PHARMAC
TE PĀTAKA WHAIORANGA

Pharmaceutical Management Agency (Pharmac)

Minutes of the Board Meeting

Tuesday 30 June 2026 at 8.30am

Held virtually, MS Teams

***Attendees*:**

Board members

Hon Paula Bennett	Chair
Talia Anderson-Town	Board Member
Lucy Elwood	Board Member
Dr Margaret Wilsher	Board Member

Apologies

Dr Peter Bramley	Deputy Chair
Catherine Epps	Director, Medical Devices

Board Observers

Rhiannon Braund	PTAC Deputy Chair online
Robyn Manuel	CAC Chair

Pharmac staff in attendance

Natalie McMurtry	Chief Executive
Dr David Hughes	Director, Advice and Assessment/CMO
Geraldine MacGibbon	Director, Pharmaceuticals
Michael Johnson	Director, Strategy, Policy & Performance
Maria Robertson	Director, Corporate Services
Nicola Ngawati	Director, Equity & Engagement
Trevor Simpson	Kaituruki Māori – Director Māori
Danielle Hedges	Board Secretary (Minute taker)

Attendees joined the meeting to present relevant papers: Paul Ingle, Hardy Group; Sean Dougherty

Welcome and Apologies

The Chair welcomed everyone and formally opened the meeting at 8.30am. Apologies were noted from Peter Bramley, due to connectivity issues, and Catherine Epps due to an external industry event.

1. Board Only Time

The Board received a presentation from Hardy Group regarding Leadership development opportunities. This discussion was attended by the Board members only, with the CE joining post presentation.

Members of the Senior Leadership team joined at 9.30am. Recording began 9.31am.

Trevor opened the meeting with Karakia.

2. Chair's Report

2.1. Chair's Verbal Update

The Chair opened the meeting and provided an overview of commentary on the Board pack an overview of commentary received from Dr. Peter Bramley via email, noting the pack was well put together this month and easy to read.

The Chair then provided of recent conversations with Ministers, the recent changes to the Consumer Working Group and noted that the Board appointment process is still underway and tracking as expected. Membership will also be supported through a potential Future Director member, of which a letter to the IoD for Future Director's appointment has been sent.

The Chair updated the Board on discussions led by Sir Brian Roche regarding greater collaboration and more streamlined recruitment approaches across similar Crown entities, aligned with Public Service Commission priorities.

Next Steps/Actions

NIL

2.2. Minutes of Board meetings

The Board resolved to adopt the minutes of the meetings held on 30 June 2026, as a true and correct record of the meeting – with adjustments to the fourth recommendation under item 6.4 as follows:

The Board:

- ***did not consider it necessary*** to undertake public consultation given previous significant consumer engagement.

2.3. Interest Register

The Board ***noted*** the interest register and that two new interests had been registered.

3. Finance, Audit & Risk Committee Update

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

The Board received a verbal update from the Finance, Audit and Risk Committee following its meeting on 29 June. Audit NZ continues to focus on inventory reconciliations related to the DHL transition, with assurance provided that audit timelines remain on track however are unlikely to be brought forward.

3.2. Minutes for FAR Committee Meeting – May 2026

The Committee chair provided a verbal update on the May FAR Committee meeting discussions.

The Committee considered an update on the current Insurance policy, and noted a 5.91% reduction in insurance premiums while maintaining coverage levels. It was agreed that further work would be undertaken in March to assess the current offerings against the AOG packages to confirm the best fit for insurance needs.

3.3. Financial Performance

Financial performance remains strong, with a year-to-date appropriations surplus of $56.3 million, an operating surplus of $3.6 million, a forecast year-end operating surplus of $1.67 million surplus, and a provisional medicines budget [redacted] *(corrected from* [redacted] *as noted in the FAR Committee meeting)*.

The Board:

- ***noted*** the verbal update from the Finance, Audit & Risk Committee Chair
- ***noted*** the financials for May 2026, as presented to the Finance, Audit & Risk Committee
- ***resolved to adopt*** the amended minutes of the Finance, Audit & Risk Committee meeting held virtually on 25 May 2026.

