



Quarter Four Performance Report April to June 2025

Highlights for Quarter Four 2024/25

- A new Chief Executive has been appointed. Natalie McMurtry will join Pharmac on Monday 15 September. Natalie brings significant front-line and health leadership experience in Canada to the role. She is currently the Chief Transition Officer responsible for launching a new Acute Care Agency in Alberta and is a pharmacist.
- A total of 66 new investment / widened access decisions were made in 2024/25 from the June 2024 budget uplift. These decisions are expected to benefit 248,000 people in the first year of funding.
- Following a series of external reviews and stakeholder workshops, a five-year improvement programme has been established to occur in two phases, beginning with a 12-month reset programme to demonstrate commitment to change and establish foundational improvements.
- The Board has agreed to establish a consumer working group to work alongside the 12-month reset programme team. Dr Malcolm Mulholland has been appointed as Chair of the group and we are working with the Chair to finalise draft terms of reference for the group and appoint members. The first meeting of the working group will take place on 21 July.
- This year an extra consultation step was added to the Pharmac Invitation to Tender (ITT), during May and June, for tendered items where we were contemplating a brand change. We asked people who take these medicines, and those who support them, including prescribers, dispensers and caregivers to give feedback on possible brand changes. The consultations were supported by information on our web page, including video of staff explaining the process. Consultation on medicines proposed for inclusion in the next tender will take place during July and August.
- We have implemented a new approach to publish Pharmacology and Therapeutics Advisory Committee (PTAC) and Specialist Advisory Committee provisional record recommendations within 30 days. This is part of our broader work to improve the timeliness of our assessment processes.
- We have approved a new Access Criteria Policy. Pharmac sets specific criteria that must be met, before some medicines will be funded. We do this to ensure medicines are targeted to those who would benefit most from treatment. The approach outlined in the Access Criteria Policy involves defining the target population and setting broad, descriptive access criteria to find the target population in practice.
- We notified a decision on rule changes to the Pharmaceutical Schedule, designed to implement the Government's policy for newly funded cancer medicines to be administered in private hospitals and clinics from 1 July 2025.
- We released a proposal on 26 June to support 12-month prescriptions for community medicines through changes to the pharmaceutical schedule and Special Authority approvals. These changes support the Government's proposed amendments to the Medicines Regulations 1984, which will allow prescribers to write prescriptions for up to 12 months.
- Two meetings were held with consumer representatives providing an opportunity to hear the Acting Chief Executive share his priorities and provide an update on key Pharmac initiatives.

- We have developed a comprehensive list of hospital medical devices, effective from 1 July 2025. This list aims to provide a clear and up-to-date picture of medical devices funded and used in public hospitals and provided by hospital services for home use, enhancing transparency and promoting equitable access to devices across New Zealand.
- All 31 action items recommended by the Ombudsman re OIAs have been commenced with 19 fully implemented, four partially implemented, and eight commenced.

Strategic Priority One: Strategic management of the medicines budget

We are planning and managing our medicines budget (Combined Pharmaceutical Budget) over a medium-term horizon to achieve the best health outcomes and value for the public.

Medicines budget investments

Summary of medicines budget investment decisions to 30 June 2025

Investments for implementation in the 2024/25 Financial year

We have invested in 31 new treatments and 52 access widenings in 2024/25. Note that this includes investments both related to, and not related to, the June 2024 budget uplift.

Decision type	No. of pharmaceuticals	Estimated new patients 2024/25	Estimated Gross spending 2024/25
Widened access ¹	52	37,446	\$89,099,000
New listing ²	31	51,990	\$78,809,000
Total	83	89,436	\$167,908,000

Investments for implementation in the 2025/26 Financial year

We have invested in 9 access widenings in 2025/26. This includes investments both related to, and not related to, the June 2024 budget uplift.

Decision type	No. of pharmaceuticals	Estimated new patients 2025/26	Estimated Gross spending 2025/26
Widened access ¹	9	207,701	\$18,049,000
New listing ²	0	0	\$0
Total	9	207,701	\$18,049,000

¹ Changes in access criteria for existing funded medicines, making them more accessible and/or available for a wider patient population(s).

² Any medicine not currently listed on the Pharmaceutical Schedule and any new presentations (e.g., tablet, infusion, injection) that represent a significant shift in treatment options for patients

Improved access to funded cancer and non-cancer medicines

In response to the June 2024 budget uplift, decisions have been made on the funding of 66 medicines (33 cancer, 33 non-cancer), with 248,000 New Zealanders expected to benefit from our funding decisions in the first 12 months of funding.

