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**Pharmaceutical Management Agency (Pharmac)**  
**Minutes of the Board Meeting**  
**Held on Tuesday 24 February 2026 at 9.00am**  
**Held at Pharmac, 40 Mercer Street, Wellington**

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**Attendees:**

**Board members**

Paula Bennett	Chair
Dr Peter Bramley	Deputy Chair
Talia Anderson-Town	Board member
Anna Adams	Board member ( <i>via Teams</i> )
Lucy Elwood	Board member
Dr Margaret Wilsher	Board member

**Guests**

Malcolm Mulholland, Chair, Consumer & Patient Working Group  
Rachel Smalley, Deputy Chair, Consumer & Patient Working Group

**Board Observers**

Rhiannon Braund	Board Observer, PTAC Deputy Chair
Robyn Manuel	Board Observer, CAC Chair ( <i>via Teams</i> )

**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)

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Attendees joined the meeting to present relevant papers: Rose Simpson, Lauren Romanos, Susan Melvin, Jannel Fisher and Ryan Perica.

### 1. Welcome and Opening of Meeting

The Chair welcomed Malcolm Mulholland and Rachel Smalley to a Board only session at 9.45am. Following this session, the Chair welcomed the wider group and formally opened the meeting at 10.49am.

### 2. Chair's Report

#### 2.1. Chair's Verbal Update

The Chair reflected on the discussion with Rachel Smalley and Malcolm Mulholland, with the Senior Leadership Team.

#### 2.2. Minutes of Board meetings

The Board **resolved** to **adopt** the minutes of the meetings held on 9 December 2025 and formally **endorsed** the email resolution of 22 January 2026, approving the Chief Executive's international travel in April 2026.

#### 2.3. Interest Register

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

#### **Next Steps/Action:**

Lucy Elwood to provide updates offline.

### 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.

The Board:

- **noted** the verbal update from the Finance, Audit & Risk Committee Chair
- **noted** the financials for January 2026, as presented to the Finance, Audit & Risk Committee
- **noted** the draft Audit NZ Audit Plan
- **noted** and **endorsed** the minutes of the Finance, Audit & Risk Committee meeting held on 21 November 2025.

### 4. Chief Executive's Report

The Chief Executive took the report as read, which was followed by a wide-ranging discussion.

The Board **noted** and **discussed** the Chief Executive's report for February.

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**5. Decision Papers**

**5.1. 2025/26 Quarter Two Performance Report**

This paper provided the Board with the 2025/26 Quarter Two Performance Report. The Report provided a summary of progress against strategic priorities (and associated work programme), the 2025/26 Letter of Expectations (LoE) and performance measures set out in Pharmac's 2025/26 Statement of Performance Expectations (SPE).

The Board:

- **approved** the content of the 2025/26 Quarter Two Performance Report
- **noted** that following Board approval of the Quarterly Performance Report, it will be provided to the Associate Minister of Health.

**5.2. Rule 8.1b of the Pharmaceutical Schedule**

This paper provided the Board with a final update on progress against the three objectives agreed at the March 2024 meeting, when retaining Rule 8.1b. The paper sought agreement on the remaining objective relating to improving access for adolescents and young adults (AYA) with paediatric-type cancers. Following confirmation of the preferred option, Pharmac will open public consultation, prior to a final decision.

Staff took the paper as read and addressed questions. It was agreed that the Senior Leadership Team would consider points raised by the Board and do further work on next steps.

The Board:

- **noted** the March 2024 Board decision to retain Rule 8.1b of the Pharmaceutical Schedule, supported by three objectives
- **noted** that in March 2025, the Board received an update on changes made to Rule 8.1b, primarily relating to Objectives 1 and 2 – both of which have been implemented and are now embedded as business-as-usual

- **requested** that the Senior Leadership Team further refine options, taking into consideration comments from the Board and including international comparisons and risk assessment.

**Next Steps/Action:**

Refine options and take an updated paper to the Board in May/June, dependent on timing of advice received from CTAC.

