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Pharmaceutical Management Agency (Pharmac)

Minutes of the Board Meeting

Held on Tuesday 9 December 2025 at 8.30am

Held virtually

Attendees:

Board members

Paula Bennett	Chair (until 10.55am)
Talia Anderson-Town	Board member
Anna Adams	Board member
Lucy Elwood	Board member
Dr Margaret Wilsher	Board member (Acting Chair from 10.55am)

Apologies

Dr Peter Bramley	Deputy Chair
Robyn Manuel	Board Observer, CAC Chair

Board Observers

Rhiannon Braund	Board Observer, PTAC Deputy Chair
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Pharmac staff in attendance

Natalie McMurtry	Chief Executive
Catherine Epps	Director, Medical Devices
David Hughes	Director, Advice and Assessment/CMO
Michael Johnson	Director, Strategy, Policy & Performance
Adrienne Martin	Acting Director, Pharmaceuticals
Nicola Ngawati	Director, Equity & Engagement
Maria Robertson	Director, Corporate Services
Trevor Simpson	Kaituruki Māori - Director Māori
Jacqui Webber	Board Secretary (Minute taker)

Attendees joined the meeting to present relevant papers: Chris Gilman.

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1. Welcome and Opening of Meeting

The Chair welcomed everyone and formally opened the meeting at 9.14am.

The Chair advised the meeting that during Board and Chief Executive only time, the proposal to decline some low ranked applications on the Options for Investment (OFI) list, was discussed. The following was noted:

- In October, Pharmac consulted on a proposal to decline some low-ranked applications on the Options for Investment (OFI) list and the consultation has now closed.
- Pharmac heard from a wide range of stakeholders - clinicians, professional groups, patient advocates, individuals, pharmaceutical companies and industry associations. Feedback indicated that while people understood our intention to improve transparency about the likelihood of applications on the OFI list being funded, this approach was not the right way to achieve that goal.
- Based on the feedback received, we are unlikely to proceed with the proposal. We have broader work underway through our Health Technology Assessment (HTA) review, which is part of the Reset Programme. At this stage, we are not proposing to make any changes to the OFI list and are proposing to decline the proposal as consulted on. If a new proposal is developed from the HTA review, we will consult again at that time.
- The Board at its meeting in June 2025, noted the following:
 - ***noted** that Pharmac staff are proposing a two-step process to progressing this proposal:*

The first step would be to publicly consult on the concept, and proposed operationalisation of Pharmac declining low-ranked funding applications. This would be followed by a Board decision on whether or not to proceed to the second (ongoing) step.

The second step (which would then be repeated annually) would be to consult on proposals to decline low-ranked applications.
- Pharmac would like to be able to make a decision before the end of the year to give stakeholders clarity that we are not proceeding with the proposal. To do this before the end of the year, we are requesting that the Board approve delegating the decision making to the Chief Executive.

The Board **resolved** to **approve** delegating decision making to the Chief Executive.

2. Chair's Report

2.1. Chair's Verbal Update

The Chair provided a verbal update, with key points as follows:

- **Health Committee Hearing:** The Chair thanked the team for compiling the necessary information. The hearing was successful.
- **Meeting with Director-General of Health, MOH:** The Chair and Chief Executive met recently with the Director-General. The discussion was constructive.

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- **Meeting with the Minister:** The Chair and Chief Executive held their regular meeting with the Minister yesterday. The Minister provided positive feedback and discussed the Government's new procurement rules. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2.2. Minutes of Board meetings

The Board **resolved** to **adopt** the minutes of the meetings held on 4 November 2025, subject to minor amendments.

2.3. Interest Register

The Board **noted** the interest register and no conflicts were registered.

3. Finance, Audit & Risk Committee Update

3.1. Verbal Update from the Finance, Audit & Risk Committee Chair (FAR)

The FAR Chair provide a verbal update to the Board. Key points included:

- A new financial summary paper will be provided to the Board going forward. The format is clear and highlights key results and variances.
- Current financial results are favourable, [REDACTED]
- Audit NZ presented the Board Audit Report (included in these papers). Management is reviewing Audit NZ's recommendations regarding procurement processes.
- Legislative survey results were positive. The full report is available in the Board Resource Centre – Reading Room.
- An update to the FAR Committee Terms of Reference was proposed regarding delegated authority for the Chief Executive. The Chief Executive will report to FAR on any matters requiring Board attention.
- A full medicines budget report will be presented at the February Board meeting.

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- The Board discussed financial results and addressed various queries.

The Board:

- **noted** the verbal updated from the Finance, Audit & Risk Committee Chair
- **noted** the financials for October 2025, as presented to the Finance, Audit & Risk Committee
- **noted** and **endorsed** the minutes of the Finance, Audit & Risk Committee meeting held on 24 October 2025.

Next Steps/Actions

Present the full Medicines Budget Management Report to the February Board meeting.

3.2. Audit NZ Report to the Pharmac Board

This item was discussed earlier.

4. Chief Executive's Report

The Chief Executive took the report as read, followed by a wide-ranging discussion. The Board commented that:

- The update was comprehensive, and progress on the digital programme was noted positively.
- The diversity of meetings in the Chief Executive's schedule was acknowledged.
- The Board welcomed the Organisation's efforts to develop relationships with external entities at all levels.

The Board **noted** and **discussed** the Chief Executive's report for November:

5. Decision Papers

5.1. Equity Policy

This paper sought Board approval of the revised Equity Policy, following the various reviews requested to align with the latest Letter of Expectations 2025/2026 (LoE), Cabinet Circular (24) 5: Needs-based service provision (the Circular) and noting the expected amendments to the Pae Ora (Healthy Futures) Act 2022 (the Act) as part of the Healthy Futures (Pae Ora) Amendment Bill 2025.