Funding decision highlights

- Pharmac will fund two brands of oestradiol patches – Estradot and Estradiol TDP Mylan – from 1 December 2025. People will be able to use either brand of patch, subject to availability.
- More New Zealanders will have access to medicines for blood cancers, bowel diseases, eczema and arthritis, following the decision to widen access to four medicines for six health conditions from 1 May 2025. The medicines and health conditions are:
 - venetoclax (brand name Venclexta) in combination with azacitidine or cytarabine for a type of blood cancer called acute myeloid leukaemia
 - azacitidine (brand name Azacitidine Dr Reddy's) for acute myeloid leukaemia
 - ibrutinib (brand name Imbruvica) for chronic lymphocytic leukaemia
 - upadacitinib (brand name Rinvoq) for atopic dermatitis (eczema), ulcerative colitis, Crohn disease, and rheumatoid arthritis.
- We are funding more medicines for people with skin cancer (melanoma), from 1 June 2025. The decision includes widening access to pembrolizumab (branded as Keytruda) and funding dabrafenib (branded as Tafinlar) and trametinib (branded as Mekinist) for the first time. They will be funded for people with stage 3B to stage 4 melanoma. These medicines will help about 285 New Zealanders by preventing people's cancer from spreading or coming back.
- Pharmac is fully funding two liquid nutrition replacements for adults with Crohn's disease who need to use them for an extended period as their only source of nutrition. Changes to the funding of Ensure Plus and Fortisip, (200ml, 1.5kcal/ml) will take effect from 1 July 2025.
- Pharmac is supporting access to budesonide with eformoterol asthma inhalers. From 1 August 2025 changes will mean people can keep inhalers where they need them most – at home, work, or school – and learn how to use them correctly with support from their healthcare provider.
- It is now easier for people to access intra-uterine devices (IUDs) and contraceptive implants. From 1 August 2025 Mirena and Jaydess IUDs will be available on a Practitioners Supply Order (PSO), allowing doctors and nurses to provide them directly during appointments. More Jadelle contraceptive implants will be available on PSO, reducing the number of stock orders clinics need to make and saving time – especially for high-volume providers.

Consultation

No medicines consultations are currently open.

Improving tender process

The Pharmac Invitation to Tender (ITT) is an annual procurement process. It gives suppliers the opportunity to bid for supply of a large range of different medicines and related products (400–700 line items per tender).¹ This year an extra consultation step was added, during May and June. We asked people who take these medicines, and those who support them, including prescribers, dispensers and caregivers New Zealanders to give feedback on possible brand changes. The consultation is supported by information on our web page, including video of staff explaining the process. Consultation on medicines proposed for inclusion in the next tender takes place during July and August.

Working in partnership across the sector

Implementation of our funding decisions is supported by a cross-sector implementation group involving Pharmac, Health NZ, Ministry of Health and the Cancer Control Agency. This has worked well to support implementation of our decisions and we expect this enhanced collaboration to continue.

We continue to work on the MOU for vaccines funding and management – this is being led by Ministry.

Implementation update

Our implementation activity supports changes to funded medicines and medical devices, helping to support healthcare professionals, consumers, and their whānau to manage changes to their medicines. Our work also includes reducing barriers to access funded medicines, collaborating with others across the health sector, and promoting the responsible, optimal and equitable use of medicines and medical devices.

In quarter four we have actively supported a number of changes, including supply issues, brand changes, discontinuations, new listings and delistings.

Increasing engagement with consumers

We have been steadily increasing our input from, and engagement with, consumers through our procurement processes, including through consumer participation in evaluation of procurement options and from Pharmac staff proactively reaching out to key groups during consultation.

Two meetings were held with consumer representatives providing an opportunity to hear the Acting Chief Executive share his priorities and provide a short update on some key Pharmac initiatives. There was then productive questions and discussion with the attendees. Monthly online update meetings with consumer representatives will be trialled.

The Consumer Advisory Committee met in April and June. Updates on the Consumer and whānau engagement quality and safety marker (CQSM) was provided, feedback sought on the implementation approach for oestradiol patches and discussions on our 12-month reset programme.

¹ Suppliers bid to have “Principal Supply Status” on medicines and related products included in the ITT. When a medicine is no longer under patent, other suppliers can sell a generic version of that medicine. This allows for competition and can lead to significant price reductions. This process creates saving of \$30-50 million every year.

Impact on health outcomes for populations with the highest health needs

Consideration of populations with the highest health needs are an integral part of Pharmac's Factors for Consideration and are applied throughout our assessment and transaction process. For example, our funding for COVID-19 treatments/medicines, cancers and other medicines will help population groups with the highest health needs.

