

2009 PHARMAC Forum

# WORKPLAN



PHARMAC **FORUM**

## Introduction

The 2009 PHARMAC Forum brought together more than 100 stakeholders from a range of backgrounds. At the Forum, we sought feedback on three discussion topics, and captured all the comments from the table discussions.

This workplan is based on comments received on the day and extracts the major themes. A full account of comments made at the 2009 Forum (the 'raw' feedback) has already been distributed to people who attended.

## The 2009 Forum

The second PHARMAC Forum was held on 9 October 2009. The 2009 Forum was attended by a range of delegates from patient and consumer groups, pharmacists and clinicians, the pharmaceutical industry, District Health Boards, and the Ministry of Health and other Government agencies.

The 2009 Forum was an opportunity for people to share views on PHARMAC's activities, and give feedback on our performance in implementing the workplan from the 2007 Forum. The day consisted of three main sessions, each beginning with a presentation by PHARMAC staff followed by table discussions on questions posed in each presentation, then open feedback of people's suggestions. The three discussion topics were:

- PHARMAC's report card – implementation of the Forum 2007 action plan.
- How can PHARMAC further improve how medicine brand changes are implemented for patients and health professionals?
- PHARMAC's consumer engagement – what changes are needed?

In addition, there were two 'breakout' sessions in which PHARMAC staff informed people about our work in promoting the optimal use of medicines, and on how we conduct cost-utility analysis.

We kept a record of discussions that occurred during the day and provided this 'raw' feedback to participants shortly after the 2009 Forum. This document condenses the raw feedback into the major themes, and includes our responses. We will be reporting back to delegates on our activities at future PHARMAC forums.

We are grateful for the feedback received and will be taking what actions we can in response to comments we have heard; however we are also mindful of our legislative role and the constraints that places on our ability to respond to some comments. Some of the actions requested also require co-operation on the part of third parties (including other Government agencies). While we can try our best to get these other parties on-board, ultimately some of the actions are out of our hands.

## Main themes emerging from the Forum

With a wide range of stakeholders attending, there was a correspondingly wide range of views expressed. We have been careful to analyse the feedback in detail to reflect those views. As the analysis in this document focuses on the prevailing themes that emerged from the 2009 Forum, not every individual's views are reflected. We have, however, considered all comments when extracting the main themes and points raised at the 2009 Forum.

These recurrent themes provide a focus for the ongoing work we will commit to. They include:

### 1. Continued attention to keeping our 2007 Forum commitments

There was a high degree of satisfaction that PHARMAC had kept its commitment to stakeholders around implementation of the 2007 Forum Work Plan. PHARMAC was urged to continue progressing the projects it has not yet completed. Stakeholders commented that some of these incomplete projects were fundamental and ought to be concluded as a matter of priority.

### 2. Better alignment of messages to patients from health professionals

Many people commented that a number of system problems could be resolved through improved use of health professionals' computer software. In particular, people felt there should be consistent messages given to patients by doctors and pharmacists about medicine brand changes, and that doctors should be telling patients about possible changes so patients aren't taken by surprise when they visit the pharmacy.

### 3. Continued focus on communications

Many comments were made about PHARMAC's improved communications – from the style and tone (less defensive, more open), to the range of communications tools including improved website, Information Sheets etc. PHARMAC was urged to continue these improvements.

### 4. Broadening PHARMAC's scope and business improvements

There was recognition that PHARMAC had done a good job within its mandate, and that it should continue seeking improvement. However, it was felt that other parts of the sector did not take the same disciplined approach as PHARMAC and that wide benefits could be obtained by a PHARMAC-type approach being taken in other areas, or by PHARMAC taking on other business (vaccines and hospital medicines were mentioned).

## Comments that we won't be addressing

In addition to the work we are committing to, we are also making clear that there are some comments PHARMAC won't be actioning. These include:

**Lobbying for a bigger pharmaceutical budget** – At present we provide advice to District Health Boards on the future budget path and the health benefits that can be gained from increasing our budget to fund the opportunities in front of PHARMAC. This advice is provided with a view to making a joint recommendation to the Minister that balances meeting the needs of patients and taking other opportunities available across the sector. Ultimately, PHARMAC's legislative role is to manage the funding set aside by DHBs and approved by the Minister. We are participating in the Ministry of Health and DHB-led work on budget-setting, including work to establish a principles-based approach for setting the community pharmaceuticals budget (as outlined in Actioning Medicines New Zealand).

**Part-funding more medicines** – medicines are expensive for people, and even a part-subsidy would not remove the cost barrier for some people. This would lead to equity issues, with well-off people able to afford part-funded medicines and those less well-off still facing a cost barrier.

**Funding multiple brands rather than sole supply purchasing** – Sole supply is an important mechanism for securing supply of medicines at competitive prices. In our experience, dual or multiple supply of medicines would come at a higher cost, which would lead to lost opportunities to fund new medicines.

Recognising that brand changes can be difficult for some people to adjust to, we have been making more careful choices about which medicines to apply sole supply to, and becoming more judicious in our use of it. We have also improved our support for brand changes by producing extra information to support both health professionals and patients. We will continue to consider the impact of proposed funding decisions on patients and health professionals. However, we consider sole supply has continuing benefits for New Zealand and we will continue to use it as a purchasing strategy.

