

## Government Response to the Review's Recommendations

The Department of Health will work with NPS MedicineWise and key stakeholders to implement the Review's recommendations.

Recommendation	Government Response
<b>Recommendation 1.</b> NPS MedicineWise should review the reputational risks arising from its VentureWise activities in view of the necessity to maintain both the perception and reality of independence in the QUM ecosystem. Such a review should consider whether the continuance of its current relationship with VentureWise is in the best interest of the company in view of the negative perception of the relationship as expressed to the Review by key stakeholders. If the relationship is to be maintained, further steps should be taken to ensure that there is a clear separation between both entities.	Supported. The new Grant Agreement includes a financial framework that ensures there is a clear separation between both entities. See comments against Recommendations 14, 17 and 24 and 25.  <i>On 3 February 2020 NPS MedicineWise informed the Department that it was winding up VentureWise.</i>
<b>Recommendation 2.</b> Representatives of the Department of Health, PHNs, RACGP and ACSQHC should be included as members of Clinical Intervention Advisory Group. This will enable wider deliberations about prioritisation and better co-ordination while also promoting closer engagement. This will minimise duplication while also ensuring Grant funded activities align with other relevant Department programs.	Supported. The Department will work with NPS MedicineWise to ensure there is better coordination and engagement with key stakeholders including representation from key stakeholders on the agenda setting and goal setting committees. See comments against Recommendation 9.
<b>Recommendation 3.</b> NPS Medicine Wise should strengthen governance of the use of MedicineInsight data including introducing greater transparency to ensure ongoing confidence in the processes and to ensure data are not used in a manner contrary to NPS MedicineWise's mission.	Supported. The Performance Indicators in new Grant Agreement require NPS MedicineWise to demonstrate improvements in data governance as outlined in Recommendation 3.
<b>Recommendation 4.</b> The Board of NPS MedicineWise should consider mechanisms for the appointment of Directors and the composition of the Board with a view to include members with specific financial and legal expertise and knowledge of public sector governance.	Supported. The new Grant Agreement requires that NPS MedicineWise must implement mechanisms to ensure that by 1 January 2021, its Directors and Board have appropriate financial and legal expertise and experience and knowledge of public sector governance.
<b>Recommendation 5.</b> NPS MedicineWise's processes are refocused to ensure consumer involvement in a genuine collaborative manner in the priority setting, co-design, and where applicable, the delivery of programs.	Supported. The new Grant Agreement requires that NPS MedicineWise adheres to the Principles of the National Strategy for Quality Use of Medicines (NSQUM) including genuine collaboration with consumers.

