PHARMAC
TE PĀTAKA WHAIORANGA

Pharmaceutical Management Agency (Pharmac)

Minutes of the Board Meeting

Tuesday 25 May 2026 at 9.00am

Held in person, Pharmac Offices

***Attendees*:**

Board members

Paula Bennett	Chair
Dr Peter Bramley	Deputy Chair
Talia Anderson-Town	Board Member
Lucy Elwood	Board Member
Dr Margaret Wilsher	Board Member

Apologies

Trevor Simpson	Kaituruki Māori – Director Māori

Board Observers

Rhiannon Braund	PTAC Deputy Chair online
Robyn Manuel	CAC Chair

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
Geraldine MacGibbon	Director, Pharmaceuticals
Nicola Ngawati	Director, Equity & Engagement
Maria Robertson	Director, Corporate Services
Danielle Hedges	Board Secretary (Minute taker)

Attendees joined the meeting to present relevant papers: Jannel Fisher and Brent MacPherson

Welcome and Apologies

The Chair welcomed everyone and formally opened the meeting at 9.04am. Apologies were noted from Trevor Simpson.

1. Board Only Time

Nil to note

2. Chair's Report

2.1. Chair's Verbal Update

The Chair commented on the increasingly political environment surrounding medicines funding, noting heightened advocacy activity and public commentary. She reminded members to remain cautious in public statements during the election period and highlighted the likelihood of further reports and campaigns from external organisations.

Risk Workshop:

The Chair thanked Maria and the team for the recent risk workshop, noting its usefulness in preparing for the September strategy meeting. The Chair requested early visibility of proposed agenda items to ensure the session focuses on areas of genuine strategic value, and look to review how the Board's time might be utilised through 2026/27.

Q3 Ministerial Update:

The Chair noted that this meeting with the Ministry of Health was useful to understand the levels of monitoring and involvement requirements of Pharmac and noted there didn't appear to be massive changes for our work. The Minister was invited to attend a future Board meeting to assist with alignment with the Ministry at a strategic

Other engagements:

The Chair noted a forward view of topics and attendees would be helpful to remind all members of the upcoming engagements and provided an overview of an upcoming meeting with Mark Darrow, new chair of the Health New Zealand Board. The CE requested guidance on the September strategy sessions, to which the Chair confirmed that a short paper to the next month's Board on proposed agenda, with potential options to explore other Board interests, as well as an intro session for the new Board member.

The Board ***agreed*** to write to the Institute of Directors to identify a Future Director candidate, ideally aligning their start with the onboarding of a new Board member expected by late July. Induction planning will occur in August.

Finally the Chair noted this would be Adrienne Martin's last meeting in the Acting Director, Pharmaceuticals role as Geraldine MacGibbon has returned from secondment and acknowledged her contribution.

Next Steps/Actions

- Action - letter inviting IoD to start looking into the process and what needs to be done.
- Action – Draft agenda for Board strategy day in September to be presented at next meeting.

2.2. Minutes of Board meetings

The Board ***resolved*** to ***adopt*** the minutes of the meetings held on 28 April 2026, as a true and correct record of the meeting.

2.3. Interest Register

Board Member Margaret Wilsher entered a new Interest, and the Board requested that future updates be entered in a different colour to highlight any changes.

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

3. Finance, Audit & Risk Committee Update

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

The FAR Chair provided a verbal update to the Board.

The Board acknowledged the strong financial discipline demonstrated by the organisation. The Board discussed the impact of public commentary about the public service on Pharmac staff. Members acknowledged that even when roles are secure, external speculation can create anxiety for staff and their families. The Board expressed appreciation for staff professionalism and resilience and asked that this be communicated to Pharmac.

The Board:

- ***noted*** the verbal update from the Finance, Audit & Risk Committee Chair
- ***noted*** the financials for April 2026, as presented to the Finance, Audit & Risk Committee
- ***noted*** and ***endorsed*** the minutes of the Finance, Audit & Risk Committee meeting held virtually on 24 April 2026.

4. Chief Executive's Report

The Chief Executive took the report as read, which was followed by a wide-ranging discussion into Societal Impacts and the new Schedule and Special Authority Programme.

Societal Impacts

Discussion covered the lack of consistent definition across agencies and that expectations often exceed what can be evidenced. The Board also noted that many societal outcomes depend on the wider system rather than Pharmac alone, and that societal impacts will likely need to be addressed as part of the Ministry's upcoming review of the budget 2026 process.

New Schedule and Special Authority Programme

The Board noted the scale of the new Schedule and Special Authority programme and expressed concern about its reliance on multiple external parties. The Board stressed the importance of cross agency collaboration to ensure successful implementation. Management noted that structured and ongoing engagement is underway with approximately 18 providers across prescriber, community pharmacy, and hospital pharmacy systems to manage the implementation process.