[Redacted text block]

**5.4. Proposed Fixed Term Governance Committee Terms of Reference (ToR)**

To assist with the smooth running of the Pharmac Board, the Board have proposed the establishment of a fixed term Governance Committee (the Committee). It is anticipated that the Committee will assist the Board with fulfilling its governance obligations and ensure the effective functioning of the Board in accordance with the Crown Entities Act 2004 and relevant good practices.

The Board:

- **approved** the proposed fixed term Governance Committee Terms of Reference.
- **resolved to appoint** Peter Bramley as Chair
- **resolved to appoint** Anna Adams and Lucy Elwood as Committee members.

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### 5.5. 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.

The Board:

- **noted** the update on:
  - the large and/or significant medicines transactions that are currently planned or in progress
  - our work to change the consultation process for the annual tender
  - our work on new commercial tools approaches
  - upcoming public consultations and decision notifications
- **resolved** to delegate decision-making to the Chief Executive for a proposal regarding the funded brand of paracetamol tab 500 mg via the 2025/26 Invitation to Tender.

## 6. Key Discussion and Information Papers

### 6.1. Medicines Budget Management Report

The purpose of this paper was to update the Board on Pharmac's plans to manage the Medicines Budget. It aims to enable a wider discussion by the Board regarding planned activities to manage expenditure in 2025/26 and in the out-years.

The Board **noted**:

- the total medicines budget expenditure for 2025/26 is [REDACTED] against a budget of [REDACTED] (per the Finance Report)
- taking into account anticipated and planned costs, interest and planned equity, we anticipate an equity position of [REDACTED]. Given the equity target of [REDACTED] set by the Board, this leaves [REDACTED] in budget headroom which would need to be carried over to 2026/27 to support the anticipated financial impact in the outyears of investments as a result of the June 2024 budget uplift

- the planned and current investments and savings underway.

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### **6.2. Medical Devices Transaction and 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.

This paper also updated the Board on Pharmac involvement in a pilot procurement for hearing aids as part of a cross-agency health purchasing project for health-related products/services.

The Board **noted**:

- progress with delivering the Medical Device Programme and procurement activity currently underway
- that to implement the Cabinet decision, we are progressing a coordinated programme of work with Health NZ, focused on operational transition and system readiness
- there is a report back to Ministers on progress against their Letter of Expectations due in March, that will be led by Ministry of Health (MOH)
- Pharmac has begun delivery under a Service Level Agreement for Health Technology Assessments with Health NZ, effective from 1 February 2026 to 30 June 2027.

### **6.3. Review of the Exceptional Circumstances Framework**

The purpose of this paper was to update the Board on the planned review of the Exceptional Circumstances Framework, (the Framework) including the Named Patient Pharmaceutical Assessment (NPPA). It outlined the proposed approach, timeline and engagement activities. The paper presented the updated draft Discussion Document and proposed survey questions that will guide public engagement for the review and asked that the Board note the materials and process that will underpin this work.

The Board **noted** the:

- Board received an update in November 2025, on the planned review of the Exceptional Circumstances Framework, including the Named Patient Pharmaceutical Assessment (NPPA)
- the Senior Leadership Team (SLT) has considered and agreed to the proposed approach for the review of the Exceptional Circumstances Framework
- draft Discussion Document and timeline for the review have been developed in consultation with SLT, the Consumer and Patient Working Group and the Consumer Advisory Committee
- general content of the draft Discussion Document and the survey questions included, that will provide information to the public and accompany all engagement.

### **6.4. Assessment of Horizon Scanning activities**

This paper provided the Board with a summary of findings of current horizon scanning activities within Pharmac. The paper also explored relevant national initiatives and drew on international models to inform how we might enhance horizon scanning activity, both within Pharmac and more broadly across the health system.