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<p><b>Recommendation 6.</b> Consistent with the Quality Use of Medicine Principles of system-based approaches, NPS MedicineWise’s topic selection and annual Work plan development must take into consideration the need for better integration of medication management between levels of healthcare services.</p>	<p>Supported. The new Grant Agreement requires NPS MedicineWise to embed a system-based approach to program delivery.</p>
<p><b>Recommendation 7.</b> In the development of the annual Workplan, NPS MedicineWise and the Department must identify system-based issues that impact on QUM and support collaborative interventions that improve medication use while recognising the potential for NPS MedicineWise to demonstrate its QUM stewardship role.</p>	<p>Supported. The new Grant Agreement requires NPS MedicineWise to embed a system-based approach and genuinely collaborate and reduce duplication.</p>
<p><b>Recommendation 8.</b> A collaborative working relationship between PHNs and NPS MedicineWise is essential to ensure the efficiency and effectiveness of QUM programs. The Department should consider the necessary incentives and processes to facilitate the development of a productive working relationship between NPS MedicineWise and the PHNs to leverage Commonwealth investments in primary health quality initiatives.</p>	<p>Supported. The new Grant Agreement requires NPS MedicineWise to collaborate, maximise efficiencies and reduce duplication with stakeholders including ACSQHC, the PHNs, healthcare services, disease specific groups, professional associations and consumer groups. The Department will establish mechanisms to promote strategic QUM collaboration and priority setting.</p>
<p><b>Recommendation 9.</b> To ensure the efficient use of the Commonwealth QUM investments, the relationship between NPS MedicineWise and the ACQSHC should be further developed. The two organisations should have complementary priorities and share expertise to avoid duplication and promote consistent messaging wherever applicable.</p>	<p>Supported. The new Grant Agreement requires NPS MedicineWise to work with ACQSHC. The Department has also directed NPS MedicineWise to use its 2020 symposium to work with the ACQSHC to support the <i>Global Patient Safety Challenge: Medication without Harm</i> program of the World Health Organisation to reduce:</p> <ul style="list-style-type: none"> <li>• Medication errors;</li> <li>• Adverse drug events;</li> <li>• Medication-related hospital admissions by 50% by 2025.</li> </ul> <p>See comments against Recommendation 2.</p>
<p><b>Recommendation 10.</b> In line with the Principles of NSQUM, it is recommended that QUM initiatives that relate to specific disease entities be supported in a system based approach. To achieve a system based approach, both NPS MedicineWise and disease specific groups must act collaboratively.</p>	<p>Supported. The new Grant Agreement requires NPS MedicineWise to collaborate, maximise efficiencies and reduce duplication with stakeholders including ACSQHC, the PHNs, healthcare services, disease specific groups, professional associations and consumer groups.</p>
<p><b>Recommendation 11.</b> MedicineInsight is a valuable primary health care data asset and its use by government agencies should be expanded to support the post marketing requirements including for the reporting required for Risk-Management Plans and for drug approvals under accelerated regulatory approval processes and managed entry schemes recommended by PBAC.</p>	<p>Supported. The new Grant Agreement supports the operation and further development of MedicineInsight. A key performance indicator is improving the functionality of MedicineInsight to support post market surveillance activities of the PBAC. See comments against Recommendations 3 and 12.</p>

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<p><b>Recommendation 12.</b> The utility of MedicineInsight data should be better promoted to government and non-government agencies including PHNs.</p>	<p>Supported. The department will establish mechanisms to promote strategic QUM collaboration and priority setting including the use of MedicineInsight data. See comments against Recommendations 3 and 11.</p>
<p><b>Recommendation 13.</b> The Department considers options for a refresh of the National Medicines Policy.</p>	<p>Supported. A Review of the National Medicines Policy has been announced.</p>
<p><b>Recommendation 14.</b> Commonwealth Grant funds must only be used to support Grant activities. The terms of the Grant Agreement should include a clear requirement that resourcing for non-Grant activities be separated from those provided through the Grant. To comply with the Grant requirements and to improve financial transparency in the use of Grant funds, NPS MedicineWise should be required to establish financial processes that do not rely on Grant funds underwriting any aspect of NPS MedicineWise's non-Grant projects. The Agreement should also require that any processes that rely on reimbursing the Grant for the cost of using Grant funded staff and assets for non-Grant activities must first be agreed in writing by the Department.</p>	<p>Supported. The new Grant Agreement includes a Financial Framework and strict grant conditions that ensure grant funds only support grant activities. See comments against Recommendations 1, 17 and 24.</p>
<p><b>Recommendation 15.</b> Mechanisms to support greater collaboration between NPS MedicineWise and other key stakeholders need to be built into any new funding Agreement. The Department should ensure QUM performance indicators across government funded activities are harmonised (including ACSQHC and PHNs) to ensure delivery against shared safety and quality goals is optimised.</p>	<p>Supported. The Department will establish mechanisms to promote strategic QUM collaboration and priority setting. In November 2019, all Health Ministers declared QUM and Medicine Safety the 10<sup>th</sup> National Health Priority Area and commissioned the development of a baseline report. This report will identify QUM indicators that will enable progress to be measured consistently, promote collaboration and introduce higher levels of accountability and transparency within the health system.</p>
<p><b>Recommendation 16.</b> Acceptance of the final topic selection for inclusion in the annual Workplan should reside with the Department of Health. The process of developing and approving NPS MedicineWise's annual Workplan and Budget needs to be better integrated with the Department's QUM priorities in order to avoid duplication and to identify areas of synergy across various initiatives.</p>	<p>Supported. The Department will establish mechanisms to promote strategic QUM collaboration and priority setting. These mechanisms will assist in identifying gaps, avoiding duplication.</p>