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

Next Steps/Actions

A further paper is to be brought on Societal Impacts at the September Board Strategy meeting.

A detailed update on the Data and Digital Schedule project at an upcoming Board meeting

5. Board Risk Workshop Follow-up

5.1. Risk Workshop Follow-up

This paper provided the outcomes of the March 2026 Board Risk Workshop in the form of an updated Board-level enterprise risk schedule and proposed next steps for risk appetite, assurance, and reporting.

Management provided a brief outline of the changes applied post the March workshop, including the process undertaken to review and refine the Board's identified key risks from the workshop into a list of nine enterprise risks.

Management have agreed to recalibrate likelihood ratings, confirm impact ratings to ensure consistency, and to develop a schedule for deeper SLT review, ensuring these sessions remain focussed, concise and targeted.

The Board:

- ***confirms*** that the updated Board-level enterprise risk schedule reflects the governance-level risks identified and confirmed during the March 2026 Board Risk Workshop
- ***noted*** that the detailed management-level controls and response actions have been condensed into a Board-level view focused on key controls, contingencies, residual exposure, trend, and governance attention
- ***provided direction*** on any areas where the proposed residual exposure, risk trend, or governance attention does not align with the Board's expectations
- ***noted*** the next phase of work to finalise risk appetite statements, strengthen assurance over key controls, and refine enterprise risk reporting.
- ***agreed*** to amend the wording for risk #6 to the following 'Pharmac is unable to secure supply of medicines, vaccines and medical devices that people rely on'. This is because Pharmac does not directly access or supply medicines, vaccines, or medical devices.

Next Steps/Actions

Management have agreed to recalibrate likelihood ratings, confirm impact ratings to ensure consistency, and to develop a schedule for deeper SLT review, ensuring these sessions remain focussed, concise and targeted.

6. Decision Papers

6.1. Proposal to Implement Ambulance Medicines Funding

The Board considered a paper seeking on a proposal to incorporate ambulance medicines into our existing arrangements through changes to the Pharmaceutical Schedule from 1 July 2026. Management provided an update on the processes undertaken and responded to questions from the Board.

In discussion, the Board raised the following matters:

- **Use of Tenecteplase -** Staff noted this is administered as a singular dose, in ambulance.
- **Aged medicines noted within schedules -** The Board queried the totality of medicines included –and if the medicines listed had recently been audited and rationalised. Staff acknowledged the Board's concern and noted they would follow this point up.
- **Budget impact on Operations -** The Board queried if there will be a perceived impact associated with this change and considered whether Pharmac could charge a service fee.
- **Definitions to be reviewed -** The Board questioned the intended definition of 'Service Level Providers.' Management advised that the current understanding is that Emergency care providers are a separate service provision to Ambulance services but noted they would take this away for legal review and advice.

The Board:

- ***resolved*** to approve the amendments to the Pharmaceutical Schedule to incorporate ambulance medicines and Tenecteplase for pre-hospital care from 1 July 2026
- ***resolved*** to approve the 5 March 2026 agreement with Boehringer Ingelheim for Tenecteplase.

6.2. Finalised 2026/27 Statement of Performance Expectations (SPE)

The Board considered a paper on Pharmac's 2026/27 Statement of Performance Expectations (SPE) for Board approval.

Management drew the Boards attention to an additional performance measure – new funding application to be assessed within 18 months. This will be discussed in the Reset update paper.

The Board:

- ***noted*** that feedback has been received from Pharmac's Consumer groups, the office of the Associate Minister of Health and Ministry of Health on the draft 2026/27 Statement of Performance Expectations
- ***noted*** the intended changes following the feedback received
- ***approved*** the 2026/27 Statement of Performance Expectations ***noting*** that minor amendments will be made following receipt of the 2026/27 Letter of Expectations and Budget 2026 decisions
- ***noted*** that following Board approval, the 2026/27 Statement of Performance Expectations will be provided to the Associate Minister of Health.

6.3. 2026/27 – 2029/30 Statement of Intent

The Board considered a paper on Pharmac's 2026/27 – 2029/30 Statement of Intent (SOI) for Board approval.

The Board:

- ***noted*** that feedback has been received from Pharmac's Consumer groups, the office of the Associate Minister of Health and the Ministry of Health on the draft 2026/27 – 2029/30 Statement of Intent
- ***noted*** the intended changes following the feedback received
- ***approved*** the 2026/27 – 2029/30 Statement of Intent
- ***noted*** that following Board approval, the 2026/27 – 2029/30 Statement of Intent will be provided to the Associate Minister of Health.

The Board acknowledged and thanked the presenter for the work undertaken on papers 6.2 and 6.3, and other Pharmac Staff.