Strategic Priority Two: Enhanced assessment and decision-making

We are improving our assessment and decision-making processes by increasing consumer input and participation; improving timeliness, efficiency and transparency; and updating our approaches to include wider fiscal impacts to whole of Government and how we consider societal impacts.

Considering societal impacts of our work

Pharmac continues to explore how a societal perspective could help Pharmac show the value of new treatments to society, especially for big investments we cannot afford from our usual budget. To test how this may work in practice, Pharmac is commissioning two more societal perspective assessments from Erasmus University, The Netherlands. The two proposals represent significant potential investments. In parallel, the Erasmus team will provide training to Pharmac staff. This will cover how to incorporate societal impacts into estimates of the economic value and budgetary impact, so future budget bids can reflect costs and savings of new pharmaceutical investments to other government budgets and wider society.

We have also recently engaged with the Canadian Drug Agency to understand their recent lessons learned from piloting societal perspective assessments over the last year.

Expert advice

Quarter four was a busy time with many expert advisory meetings:

- Cancer Treatment Advisory Committee (CTAC) half-day meeting was held on 2 May.
- PTAC was held 15-16 May. Members discussed current status of advice processes.
- Interim Medical Device Advisory Group meeting 9 June.
- Rare Disorders Advisory Committee meeting on 10 June.
- Personal Protective Equipment Advisory Group meeting 25-26 June.
- Immunisation Advisory Committee meeting on 26 June.
- Cardiovascular Advisory Committee meeting on 27 June.

Improving the timeliness and efficiency of our assessment and decision making

While we are aiming to improve the efficiency of our advice and assessment process, an immediate focus is on addressing the high backlog of applications. Additional resources have been brought in to work on the backlog of applications.

Reducing the backlog of applications and proposals

The current combined backlog (both applications and proposals) is 356. (Quarter three was 347.) Funding applications are increasing. We expect to receive more applications this year than at any time in the past 10 years. The current backlog is steady. Recruitment to build

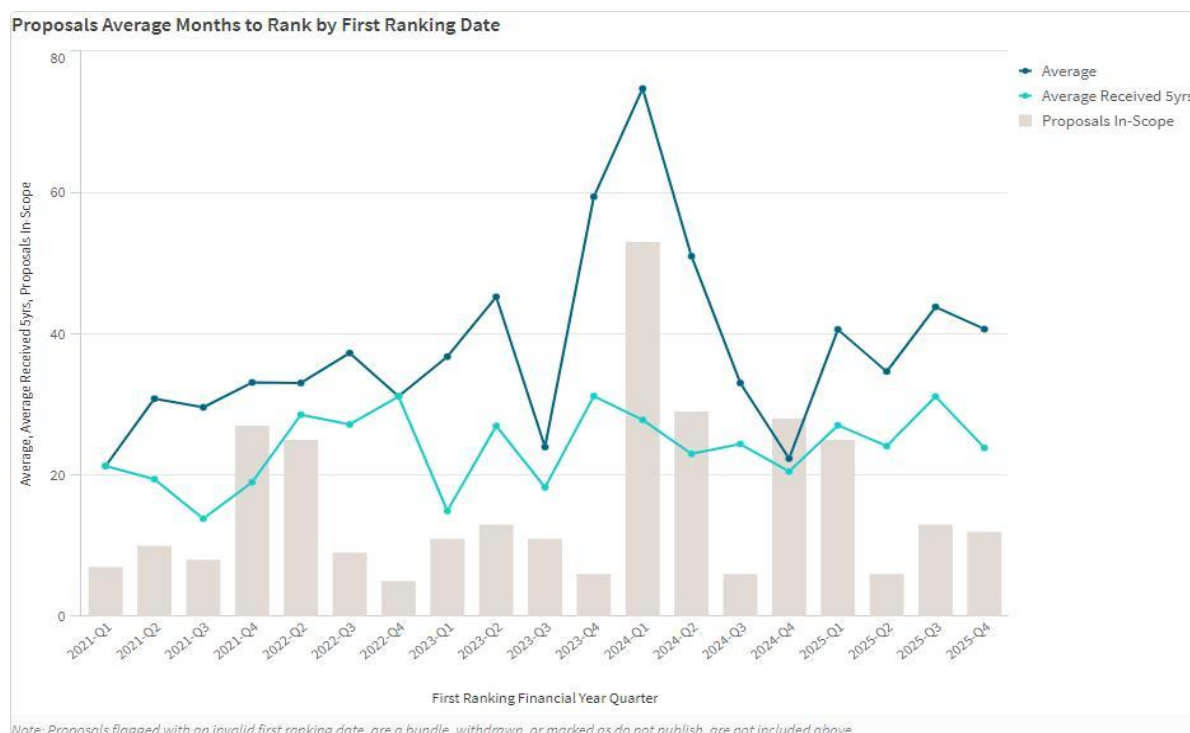
capacity in the assessment team was slower than expected. With staff training and the completion of recruitment, we expect to see a significant improvement in output in the coming quarters.



