

PHARMAC

Pharmaceutical Management Agency

Media release

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PHARMAC well placed to respond to *Medicines New Zealand*

PHARMAC has welcomed the release of *Medicines New Zealand* – a new strategy for the medicines system – and is well placed to act on its findings.

Acting Chief Executive Matthew Brougham says the strategy is the outcome of a thorough process that has identified opportunities for the medicines system to work even better for New Zealanders.

“Until now, there hasn’t been a strategy for the medicines system, and its development is very welcome. In addition to improvement elsewhere in the medicines system, the strategy identifies areas for PHARMAC to work on. PHARMAC is committed to that work to help make the strategy an ongoing success,” says Matthew Brougham.

Matthew Brougham says PHARMAC sees the main themes coming out of *Medicines New Zealand* as better working relationships across the system; improving peoples’ understanding of and participation in the system; and optimal use of medicines.

“The work coming out of the strategy will further improve a system that already works well, and help make it more easily understood by people. It provides a very good platform for New Zealanders to learn more about how the medicines system works, how to be involved, and to make better use of medicines available for them.”

PHARMAC took part in the strategy process and gained a better understanding of stakeholders’ views. These views were further developed in PHARMAC’s own recent stakeholder survey, and further explored at the recent PHARMAC Forum attended by over 120 people.

Matthew Brougham says PHARMAC is committed to acting on the recommendations coming out of the strategy, and work is already underway in many areas. Actions for PHARMAC to participate in include:

- improving understanding of PHARMAC’s role as an agent of DHBs, and the ways DHBs and PHARMAC work together;
- working more closely with other agencies to better co-ordinate activity to promote optimal use of medicines;
- improving opportunities for people to contribute to PHARMAC’s decision-making;
- improving engagement with stakeholders, building from the recent stakeholder survey and PHARMAC Forum;

- examining whether the current role of the Consumer Advisory Committee is optimal and, if not, making changes; and
- continuing to ensure the clinical committee PTAC provides PHARMAC with objective advice.

[more]

Appreciating there's likely to be ongoing debate around some issues raised during consultation, further work is important in implementing the strategy to address concerns or improve understanding. Issues include the structure and role of PTAC and the level of the pharmaceutical budget.

"PTAC has been effective in providing objective advice from expert clinicians over a number of years; advice that has been a pillar of PHARMAC's success. Our view is that creating PTAC as a stand-alone organisation – as suggested by some submitters in the process – would only add costs, with no benefits," says Matthew Brougham.

"There are two issues related to the pharmaceutical budget – understanding how it is set and its optimal size. The budget has grown in recent years to meet the needs of New Zealanders, but we expect there to be continued debate over its size, relative to other DHB spending priorities."

"The strategy has helpfully provided the opportunity to clarify budget-setting principles. PHARMAC will continue to promote what it believes to be an appropriate budget size and, whatever the budget level, we will continue to make careful choices about how it is spent. We will also be doing more to help people better understand how the budget setting process works and how the budget is spent."

PHARMAC looks forward to working with all stakeholders with an interest in the medicines system to give effect to the strategy released today.

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