



Improving access to medicines – Pharmaceutical Benefits Scheme Safety Net

The Australian Government is investing \$525.3 million over four years to reduce the out of pocket costs for Australians who rely on Pharmaceutical Benefits Scheme (PBS) subsidised medicines, by reducing the eligibility threshold to meet the PBS Safety Net.

This is part of the Government's commitment to providing affordable and accessible medicines for all Australians.

From 1 July 2022, the PBS Safety Net threshold in each calendar year will be lowered by the equivalent of 12 fully priced scripts for concession card holders and the equivalent of two fully priced scripts for non-concessional (general) patients.

- For concessional patients, the safety net threshold will be lowered from \$326.40 to \$244.80 a saving of up to \$81.60.
 - When concession card holders reach the safety net threshold, after 36 full priced concessional scripts, they will receive PBS medicines at no charge for the balance of the year.
- For general patients, the general safety net threshold will reduce from \$1,542.10 to \$1,457.10 a saving of up to \$85.00.
 - This means that after the equivalent of about 34 full priced general co-payments, general patients pay only the concessional co-payment of \$6.80 per PBS script for the balance of the year.

Last year, 1.8 million Australians qualified for free or discounted medicines through the PBS Safety Net scheme. Guaranteeing more funding will ensure that even more Australians can access cheaper medicines. It is estimated that 2.4 million Australians in total will benefit from reducing the concessional and general PBS Safety Net thresholds.

Patient co-payment amounts and safety net thresholds will continue to be adjusted on 1 January each year with respect to movements in the Consumer Price Index (CPI).

Why is this important?

This measure will provide concessional and general patients with earlier access to free or significantly cheaper PBS medicines. This continues to drive more affordable and accessible medicines for all Australians through the PBS.

The PBS Safety Net changes are related to lowering cost of living pressures, ensuring people can access the medicines they need.

Who will benefit?

Both concessional and general patients will be more likely to reach their safety net, or reach it earlier in the calendar year, increasing the number of people who may benefit, or gain an increased benefit, from the scheme.

Families, pensioners and chronically ill patients requiring multiple medicines will benefit most from this measure.

How much will this cost?

The Australian Government is investing \$525.3 million over four years from 2022–23 to 2025–26.