Timeliness of funding assessment

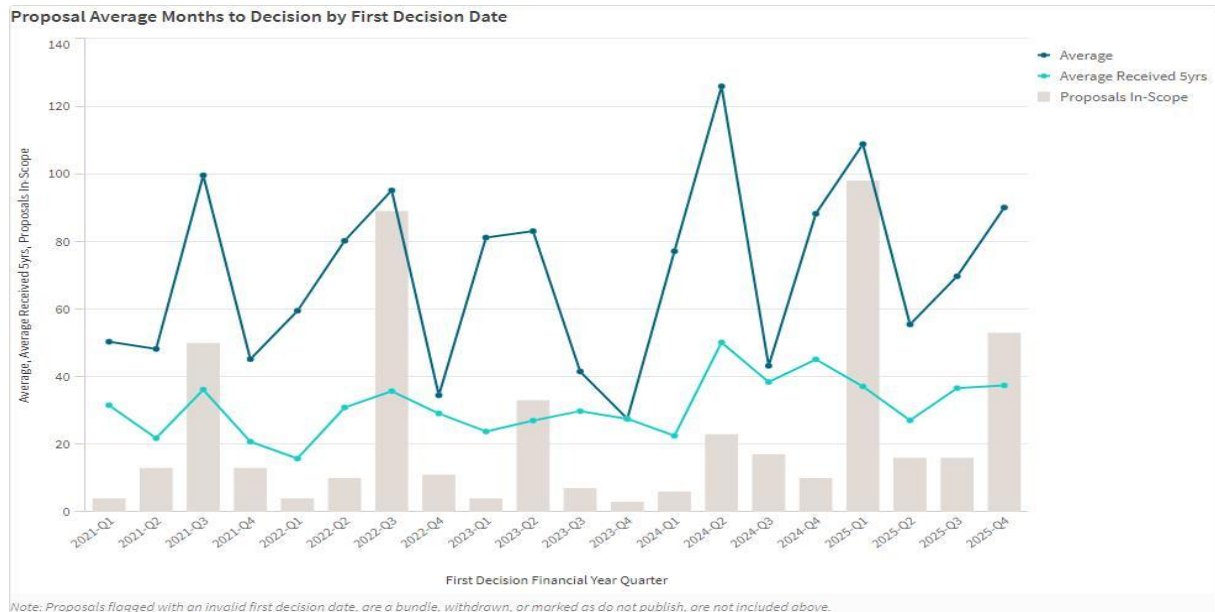
Timeliness of funding assessment (time to rank) is a measure of the time from date of receipt of an application to the date it is placed onto one of our priority lists – Options for Investment, Cost Neutral/Cost Saving or Recommended for Decline. It measures those aspects of the assessment and decision-making process that we have more control over. The blue line records the average time to rank of proposals received in the last five years and more closely reflects current performance. The grey bar in the chart represents the number of proposals ranked during the quarter. The timeliness of funding assessment average is 41 months. The average over five years is 24 months.

While the average may fluctuate, depending on which proposals are prioritised, we anticipate a reduction in the average as the backlog of applications awaiting ranking lessens and our processes become more efficient.



Time to Decision

In this quarter, decisions (to approve or decline funding) were made for 116 in scope proposals, taking an average of 90 months overall. The average for applications received in the last five years is 37 months.