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<b>Recommendation 17.</b> The terms of the Grant Agreement should be amended to require that costs of each of the elements that constitute an activity under the Grant be reported to the Commonwealth.	Supported. The new Grant Agreement requires the transparent reporting of program costs. See comments against Recommendations 1, 14, 24 and 25.
<b>Recommendation 18.</b> MedicineInsight should continue to be developed and maintained by the Department and NPS MedicineWise.	Supported. The new Grant Agreement includes funding for MedicineInsight.
<b>Recommendation 19.</b> The Australian Prescriber should continue to be published at current frequency and continue to be a core component of NPS MedicineWise funded programs.	Supported. The new Grant Agreement includes funding for Australian Prescriber. See comments against Recommendation 20.
<b>Recommendation 20.</b> NPS MedicineWise should undertake a review of RADAR and consider whether it is the most efficient and effective means of informing pharmacists and prescribers regarding PBS listings. Further, in view of the apparent overlap in the type of material, there is a need to consider whether both RADAR and Australian Prescriber are necessary or whether consolidation of the two publications is an appropriate option.	Supported. The Department and NPS MedicineWise will work collaboratively to identify the most efficient and effective means of informing pharmacists and prescribers about PBS listings. See comments against Recommendation 19.
<b>Recommendation 21.</b> While the MedicineLine service does perform a useful function, the question of whether it could be better integrated into Healthdirect Australia should be considered by the Department. If the NPS MedicineWise's service were to be incorporated into Healthdirect's services, consideration will need to be given to increasing Healthdirect's access to expertise on medicines.	Supported. The new Grant Agreement includes funding for the MedicineLine service while an examination of the feasibility of transitioning the services to Healthdirect is undertaken.
<b>Recommendation 22.</b> Government QUM funding should not be allocated to activities to address Antimicrobial Resistance (AMR) unless it is part of a co-ordinated program endorsed by the Office of Health Protection (OHP).	Supported. The department is focused on developing a strategic action plan for a co-ordinated response to AMR through the new AMR Strategy 2020 and beyond. Grant funding will only be allocated to address antimicrobial resistance in consultation with and endorsement by the Office of Health Protection.
<b>Recommendation 23.</b> Availability and utility of NPS MedicineWise's Medicine apps should be actively promoted by NPS MedicineWise as part of its services to consumers and health professionals.	Supported. The new Grant Agreement includes funding for MedicineWise apps.

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<p><b>Recommendation 24.</b> The Grant Agreement should require that the outcomes of NPS MedicineWise Grant funded activities are made available in the public domain, so as to enhance transparency. The annual evaluation reports, detailed Economic Evaluation reports and the more detailed financial impact reports on PBS and MBS savings should also be required to be made available in the public domain.</p>	<p>Supported. The new Grant Agreement requires NPS MedicineWise to make publicly available the outcomes of grant funded activities. See comments against Recommendations 1, 14 and 17 and 25.</p>
<p><b>Recommendation 25.</b> The Grant Agreement should require that, at the beginning of each year, NPS MedicineWise is required to make publicly available the Grant activities proposed for the next year including:</p> <ul style="list-style-type: none"> <li>(a) the objectives for those activities;</li> <li>(b) the anticipated costs of the programs; and</li> <li>(c) the anticipated savings (if applicable).</li> </ul>	<p>Supported. The new Grant Agreement requires NPS MedicineWise to make this information publicly available. See comments against Recommendations 1, 14, 17 and 24.</p>
<p><b>Recommendation 26.</b> Consideration should be given to the importance of a stewardship role for NPS MedicineWise in promoting QUM including fostering a culture that promotes the five principles of the NSQUM across the health system. This should be specified in any new Grant Agreement.</p>	<p>Supported. The new Grant Agreement requires NPS MedicineWise to act in a manner consistent with the NSQUM principles.</p>
<p><b>Recommendation 27.</b> The process for the selection of therapeutic topics should include more formal arrangements that enable, as is appropriate, stakeholders including representatives of consumer groups, ACSQHC, and PHNs, to be involved in the selection of the topics to be considered in the final project plan.</p>	<p>Supported. The new Grant Agreement requires NPS MedicineWise to collaborate, maximise efficiencies and reduce duplication with stakeholders including ACSQHC, the PHNs, healthcare services, disease specific groups, professional associations and consumer groups.</p>
<p><b>Recommendation 28.</b> QUM initiatives for medical specialists must be further developed by NPS MedicineWise and delivered, including through bespoke approaches.</p>	<p>Supported. The Department will continue to work with NPS MedicineWise to explore QUM initiatives for medical specialists.</p>
<p><b>Recommendation 29.</b> Strategic relationships with medical specialists established through Choosing Wisely should be further developed by NPS MedicineWise as QUM initiatives will increasingly be designed for medical specialists.</p>	<p>Supported. See comments against Recommendation 28. The new Grant Agreement also includes funding for a pilot program to assess the feasibility of direct data collection from specialists' clinical information systems to MedicineInsight.</p>
<p><b>Recommendation 30.</b> NPS MedicineWise should use its national networks to facilitate collaborations with consumer groups so that disease-specific groups' priorities and activities are better integrated with the Grant Agreement's QUM objectives.</p>	<p>Supported. See comments against Recommendation 10.</p>

