



Improving Access to Medicines – PBS New Medicines Funding Guarantee

The Government has established a New Medicines Funding Guarantee to meet the cost of future, new, and amended Pharmaceutical Benefits Scheme (PBS) medicines listings.

This landmark forward funding guarantee will further safeguard the PBS listings of innovative, life-saving and life-changing medicines.

While the PBS remains a demand-driven program this PBS New Medicines Funding Guarantee will deliver new funding each year for the listing of new medicines on the PBS, to be replenished each year to meet the expected cost of new and amended listings.

All existing items on the PBS have their funding guaranteed through the Medicare Guarantee Fund, which is established in legislation and secures ongoing funding for all medicines listed on the PBS.

Why is this important?

Access to affordable medicines through the PBS saves and protects lives.

The Government has a policy to list all medicines on the PBS as recommended by the Pharmaceutical Benefits Advisory Committee (PBAC).

The New PBS Medicines Funding Guarantee will ensure that medicines continue to be listed on the PBS.

The PBAC will continue its rigorous examination of clinical and cost-effectiveness prior to making a recommendation to list a medicine on the PBS.

Who will benefit?

All Australians benefit from equitable and sustainable access to the most effective medicines, including highly specialised, expensive and lifesaving medicines, through the PBS.

This change will also benefit the Australian medicines industry, including pharmaceutical manufacturers, wholesalers, compounders, hospital pharmacies, community pharmacies and consumers by providing a funding guarantee.

How much will this cost?

Since 2013, the Government has made over 2,450 new and amended medicines listings on the PBS through an investment of over \$11.8 billion.

This commitment will guarantee new funding each year for the listing of new medicines on the PBS. Whilst the cost of new PBS listings fluctuates each year, approximately \$2.8 billion in new funding is expected to be committed over the next four years to meet the cost of new and amended medicines listings.