

2 June 2023

Hon Dr Ayesha Verrall
Minister of Health
Parliament Buildings
Wellington

Dear Minister

Annual Letter of Expectations for Pharmac for 2023/24

Thank you for your letter dated 21 April 2023, outlining your expectations for Pharmac for the 2023/24 year. I am happy to provide you with our response, setting out how Pharmac plans to meet your expectations.

We appreciate your acknowledgement of our good performance, confirmed under the Pae Ora (Healthy Futures) Act 2022. We recognise the need to work with our health system partners to meet the obligations under Te Tiriti o Waitangi, achieve equitable health outcomes, and to be accessible, cohesive and whānau centered to support improved health outcomes. All these areas of focus are reflected in our new Statement of Intent 2023/24 – 2026/27.

We shall continue to progress actions from the Pharmac Review, working in close collaboration with Manatū Hauora and the sector. We have reflected ongoing activity in our new Statement of Performance Expectations for 2023/24.

Please find attached information on how we intend to meet your expectations for 2023/24 and how we will report our progress.

I would be happy to discuss this with you further or provide more information on any of the areas outlined.

Yours sincerely



Hon Steve Maharey
Pharmac Board Chair

cc: Associate Ministers of Health

Expectation	How we plan to meet the expectation	How we will report
Continue to maintain and improve our good performance of our functions (as specified under the Pae Ora (Healthy Futures) Act 2022), in keeping with the aspirations of the health reforms	We have reflected priorities in our Statement of Intent (SOI) and Statement of Performance Expectations (SPE).	We will report on progress through our monthly and quarterly reporting.
Support the health system to meet its obligations under Te Tiriti o Waitangi, achieve equitable health outcomes, be accessible, cohesive and whanau-centred	<p>We have reflected priorities in our SOI and SPE. This includes the future development and implementation of our Te Whaioranga Strategy in 2023/24.</p> <p>Building our engagement practices with Manatū Hauora, Te Whatu Ora, Te Aka Whai Ora, and health and disability partners will help enable this work.</p>	We will report on progress through our monthly and quarterly reporting.
Continue to address the actions outlined in the Government response to the review of Pharmac	We have identified review response initiatives in our PE 2023/24.	Initiatives will be reported on quarterly and in our annual report.
Work collaboratively and collectively with other health agencies	Our SOI and SPE also identify initiatives to work closer with other entities, including ensuring their voices are heard in our decision-making processes.	Initiatives will be reported on quarterly and in our annual report.
Ensure the free flow of information between Pharmac and Manatū Hauora	We have an effective relationship with Manatū Hauora and will continue to keep them well informed. We will share Board agendas, minutes and papers as required.	We hold regular meetings with Manatū Hauora, across the organization at all levels to facilitate working well together.

Prepare for future three-year funding cycles, and Budget 24	We have commenced planning for Budget 24 and shall actively work with Manatū Hauora and Treasury.	Regular financial reporting.
Make progress with the code of expectations for health entities' engagement with consumers and whānau, including how we have embedded Te Tiriti into our engagement	Pharmac is on the working group for the Code of Expectations, and the Code will form the basis of our engagement framework and action plan currently under development.	Initiatives will be reported on quarterly and in our annual report.
Pharmac now manages the appropriation for the national purchasing of pharmaceuticals. I expect you to continue to work with Manatū Hauora and Te Whatu Ora to refine reporting and monitoring of this important budget.	We aim for continuous improvement and our processes and planning and have reflected this in our SOI and SPE. We will continue to work with our system partners.	Financial reporting as well as quarterly and annual reporting processes will be followed.
Continue to work closely with cross agency immunisation group and sector to ensure our COVID-19 response remains appropriate.	We are active members of the cross-agency immunisation group.	Our COVID-19 related initiatives are reported in our quarterly and annual report.