The Board requested assurances on finance team capability, key-person risk and the measures being implemented to strengthen resilience and cover within the finance function and throughout Pharmac, as this remains an ongoing concern. Staff updated that work was underway to build a shared team capacity to cover absences within key roles. This includes external resource in an interim capacity to provide cover for BAU work, upskilling or existing staff and identification of improvements to workflow processes.

4. Chief Executive's Report

The Board considered the monthly Chief Executive's Report, which was taken as read. The Chief Executive acknowledged three significant pieces of work undertaken across the organisation: the successful close-out of the Reset programme; the work of the taskforce in reducing the appraisal backlog, including the development of a new way to assess lower-risk proposals over the past year, and the collaborative work being undertaken with Health NZ and the Cancer Control Agency on gene therapies and other advanced treatments. The Board expressed its appreciation to the Directors and teams involved for their leadership and contribution to these achievements.

The Board discussed several matters arising from the report, including Pharmac's response to Government interest in artificial intelligence, work on the Letter of Expectations, transition arrangements following the disestablishment of the Consumer Advisory Committee, vaccine access criteria and funding applications, Community Services Card eligibility settings, and concerns raised regarding access to treatment during a scabies outbreak in Rotorua. Staff agreed to provide follow-up where required.

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

Next Steps/Actions

1. Pharmac are requested to maintain alignment with the statutory obligations through the Consumer Advisory interim period through to January 2027, noting this will be monitored through the interim group establishment period.

2. Staff have been requested to review the current scenarios which could be contributing to issues of accessibility to medicines in communities affected by outbreaks

5. Discussion Papers

Due to running early the Board moved to item 5.2 ahead of 5.1 due to presenter availability.

5.1. Updating practitioners supply orders to support modern general practice

Sean Dougherty joined the meeting online at 10.05am.

The Board considered proposed changes to Practitioner Supply Orders, noting that the current model has not kept pace with changes in general practice. Members heard that a pilot involving nine practices had identified opportunities to improve workflows and support more effective medicine access. The Board discussed stakeholder feedback, including the importance of engaging with pharmacy representatives before consultation, and was supportive of the proposal, noting its potential to improve community-based care and service efficiency. Overall, the Board was satisfied with the findings presented, acknowledging that expanding access and aligning with other organisations is positive for patient experience.

The Board:

- ***noted*** the positive outcomes from collaboration with general practice, which have informed proposed changes to Practitioners Supply Orders to support evolving models of care

- ***noted*** Pharmac's intention to consult in coming months on a targeted expansion of the Practitioners Supply Order list, focused on a small number of medicines

- ***noted*** expected updates to our policy position for the Practitioners Supply Orders mechanism are intended to support episodic use within clinical care and is not for ongoing supply of long-term medicines

- ***noted*** the estimated cost to the medicines budget of approximately $500,000 per annum if changes are made.

5.2. Pharmaceutical Transactions report

The Board considered the June Pharmaceutical Transactions update, noting ongoing supply challenges, progress across procurement activities, the decision to remove access criteria for rosuvastatin without further consultation, the approval of the prostate cancer RFP, and progress on the hospital biologics RFP.

The Board received updates on a recent decision to widen access to rosuvastatin and a proposal to widen access to diabetes treatments. The Board noted that significant feedback had been received in response to consultation on the diabetes treatment proposal, which staff were currently working through. The Board noted that staff expected to seek a decision from the Board on an updated proposal at the next meeting.

The Board acknowledged the significant volume of stakeholder feedback and media attention, the pressure this has placed on staff, and the importance of maintaining a focus on equity considerations. Members asked that their appreciation be conveyed to the team.

The Board ***noted*** the updates on medicines transactions, supply issues, Pharmac's work to change the consultation process for the annual tender, and upcoming public consultations and decision notifications.

5.3. Medical Devices Transaction and Programme Update

The Board considered the Medical Devices Transactions and Programme update and noted positive feedback from MTANZ regarding engagement with Pharmac and Health NZ over the past 12 months. Members also noted feedback that the Supplier Reference Group is valued, with participants recognising that their input is influencing decision-making.