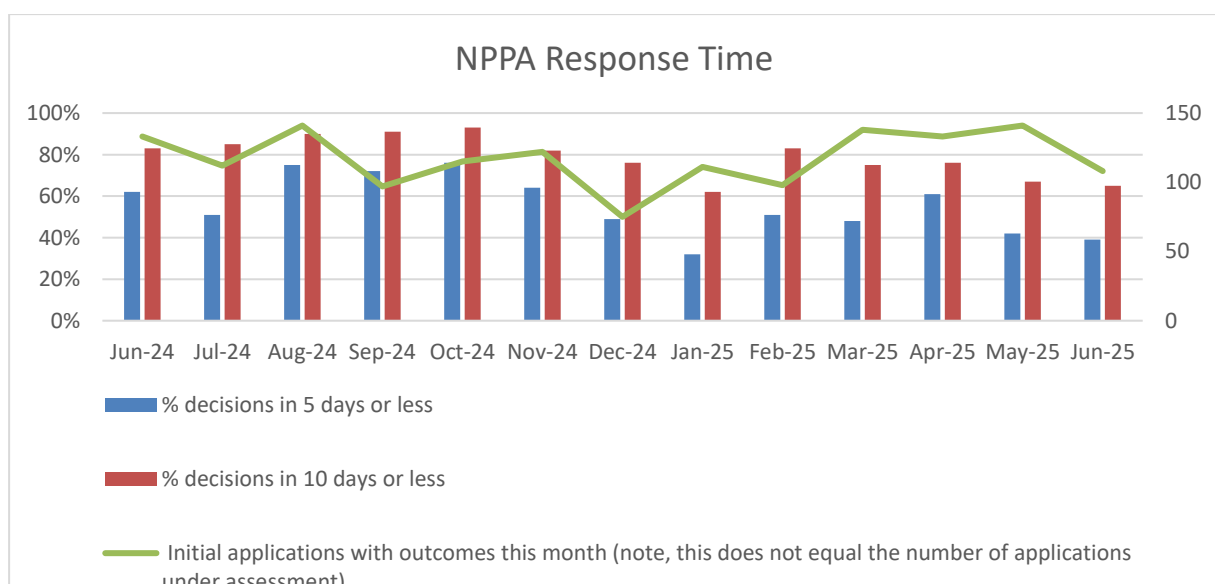


Notes

- Average = average time to decision for funding proposals decided on during the quarter, regardless of when the application was received.
- Average received 5 years = average time to decision for funding proposals decided on during the quarter, only for applications received in the previous 5 years.
- In-scope proposals are those for individual items where a decision has been made, recorded, and available for publishing at time of reporting.

Exceptional Circumstances

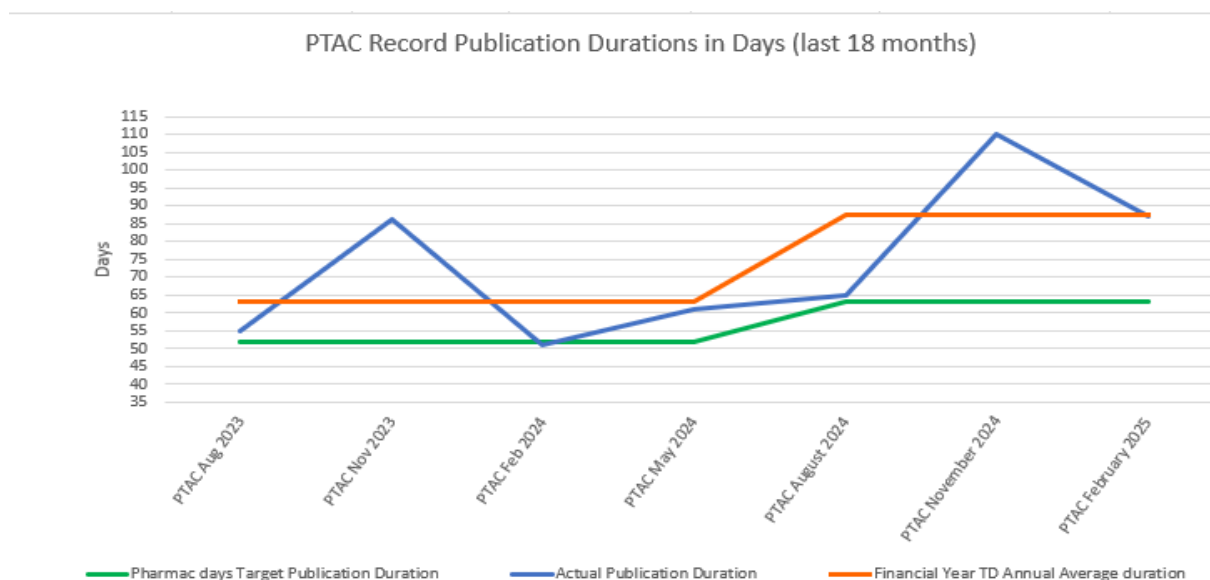
We continue to reduce the backlog of applications awaiting an outcome. NPPA applications with an outcome with 10 working days was 67 percent in quarter four.