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<p><b>Recommendation 31.</b> While it is appropriate for the NPS MedicineWise's programs to include the development of CPD materials, consideration should be given to NPS MedicineWise collaborating with professional associations to minimise the duplication of effort and ensure consistent messaging relating to a particular topic.</p>	<p>Supported. The department will work with NPS MedicineWise in partnership with professional associations, colleges and other organisations to reduce duplication and create synergy in the development of CPD materials.</p>
<p><b>Recommendation 32.</b> PBS and MBS savings targets must be set whilst recognising that the pursuit of QUM will not always result in savings to the MBS and PBS and that public health system based improvements have the potential to deliver savings in other parts of the health system.</p>	<p>Supported. The new Grant Agreement requires NPS MedicineWise to continue to deliver the current savings targets. In addition the Department will work with NPS MedicineWise to identify savings in other areas.</p>
<p><b>Recommendation 33.</b> A QUM performance assessment framework to guide indicator selection, implementation and evaluation should be developed by NPS Medicine Wise and the Department for inclusion in any future NPS MedicineWise-Commonwealth Grant Agreement. This Framework should reflect the requirements of the NSQUM Principles.</p>	<p>Supported. The new Grant Agreement requires the Grantee to measure the Collective Impact of QUM stewardship. See comments against Recommendation 15.</p>
<p><b>Recommendation 34.</b> NPS MedicineWise should undertake a rigorous and detailed evaluation of each component of its programs including their impact on outcomes. This may require enhancing its evaluation methods to include prospectively using a step-wedge trial or similar designs as discussed in the 2018 Assessment of Evaluation Methods by NPS MedicineWise prepared by Roselie Viney, Stephen Jan and Katharina Wagner.</p>	<p>Supported. The new Grant Agreement reporting requirements include an explanation of which activities contributed to the savings and a statement of compliance with the agreed methodologies.</p>
<p><b>Recommendation 35.</b> A formal financial methodology and process should be agreed between the Department and NPS MedicineWise that addresses the following issues:</p> <ul style="list-style-type: none"> <li>- The selection of programs/activities to include in the annual financial impact reports.</li> <li>- The specifications of a costing methodology that aligns with Australian Government policy costing guidance, particularly on the qualitative explanations to accompany the financial impact report.</li> <li>- The selection of data sources and the documentation of the source and any limitations it might present.</li> <li>- The use of assumptions and the requirement to provide clear and plain English explanations on the impact of those assumptions on the overall reliability of the financial impact.</li> <li>- Guidance on when savings can be considered ongoing or whether they are temporary in nature.</li> </ul>	<p>Supported. See comments against Recommendations 34.</p>

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<p><b>Recommendation 36.</b> A formal methodology for estimating savings to PBS and MBS should be developed by NPS MedicineWise and agreed with the Department and align with the Australian Government’s approach to calculating savings.</p>	<p>Supported. See comments against Recommendations 34</p>
<p><b>Recommendation 37.</b> In the estimation of savings to MBS and PBS using time-series analysis, the issue of substitution must be taken into account. Savings claimed from reduction of one medicine could be offset by substitution to alternate therapies.</p>	<p>Supported. See comments against Recommendations 34.</p>