The Director Equity and Engagement took the paper as read and noted minor changes to section 4.

the following key points were noted:

- The Board acknowledged the significant work undertaken in developing the policy.

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- The Board agreed that the existing engagement strategy on the website be removed once the new Equity Policy is published, as it is outdated and currently being updated.

The Board:

- **noted** that all recommendations regarding the Equity Policy from the Board meeting held on 4 November 2025, have been actioned
- **approved** the final version of the Equity Policy, as presented
- **requested** that the new policy be published today and the engagement strategy be taken down from the website.

6. Key Discussion and Information Papers

6.1. Draft Vision and Strategy

The purpose of this paper was to seek the Boards' endorsement of Pharmac's draft vision and strategic priorities, ahead of further engagement in early 2026 with staff, advisory groups and external stakeholders.

There was a robust and interactive discussion on the vision and strategy and staff noted comments and suggestions from the Board. Staff undertook to tweak the wording as suggested and to provide an update via Diligent to the Board, prior to Christmas.

The Board:

- **noted** that Pharmac sought views from staff and stakeholders on their aspirations for a future vision and strategy for Pharmac
- **noted** that staff included a slide-deck of recommended (and alternative) samples for articulating Pharmac's vision and strategy
- **discussed** and **endorsed** the Board's preference for Pharmac's vision and strategic priorities
- **noted** the next steps over the next six months to finalise the vision, strategy and accountability documents.

Next Steps/Actions

Updated wording to be provided to the Board Secretary to circulate to the Board for feedback, prior to Christmas.

6.2. Budget 2026 Update

The purpose of this paper was to provide the Board with an update on progress with Budget 2026.

The Budget 2026 work further supports expectations for Pharmac to put forward budget bid requests to the Minister, in a manner which maintains Pharmac's independence, but supports additional investment.



[REDACTED]

The Board *noted*:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

6.3. Medical Devices Programme Update

This paper informed the Board of progress made with delivery of the Medical Devices Programme and implementing Cabinet's decision for a joint leadership model for the national medical device portfolio between Health NZ and Pharmac.

[REDACTED]

The Board **noted**:

- progress with implementing the Cabinet decision on medical device procurement, programme delivery, and procurement activity

[REDACTED]

6.4. Exceptional Circumstances 2024/25 Report

This paper provided the Board with an annual update on Pharmac's management of applications under the Exceptional Circumstances framework for 2024/25, highlighting areas where there have been changes in outcomes or approach since 2023/24.

The Board **noted** the annual update on Pharmac's management of applications under the Exceptional Circumstances framework for 2024/25.

6.5. Strategic management of the medicines budget – update on commercial approaches for emerging therapies

This paper provided the Board with an update on commercial approaches under consideration for emerging therapies over the next 3–5 years and Pharmac's future planned work in this area.

The Board **noted**:

- that 'Strategic management of the medicines budget' is one of Pharmac's Strategic Priorities in our 2024/25 – 2027/28 Statement of Intent and that reviewing commercial approaches to funding new medicines is a key focus area to support this Strategic Priority
- the update from Pharmac staff on this key focus area and the future work planned in this area.

6.6. Pharmaceutical transactions report

The purpose of this paper was to provide the Board with an advanced overview of current issues relating to pharmaceuticals funded through the medicines budget, including current significant supply issues and the contentious, large or significant pharmaceutical transactions that staff are currently progressing.

Staff advised that the NPPA papers referred to in this paper, have been removed from the Board pack as the Director Pharmaceuticals is now able to approve this.

The Board **noted** the update on:

- the large and/or significant medicines transactions that are currently planned or in progress

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- the ongoing work to engage with suppliers on alternative commercial arrangements
- Pharmac's work to change the consultation process for the annual tender
- upcoming public consultations and decision notifications.

6.7 Summary of October and November 2025 Consumer Advisory Committee (CAC) Meetings

This paper informed the Board of advice received from the CAC at their meetings on 8 October and 5 November.

The Board ***noted*** the:

- minutes from the October CAC meeting
- minutes from the November CAC meeting
- summary of key issues across the meeting.

6.8 Communications and Government Services Report

This paper summarises recent communications and government services activity. The Board commended the Communications team for the clarity and quality of drafted items and noted that current communication practices are highly effective

The Board ***noted***:

- that eight media releases were distributed in October and early November as part of Pharmac's proactive media approach
- that opportunities for developing and sharing patient stories were discussed with the Consumer Advisory Committee (CAC)
- that 100% timeliness was achieved for OIA responses for October 2025
- that website traffic continues to increase.

7. Noting Papers

7.1. Board and Committee Member Terms and Meeting Attendance Register

The Board ***noted***:

- the Board and Committee member terms
- the Meeting Attendance Register.

The Chair raised that there are some terms expiring in 2026 and she is in discussions on the matter around reappointments/recruitment.

7.2. Board Correspondence

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The Board ***noted*** the correspondence sent / received for the prior month.

7.3. Board Actions

The Board ***noted*** there were no Board Actions.

7.4. Matters Arising

The Board ***noted*** the Matters Arising schedule.

7.5. Board Annual Agenda and meeting dates for 2026

The Board ***noted*** the Board Annual Agenda and meeting dates for 2026.

7.6. Glossary of Terms and Abbreviations

The Board ***noted*** the Glossary of Terms and Abbreviations.

The meeting closed at 11.45am.

Date of Next Meeting: 24 February 2026

Approved

18 December 2025

Paula Bennett, Chair

Date