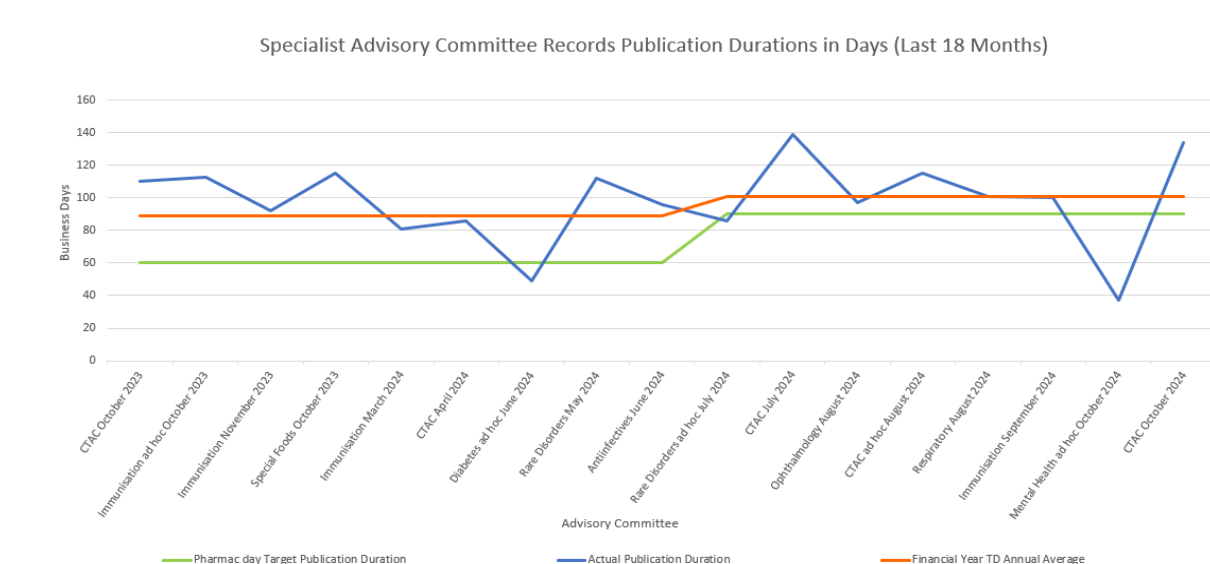
Improving the timeliness of our Decisions (Record Publications)

We will release provisional summary recommendations at 30 days following each committee meeting, beginning with PTAC May 2025.

Timeliness of PTAC committee records published (18 months)



Timeliness of Specialist advisory committee records published (18 months)



Notes for graphs:

- Graphs reflect the chronological order of meetings and meetings are not included until records are published.

Strategic Priority Three: Strategic management of medical devices

We have developed and implemented an integrated approach to hospital medical devices so that we drive better value and more consistent and equitable access.

The new approach drives a new way of managing medical devices used or supplied in hospitals. As the contracts are finalised, Health NZ can now determine the mix of products that offers the best value, the priority populations who are best served, and where changes to usage may be required to achieve this.

Comprehensive List published

The Comprehensive list went live on 1 July 2025 and includes over 220,000 devices currently used in Health New Zealand hospitals, whether contracted by Pharmac or not. All listings with a price are Pharmac-contracted.

Establishing the comprehensive list will not only support better planning and investment decisions, but it will also help identify funding priorities and guide future purchasing. It also lays the foundation for the next stage of the programme which is moving to single national list from which public hospitals will be able to select their medical devices from.

Engagement

Comprehensive list consultation

Pharmac consulted widely to make sure the list is as accurate and complete as possible. During the 7-week consultation we received 432 emails and 241 questions in total.

Overall, the comprehensive list consultation resulted in listing 26,546 medical devices on the Pharmaceutical Schedule without an associated formal agreement between Pharmac and the supplier.

Amendments were approved for 25 supplier agreements to add additional medical devices that were identified through the comprehensive list analysis as being in use in Health NZ. This covered an estimated annual expenditure of \$22.3 million and increases the coverage of medical devices under Pharmac contracts.

One agreement to list new contract categories was approved in June covering \$1.55 million annual Health NZ spend on medical devices.