The Board **noted** that:

- Pharmac currently undertakes multiple horizon scanning activities across its work

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- there are opportunities to further enhanced horizon scanning activities within Pharmac and this will be part of our planning for 2026/27 and outyears
- Pharmac will engage with and present to, the health leadership forum to discuss opportunities for an improved co-ordinated approach to horizon scanning across the health system
- Pharmac will provide the Associate Minister of Health with a briefing on horizon scanning following Board discussion.

### **6.5. Prioritisation Report**

This report described prioritisation activity since the last report presented to the Board at its July 2025 meeting.

A wide-ranging discussion took place and comments included:

- Pharmac are working toward a four year improvement workplan, integrating foundational and transformational changes based on stakeholder input.
- The intent is to keep the momentum and trust built with consumer and supplier groups, and to update the engagement framework accordingly.
- The Board called for more ambitious, outward facing and co designed engagement strategies, focusing on outcomes and lived experience, rather than theoretical frameworks.
- The Board are keen on a comprehensive and future focused engagement strategy, balancing top down vision with bottom up stakeholder input.
- The CAC emphasised the importance of equity, accessibility, timely communication and lived experience in policy and decision making.
- Need to ensure inclusion of academics and additional stakeholder groups in Exceptional Circumstance Framework consultation.
- Need to continue to address transparency and communication around funding decisions, especially when items are moved to the decline list.

The Board ***noted*** the prioritisation activity undertaken by Pharmac staff since November 2025 and the progress of selected items from Pharmac's priority lists.

#### ***Next Steps/Action:***

A broader improvement programme to be taken to the Board in May.

### **6.6. Update on Pharmac Reset Programme**

This paper updated the Board on the Reset Programme, including progress on the current 90-day action plan and work underway with the Consumer and Patient Working Group.

The Board ***noted*** the:

- progress made on the second 90-day action plan, with one action completed, three actions on track and continuing into quarter three as planned, and one action delayed but scheduled for early quarter three delivery

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- focus of the third 90-day action plan on improvements to the medicine funding application process, including agreeing clear timeframes and running pilots to help clear the application backlog
- initiation of planning for the four-year improvement programme, which will embed lessons from the Reset Programme and be developed collaboratively with staff, consumers and stakeholders.

### ***Next Steps/Actions:***

Staff to take a close out paper to the Board in July – to include actions against recommendations from the Kerry Prendergast Report and resulting outcomes.

## **6.7. External Engagement Strategic Workplan**

This paper provided the Board with an overview of the 2026 External Engagement Strategic Workplan and minor content updates to Pharmac's 2023–2026 Engagement Strategy.

Staff noted that the Framework will be presented to the Board at the end of the year, outlining what 'good' looks like and proposed next steps in the consumer space. The Board expressed a desire for a clear strategic direction and for the Board's perspective to be reflected throughout the Framework. They also requested that key milestone dates be included to indicate when deliverables and further work can be expected.

The Board requested an immediate focus on consumer engagement and asked the Senior Leadership Team for a paper at its next meeting in March

The Board ***noted:***

- the 2026 External Engagement Strategic Workplan
- minor content updates have been made to Pharmac's Engagement Strategy.

### ***Next Steps/Actions:***

Paper to go to Board in March.

## **6.8. Summary of January 2026 Consumer Advisory Committee (CAC) Meeting**

This paper informed the Board of advice received from the CAC at their meeting on 28 January 2026.

The Board ***noted*** the:

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

## **6.9. Summary of November 2025 PTAC advice and recommendations**

This paper informed the Board of recommendations made and advice given by PTAC at its meeting held online on 13-14 November 2025.

The Board ***noted*** the:

- summary of the record of the Pharmacology and Therapeutics Advisory Committee (PTAC) meeting held on 13-14 November 2025
- provisional recommendations from the November 2025 PTAC meeting were published 18 December 2025, before 30 business days following the meeting.

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**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.

**7.2. Board Correspondence**

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 3.50pm.

**Date of Next Meeting:** 30/31 March – Board Risk Workshop and Board meeting

*Approved*

*30 March 2026*

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Paula Bennett, Chair

Date