## The workplan

### 1. Continued attention to keeping our 2007 Forum commitments

#	Action	Timeframe / comment
1	Complete and implement an online 'Application tracker' to enable people to find where medicines are in PHARMAC's funding process.	We will work to improve the accessibility and searchability of information about pharmaceuticals on the PHARMAC website. This would better enable stakeholders to track where a medicine is in our funding process, or collate information on medicines being considered by PHARMAC.
2	Complete consumer participation work and CAC Terms of Reference review.	We have sought feedback on a discussion paper about consumer participation with PHARMAC, and the relationship between CAC and PHARMAC's role. We will complete the CAC Terms of Reference review by 30 June 2010.
3	Complete updated Memoranda of Understanding (MOU) with District Health Boards.	We will continue working with DHBs to update Memoranda of Understanding.
4	Continue working with the Ministry of Health (MoH) and DHBs to move to a principles-based approach for setting the community pharmaceuticals budget.	We are working to better communicate the process for setting the Community Pharmaceuticals budget, and exploring whether the budget parameters are optimal.
5	Complete the review of the Exceptional Circumstances schemes.	We are awaiting the outcome of the Government's High Cost Highly Specialised Medicines (HCHS) review. We will then complete the Exceptional Circumstances review in the context of the Government responses to any relevant recommendations of the HCHS Panel.

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### 2. Better alignment of messages to patients from health professionals

#	Action	Timeframe / comment
1	Include incentives for brand changes within the pharmacy services contract.	We will work with DHBs and pharmacy representatives to incorporate incentives for brand changes into the pharmacy contract.
2	Integrate the Pharmaceutical Schedule with prescriber and dispenser software.	We will work with prescribing software vendors to: <ul style="list-style-type: none"> <li>• better integrate the Schedule into prescriber software; and</li> <li>• better align the information produced by prescriber and dispenser software systems.</li> </ul>
3	Review and remove Special Authorities where appropriate, and promote electronic Special Authority.	This work is ongoing. Over 60 Special Authorities have been removed or amended in the past two years and we will continue to identify opportunities to remove unnecessary red tape for clinicians. We will also seek opportunities to promote the use of the electronic Special Authority system.
4	Provide supporting information to doctors/pharmacists on brand changes.	This work is ongoing. We will continue to exercise judgment about which brand changes to pay particular attention to and support with additional information for health professionals.

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3. Continued focus on communications		
#	Action	Timeframe / comment
1	Continue to focus on plain English and consumer-oriented communications.	<p>This work is ongoing. We will seek opportunities to improve our use of plain English through:</p> <ul style="list-style-type: none"> <li>• Improving PHARMAC staff skills in the use of plain English principles</li> <li>• Encouraging the use of plain English in all PHARMAC documents including our accountability documents (Statements of Intent, Annual Reports etc)</li> <li>• Using the Consumer Advisory Committee for occasional reviews of our correspondence</li> </ul>
2	Seek opportunities to publicise PHARMAC's work & processes.	<p>This is ongoing using existing channels and building on them. Work will include:</p> <ul style="list-style-type: none"> <li>• Continuing to build and maintain the database we use for distributing our publications (e.g. Inpharmation);</li> <li>• Continuing to seek opportunities for proactive media activity;</li> <li>• Publishing our Annual Review;</li> <li>• Taking advantage of opportunities to present at conferences.</li> </ul>
3	Better explain our funding decisions	<p>We have made improvements to our notification and consultation letters to clarify the implications of funding proposals, and to summarise how feedback from consultation has been incorporated in our decisions. This requires ongoing focus and we are open to further ways of improvement, which could include improving how we notify stakeholders when new PTAC minutes, or new funding decisions are released.</p> <p>We also have an ongoing commitment to improving how we explain the budget-setting process.</p>
4	Make people more aware of PHARMAC's 0800 number and other contact information.	<p>We have recently added the 0800 number to our PHARMAC letterhead and will seek further opportunities to make people aware of it, and other contact information.</p>
5	Undertake a campaign to inform people about generic medicines.	<p>A generic medicines campaign is being piloted in the Bay of Plenty.</p>
6	Work with patient groups to disseminate patient information on brand changes etc.	<p>We will investigate using patient and interest groups as channels to distribute resources to patients.</p>

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### 4. Broadening PHARMAC's scope and business improvements

#	Action	Timeframe / comment
1	PHARMAC to investigate taking a role in purchasing vaccines.	We are awaiting the Government's response to the recommendations of the Ministerial Review Group on potential changes to PHARMAC's role.
2	PHARMAC to investigate taking a role in promoting greater consistency nationwide around hospital medicines.	We are awaiting the Government's response to the recommendations of the Ministerial Review Group on potential changes to PHARMAC's role.
3	Reinstate the interactive schedule on the PHARMAC website.	We will continue to ensure the website is as up to date as possible. Reinstating the interactive schedule will require internal prioritising against other potential uses of PHARMAC resources.
4	Change the timing of the PHARMAC tender to give greater certainty/better align with industry.	A project to shift the tender process away from the Christmas/New Year period is underway. We have consulted on a proposed amended timeframe for the 2010/11 Tender and this included seeking the views of industry.
5	Deliver Seminar Series in other parts of the country (away from Wellington).	We will investigate ways in which to make the Seminar Series and its resources more widely available, for example through teleconferencing or web-casting (subject to resourcing).
6	Consider when to use longer consultation time-frames.	Ongoing.
7	Explain why an Alternative Brand Allowance isn't used.	An explanation has been publicised in Inpharmation Nov 2009 and in the 2009 Annual Review.
8	Improve and update consultation databases.	We will continue to actively manage our consultation databases and work to ensure consultation letters are distributed to the appropriate interest groups.