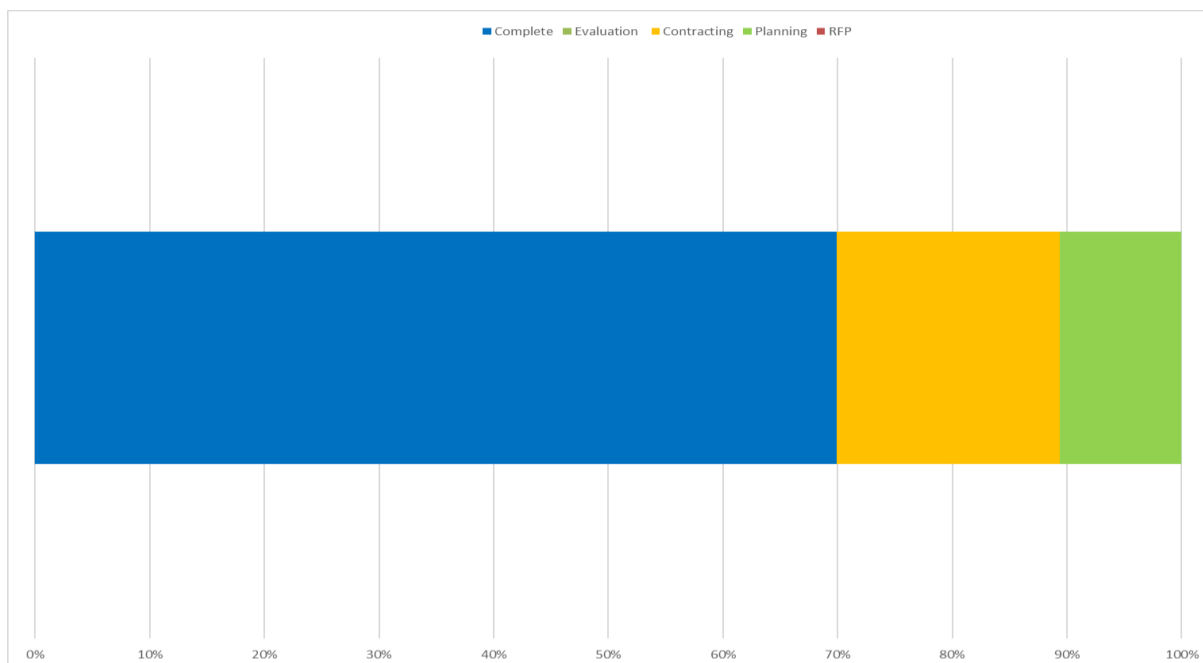
Medical Devices Review

The Ministry of Health has commissioned a review of Medical Devices work programme. The review is considering the roles and responsibilities of the different agencies who work together across the health system to manage the use of medical devices. We continue to work with Ministers and the Ministry of Health while discussions continue.

While we await the outcome of the external review, we are progressing with consultation activities to support the transition to a single National Medical Devices List and a formal application process for medical devices. These components are central to delivering a nationally consistent approach that enables system-wide strategic goals and are both key enablers of the broader strategy.

Medical devices spend under agreement

Below is a chart presenting the amount of expenditure that is covered by the Schedule as a proportion of the estimated total on devices. We estimate that approximately 70 percent of devices spend is now under national contract. The second graph shows the growth in contracted spend over time. The dip seen in December was due to a large supplier, Vantive terminating its agreement.



Organisational Priorities and Capability

12-month Reset programme

Following a series of external reviews and stakeholder workshops, a five-year change programme has been established to occur in two phases, beginning with a 12-month reset programme to demonstrate commitment to change and establish foundational improvements.

The Board have agreed to establish a consumer working group to work alongside the 12-month reset programme team. Dr Malcolm Mulholland has been appointed as Chair of the group and we are working with the Chair to finalise draft terms of reference for the group and appoint members. The first meeting of the working group will take place on 21 July.

Policy work

Pharmac has recently approved a new Access Criteria Policy. Pharmac sets specific criteria that must be met, before some medicines will be funded. We do this to ensure medicines are targeted to those who would benefit most from treatment. The approach outlined in the Access Criteria Policy involves defining the target population and setting broad, descriptive access criteria to find the target population in practice.

We continue to work with the Ministry of Health on their plan to modernise the regulation of medicines and medical devices by amending and replacing the Medicines Act 1981. This includes providing advice on prescribing lengths, prescribing unapproved medicines and the development of the new Medical Products Bill.

We notified a decision on rule changes to the pharmaceutical schedule, designed to implement the Government's policy for newly funded cancer medicines to be administered in private hospitals and clinics from 1 July 2025.

We released a proposal on 26 June to support 12-month prescriptions for community medicines through changes to the pharmaceutical schedule and Special Authority approvals. These changes support the Government's proposed amendments to the Medicines Regulations 1984, which will allow prescribers to write prescriptions for up to 12 months.