6.4. Consumer Advisory Function Review

The Board considered a paper responding to its request to reconsider the role of Pharmac's consumer advisory function recent organisational changes to strengthen consumer engagement and lived experience input.

The paper proposed a new purpose for the Consumer Advisory function and outlines associated changes to responsibilities, Board relationship, membership structure and competencies, and the name. The paper seeks Board endorsement of the proposed direction and next steps, including progressing to targeted public consultation.

In discussion, the Board raised the following matters:

- **Purpose Statement -** The Board requested a shorter purpose statement, to enable clarity and ease of recall for Committee Members. Additional information to be moved later in the document.
- **Responsibilities** – The Board agrees that [Committee] members will make contributions to inform and have influence to Pharmac planning activities. Early engagement with community partners and whanau could become its own section statement. Board also suggested a need for consideration on balancing influence, advocacy and feedback aspects.
- **Relationship with the Board** – The Board will appoint members to the [Committee]. The Board also agree that the Board Chair will have regular engagement with both [Committee] and PTAC Committee Chairs. Reassessments – 3 year cycle.
- **Committee Engagements with other parties** – The Board discussed options to be included for the [Committee] to communicate with other forums. Staff agreed that this would be included in the development of the Terms of Reference, including offering advice and endorsement on workplan, agendas and cadence.
- **Membership** – The Board notes concern on composition and committee sizing conversations. Requests removal of last point.
- **Competencies** – The Board agrees that the competencies should be balanced across the membership.
- **Committee Name** – Staff presented suggestions for naming of the new Committee. The Board agree that the correct name will be CPAC – Community and Patient Advisory Committee.

- **Interim Membership options** – Staff request a decision on transitionary group construct. The Board agree that a co-arrangement is more respectful and will address concerns of the transition phase.
- **Interim Committee Co-Chair** – Board agree that the current CAC can take the option to nominate and select the new Co-Chair if desired.
- **Interim Committee Terms of Reference and Communications –** The Board agree that the Interim committee will lead the engagement to confirm the new Advisory function, Terms of Reference and consultation and is replacing the existing CAC group.

The Board:

- ***discussed and provided feedback*** on the proposed purpose, responsibilities, Board relationship, membership structure and competencies, and name for Pharmac's future consumer advisory function
- ***noted*** that feedback from both the Consumer Advisory Committee (CAC) and the Consumer and Patient (CAP) Working Group has been incorporated into the proposed design of the future consumer advisory function
- ***agreed*** to the establishment of an interim CAC Transition Group to maintain continuity of consumer input and advice while the new consumer advisory function is established. This new interim group will replace the current CAC group.
- ***did not agree*** to undertake targeted public consultation on the proposed purpose, responsibilities, and membership of the future Consumer Advisory Function. The Board believes this is better decided by the interim CPAC group once established.
- ***noted*** and ***agreed*** that Staff will revise this paper, with updates based on this discussion to be returned to the Board at a future date.

Break for Lunch. Meeting to commence from 12.15pm

6.5. Proposed Board and FAR Committee Meeting dates for 2027

The Board considered a paper on proposed Committee dates for 2027.

The Board discussed and agreed that the meetings as set were largely correct, however requested specific changes for scheduling and travel purposes. This will allow Members to book appropriately timed flights.

Proposed Meeting Dates	FAR Committee Meeting	Pharmac Board Meeting
February – In person	15th February	16th February
March – In person	15th March	16th March
April – Virtual	19th April	20th April
May – In person	24th May	25th May
June – Virtual	28th June	29th June
July – Virtual	26th July	27th July
August – No meeting		
September	TBC	TBC
October	TBC	TBC
November	TBC	TBC
December	TBC	TBC

7. Discussion Papers

7.1. Pharmaceutical Transaction Report

The purpose of this paper is 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 that the vaccine consultation, particularly widening flu access for children, has been well received by stakeholders. It was also noted that stakeholder engagement is increasing, although the quality of feedback varies, and that there are limitations in consumer feedback where medicines have not been experienced. Practical usability feedback was acknowledged as valuable to decision-making.

The Board discussed and requested consideration to the quality of stakeholder feedback and how it can be improved, including support for those unfamiliar with Pharmac. The Board also discussed how consumers can provide input on medicines they have not used, whether supply and access decisions are aligned, why procurement processes are paused after progressing, and whether smaller initiatives should proceed despite budget constraints, including the use of contingency funding and acceptable financial risk.

It was agreed that procurement will not proceed without supply certainty, and new initiatives will not progress without sufficient budget capacity. The Board also agreed that paused initiatives should be kept ready to progress when conditions allow.

