials used in estimating the most efficient combination of vials can be readily extracted from the system. (15)

Recommendations: Waste and vial sharing

Long-term: Adopt a per mg reimbursement model as the most efficient use of cancer medicines and to potentially support reconciliation of sales with manufacturers. (Recommendation 14)

> Requires broader system change with respect to the interface between PBS reimbursement for drug supplied and the flow of funds to states for hospital funding as facilitated through the Australian Hospital Agreements.

Long-term: Serialise vials to facilitate reconciliation of drugs transacted with PBS claims. Feasibility of such an arrangement is subject to requisite infrastructure (e.g., sterility-compliant scanning devices in compounding facilities, pharmacy scanning software) and financial capital investment. (16)

System change: Consider the potential for the Commonwealth to purchase medicines directly from manufacturers as a means of increasing system efficiency and more directly align the purchase and reimbursement of PBS medicines. (17)

Recommendations: Chemotherapy as a specialty service

Short-term: Modify the EFC legislative instrument to recognise that the program funds more than cytotoxic chemotherapy and intravenous cancer medications. (Recommendation 1)

> Suggestions include “Efficient Funding of Anti-Cancer Medicines” and “Cancer Medicines Funding Program”

System change: Investigate system changes with respect to alternative funding mechanisms for the delivery of cancer medicine services that better integrate all aspects of the care pathway (including assessment for treatment, treatment preparation and delivery, and follow-up care). (2)

Recommendations: Administrative burden

Short-term: Continue the operation of the Medicare Prescribing chart for online prescribing and claiming. (Recommendation 7)

Short-term: Expand the medicines covered under the EFC to include all compounded cancer medicines listed for cancer indications on the PBS. (8)

Short-term: Develop an education program targeting all system stakeholders to focus on:

(1) PBAC cost-effectiveness recommendations, including the setting of PBS restrictions;

(2) item coverage under existing EFC arrangements. (9)

Recommendations: Patient Access and Safety

Short-term: Remove distinction between public hospital and private hospital prescribing as a means of rationalising access and patient copayments. (Recommendation 18)

Short-term: Expand the availability of Closing the Gap arrangements to all eligible Indigenous people accessing cancer medicines. (19)

Short-term: Extend the current copayment arrangements for EFC Schedule I medicines to Schedule II medicines to ensure patients are not differentially affected by co-payments. (20)

Medium-term: Conduct a system-wide consultation (State/Territory/Commonwealth Governments and peak cancer care/consumer organisations) to consider initiatives that may improve access to quality cancer care. (21)

Recommendations: Public vs Private

Short-term: Remove the distinction between (s94) public and private hospital settings with respect to PBS item codes. (Recommendation 23)

Short-term: Remove the distinction between (s94) public and private hospital providers with respect to the EFC fees paid for the supply of cancer medicines. (24)

Recommendations: EFC Fees

Short-term: Maintain the EFC's existing fee structure and level as currently legislated, subject to current indexing arrangements. (Recommendation 4)

Long-term: Consider amending the EFC fee components and levels (subject to an analysis of stakeholders' empirical cost data) to add specific payments with respect to infusion devices, repurposing/reissue of compounded medicines, and the provision of cancer medicines in rural areas. (5)

Long-term: Consider amending the EFC distribution fee in lieu of a specific wholesaler payment (potentially as part of future negotiations of the Community Services Obligation). (6)

Recommendations: Compounding

Short-term: The Review reiterates the findings of the King Review (2017) and recommends the application of a nationally consistent set of standards to the compounding and supply of cancer medicines. Those standards as they apply to compounding providers for the EFC should be clearly articulated. (Recommendation 22)

Short-term: Payment of a fee for compounding services should be: (1) made to all (TGA and non-TGA licensed) compounding facilities, subject to annual review of compliance with relevant regulatory guidelines and best practice as determined by a national minimum standard; (2) substantiated through an analysis of providers' actualised costs, demonstrating the extent to which those costs are fixed/variable and attributable to the compounding of infused cancer medicines via the EFC. (10)

Long-term: Investigate the requirements and feasibility of establishing a National Centre for Stability Testing to increase the shelf-life of compounded products under conditions replicable by local compounders. (11)

What's next…

Awaiting response to report from the Minister's Office
Public engagement

https://www.pbs.gov.au/reviews/efc-review-files/Efficient-Funding-of-Chemotherapy-Review-Final-Report-with-Addendum.PDF

Acknowledgments…

EFC Expert Advisory Panel
Contributors to Public Consultation Process
Participants in Stakeholder Engagement
DoHAC
Contributors