

New payments under the Eighth Community Pharmacy Agreement

What is the Eighth Community Pharmacy Agreement?

The <u>Eighth Community Pharmacy Agreement</u> (8CPA) is signed between the Commonwealth of Australia, and the Pharmacy Guild of Australia. The agreement aligns with the aims of the <u>National Medicines Policy (2022)</u>. The purpose of the 8CPA is to support the provision of equitable, timely, safe and reliable access to medicines and medicines-related services to all Australians through community pharmacy. With an envelope of \$26.5 billion, the 8CPA represents a substantial increase in Government investment for community pharmacy.

About \$2.1 billion of the 8CPA envelope will provide a new legislated payment (*Clause 4.1* of the 8CPA); the Additional Community Supply Support (ACSS) payment. The ACSS payment will provide the necessary level of support to community pharmacies for the dispensing of PBS medicines and ensure continued access to these medicines for Australians while providing cheaper medicines to patients.

Key information on the ACSS payment

- The ACSS payment is available for each supply of a PBS and RPBS prescription of a section 85 medicine made by a community pharmacy from 1 April 2024. Services Australia will provide the first payments before the end of October 2024.
 - Services Australia is processing ACSS payments for each quarter via a manual bulk adjustment process and aims to automate all ACSS payments by 1 July 2025.
 - To receive accurate payments during the manual processing window, pharmacists will need to ensure all claims are certified (closed). In accordance with legal requirements under the National Health (Supply of Pharmaceutical Benefits—Under Co-payment Data and Claims for Payment) Rules 2022, pharmacists are required to certify and close all PBS and Repatriation PBS (RPBS) claims within 30 days.
- The ACSS payment supports the supply of PBS and RPBS prescriptions of s85 medicines by community pharmacies. ACSS payments will only be made in respect of Commonwealth subsidised (i.e. claimable) PBS items only.
- The ACSS payment has two components to give more support to all community pharmacies.
 One component gives specific support for 60-day dispensing prescriptions. s90 Approved Pharmacists are eligible for the following payments:
 - 1. a base-level fee (\$0.78 in 2024-25) per dispense for all general schedule medicines supplied to patients.
 - 2. an additional fee (\$4.79 in 2024-25) per dispense of an eligible increased Maximum Dispensed Quantity (MDQ) item when supplied in the full maximum dispensing quantity.
- The ACSS payment is detailed at section 99AAAA in the <u>National Health Act 1953</u> (Act).
 Under the Act, the <u>Pharmaceutical Benefits Remuneration Tribunal (PBRT)</u> is responsible for determining which medicine supplies are eligible for ACSS payments and the amounts of those payments.
- More details of the ACSS are provided in Appendix A of the 8CPA.