The Board ***noted***:

- the large and/or significant medicines transactions that are currently planned or in progress
- supply issues related to the Middle East conflict
- our work to change the consultation process for the annual tender
- upcoming public consultations and decision notifications.

7.2. Medical Devices Transactions Report and Programme update

This paper informs 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, an update on operational transactions and progress on unlocking value through our procurement activity, and also updates the Board on Pharmac's involvement in a pilot procurement [redacted] as part of a cross-agency health purchasing project for health-related products/services

The Board noted that there are no active supply chain issues relating to the Middle East conflict for medical devices, and that no response has yet been received from Ministers on the six-month report following the Medical Devices review.

The Board noted that work is continuing to build the internal pipeline of transactions and to clarify how Pharmac will work with Health New Zealand.

The Board ***noted***:

- The progress 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
- that the Ministry of Health's six-monthly report to the Ministers has now been completed [redacted]. The report confirms the joint partnership with Health New Zealand is progressing well, with clear roles and steady delivery. Over the next six months the focus will be on strengthening joint planning, refining benefits measurement, and advancing the next phase of category and contract transitions.

7.3. Reset Programme Update

The Board considered a paper that provided an update on the Reset Programme, including progress on the current 90-day action plan and work underway with the Consumer and Patient (CAP) Working Group.

The Board discussed and noted that prioritisation improvements are on track for delivery by 30 June, including transition arrangements.

The Board also discussed how timeframe targets will operate, including avoiding clock stopping and minimising gaming, supporting a simple and transparent approach, with time starting at step one. The Board also noted work underway to manage backlog applications and improve reporting consistency, including clearer use of measures and terminology. Addressing the historical backlog was identified as a key first-year priority, with further reporting improvements to be brought back to the Board.

The Board supported the introduction of timeframe targets, including a “step zero” phase before the assessment clock starts, and noted stakeholder support for this approach. The Board noted that applications exceeding 18 months will be treated as backlog, with confidence expressed in achieving the target over time.

The Board:

- ***noted*** the progress made on the third 90-day action plan, with two actions completed, five actions on track and continuing into quarter four as planned, and one action delayed but planned to be delivered in quarter four

- ***noted*** that the fourth and final 90-day action plan includes one new action which is the review of Pharmac’s Consumer Advisory Function

- ***noted*** the resignation of Rachel Smalley from the Consumer and Patient Working Group in April 2026 due to a potential conflict of interest

- ***noted*** the work underway to create clear steps and consistent definitions for the current funding application process to support future process improvement work

- ***endorsed*** the introduction of an 18-month timeframe target from application acceptance to ranking as part of Pharmac’s commitment to improving timeliness and transparency, effective from 1 July 2026.

7.4. Prioritisation Report

The Board considered this report, which describes prioritisation activity since the last presentation to the Board at its February 2026 meeting.

The Board discussed and raised questions on the prioritisation of high-cost rare disease treatments, particularly gene therapies, including the timing of early intervention, long-term cost effectiveness versus significant upfront investment, and the challenges of funding within current budget frameworks. Members also explored pricing and procurement considerations (including potential collaboration with Australia) and noted the limitations of existing approaches for managing very high-cost, low-volume medicines.

The Board:

- ***noted*** the prioritisation activity undertaken by Pharmac staff since February 2026 and the progress of selected items from Pharmac’s priority lists.

7.5. Summary of CAC meeting

The CAC Chair provided a verbal update on advice received from the CAC at their meeting on 25 March 2026.

The Board noted that CAC minutes are not yet finalised and remain subject to further edits. The Board raised concern regarding delays in payments for Board duties and requested internal review of the process. Positive feedback was provided on the reset programme updates, with thanks extended to Jannel. The Board also noted the change to meeting cadence.

The Chair expressed sincere thanks and appreciation for the work undertaken in reviewing the new Committee. It was agreed that the payments process will be reviewed internally, with an update to be provided.

The Board**:**

- ***Noted*** the verbal update in lieu of the minutes from the March CAC meeting
- ***Noted*** The verbal summary of key issues from the meeting.

8. Noting Papers

The Chair draws attention to the final items for discussion being noting papers, takes all as read and then provided thanks on behalf of the Board to Rhiannon for her engagement and work on the PTAC Advisory Committee, and wished her well

8.1. Board and Committee Member Terms and Meeting Attendance Register

The Board ***noted***:

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

8.2. Board Correspondence

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

8.3. Board Actions

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

8.4. Matters Arising

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

8.5. Board Annual Agenda and meeting dates for 2026

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

8.6. Glossary of Terms and Abbreviations

The Board noted the Glossary of Terms and Abbreviations.

9. General business

Nil.

Date of Next Meeting: Tuesday 30 June at 8.30am, hosted virtually

Paula Bennett, Chair Date