The Board received an update on the contract transfer programme, noting that 66 contracts have been completed and that further contracts are progressing towards execution by the end of July. The Board requested a progress update in September and a broader discussion on the Medical Devices programme, its strategic direction, and future outcomes at the November Board meeting.

The Board noted progress on the Joint Procurement Plan and joint benefits framework work with Health NZ, including efforts to align definitions and approaches across organisations. Members noted that HTEP work is planned for later in the year, broader reference groups are being established, and a substantive paper on the joint procurement pilot and contracting approach will be presented in July. The Board requested information on how this work is shared and considered by the Health NZ Board and emphasised the importance of consistent benefit measurement, and on how Pharmac's contribution and outcomes are measured and tracked over time.

The Board:

- ***noted*** the progress with delivering the Medical Device programme and procurement actively underway

- ***noted*** that to implement the Cabinet decision, we are progressing a coordinated programme of work with Health NZ, focused on operational transition and system readiness

- ***noted*** over the next six months the focus will be on strengthening joint planning, refining benefits measurement, and delivering value in a more connected way as was envisioning in the letter of Expectations.

5.4. Proposed outline of 2026 Board Strategy Workshop

The Board considered a proposed agenda for the September Board Strategy Day.

The Board noted that Management will circulate proposed strategy day content and speakers ahead of the July meeting, including consideration of cost recovery discussions.

The Board:

- ***Noted*** the proposed outline for the 2026 Board Strategy Workshop and requested a review of potential presenters to support Board understanding of the emerging issues.

- ***Noted*** that Pharmac staff will prepare any necessary materials in support of preparation for the workshop

5.5. Summary of May 2026 CAC meeting

The Board noted the Consumer Advisory Committee (CAC) update, including the temporary absence of the Chair and recent discussions on equity, diversity of perspectives, and consumer representation. Members noted the contribution of the Consumer Relations Advisor in strengthening engagement with patient groups and consumers.

The Board noted CAC's recommendations regarding patient-friendly information on funding applications, monitoring application timeframes, and appropriate engagement with suppliers and clinicians. Members also discussed interim membership arrangements, acknowledging the importance of diverse perspectives and opportunities for continued contribution.

The Board thanked CAC members for their work and looked forward to recognising their contributions at the upcoming CAC engagement event.

The Board ***noted*** the:

- minutes from the May CAC meeting
- summary of key issues from the meeting.

5.6. Summary of May 2026 PTAC meeting

The Board noted that significant work is being undertaken, with support from the Advice and Assessment team, to develop revised proposals that improve access while managing fiscal impacts. Management advised that the work is focused on identifying new opportunities and approaches that minimise budgetary pressures while delivering health benefits.

The Board ***noted*** the:

- summary of the record of the Pharmacology and Therapeutics Advisory Committee (PTAC) meeting held on 14-15 May 2026
- provisional recommendations from the May 2026 PTAC meeting were published on 25 May 2026, before 30 business days following the meeting.

6. Noting Papers

The Chair draws attention to the final items for discussion being noting papers, takes all as read unless any questions are raised.

6.1. Board and Committee Member Terms and Meeting Attendance Register

The Board ***noted***:

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

6.2. Board Correspondence

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

6.3. Board Actions

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

6.4. Matters Arising

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

6.5. Board Annual Agenda and meeting dates for 2026

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

The Board requested that a proposed meeting calendar for September to December 2027 be brought to the next meeting, taking into account public holidays and alignment with finance and reporting schedules. Members will consider and confirm meeting dates at the next Board meeting, with proposed dates to be circulated in advance for Board members to note in their calendars.

6.6. Glossary of Terms and Abbreviations

The Board noted the Glossary of Terms and Abbreviations.

7. General business

Nil discussed.

Date of Next Meeting: Tuesday 28 July at 8.30am, hosted virtually

The meeting was closed at 10.59, with a Matariki focussed karakia by Trevor Simpson

Signed:

Hon Paula Bennett	Date signed:
Pharmac Board Chair	