Data and Digital strategy

The Board approved Pharmac's data and digital strategy in January 2025. The delivery of the strategy was the first step in Pharmac engaging with technology to support its work into the future. The strategy illustrates how Pharmac can utilise data and digital services to enhance Pharmac's delivery of its strategic intent.

This quarter we have developed the scope and delivered the business case for several key projects that will be phased initially over two financial years:

- Redevelopment of the Pharmaceutical Schedule (medicines, vaccines and medical devices in one schedule)
- Delivery of new ways to engage with Pharmac for suppliers, sector and individuals
- Development of a new funding entitlements system.

Finance system

It is expected that the upgrade and inventory component of the new finance system will be completed by end of June 2025 and the remainder will be fully implemented by the end of July/August.

Carbon emissions

We continue to reduce carbon emissions. Pharmac has already reached our carbon emissions target for 2030

People & capability strategy

The People and Capability Strategy was provisionally endorsed by the Senior Leadership Team in December 2024, subject to the findings and recommendations set out in the workplace culture review report.

The strategic objectives are set out under the following three pillars, with initiatives underway:

Leadership and Culture

Senior Leadership Team 'Ask Me Anything' Sessions

As part of the leadership engagement action plan, our Senior Leaders held the third 'Ask Me Anything' session with employees in April 2025. The panel included the new Acting Chief Executive. SLT once again answered questions submitted anonymously prior to the session, and from the floor from people attending the session.

Annual engagement survey

The 2025 annual engagement survey was conducted in May 2025. The engagement survey provides a measure of our employee engagement, as well as insight into perceptions of our workplace, leadership, culture and our progress towards meeting our strategic goals.

Engagement

The survey will also inform how we can improve Pharmac's organisational culture to support the culture review work programme and provide a benchmark on how much the culture shifts over the next 12 months.

People and Capability are reviewing the People Strategy to ensure alignment with the findings in the culture review.

The annual engagement survey was launched on 5 May 2025. The findings of the survey will provide further insights into areas of focus to improve organisational culture.

Pharmac continues to recognise employees demonstrating our values through our He Kahui Whetu programme, which is celebrated at the staff meetings each month.

Leadership Capability Development

The People and Capability finalised the 2025 people leadership development programme which includes:

- monthly People Leader sessions (continue with interactive sessions)
- regular 'HR 101' sessions on a variety of people management topics to support new leaders
- a mentor programme
- providing opportunities for people leaders to connect across teams.

Workforce

Bargaining with the PSA for a new Collective Employment Agreement is ongoing.

Career Development

People and Capability are publishing career stories as part of our career journey series to highlight those employees who have successfully navigated a varied and enduring career at Pharmac. This initiative aims to positively influence staff perceptions of career progression at Pharmac.

Policy Review Programme

The Recruitment policy is currently under review and a workshop was held with people leaders to gather insights on how well our current policy is operating and what needs to change. Pharmac is required to give effect to the Public Service Commission's Workforce Assurance Model Standards which will be reflected in our recruitment policy and guidelines. This includes serious misconduct checks, appropriate referees, etc.

Turnover

Our 12-month rolling average unplanned turnover at the end of Q4 was 20.5% which is an increase from Q3 (18.5%). We had 7 permanent staff leavers. Analysis of exit interviews shows the main reason for employees leaving in for the 2024-25 financial year was a move out of Wellington. Other common reasons were leaving due to dissatisfaction with the work culture at Pharmac and for a new career opportunity. As Pharmac is a small and relatively flat organisation, employees are looking to external agencies to progress their careers.

Diversity, Equity, and Inclusion

The People and Capability team is working to update and publish our Kia Toipoto action plan in early Quarter one 2025, which includes initiatives to increase the diversity of our workforce and to support an inclusive culture. The publication was delayed by a month to better align with our end of year reporting period.

Reporting on staffing

As of 30 June 2025, Pharmac had 195 employees (168 permanent and 27 fixed term). The total FTE was 190.95, including five on parental leave. There were 3 contractors engaged. 14 positions were vacant.

Our workforce

Below we have provided information about our current workforce and expert advice committees, compared with the previous year. This data is updated every six months - the next update will be July 2025.

Workforce

Ethnicity	23/24 Percentage	24/25 Percentage
European	87%	68%
Māori	9%	9%
Pacific peoples	1%	3%
Asian	12%	12%
Middle Eastern/Latin American/African (MELAA)	4%	3%
Other	6%	24%

Board/Committees

(No change for 2024/25 to date).

Proportion of Māori	22/23 Percentage	23/24 Percentage
Pharmac Board	33%	33%
PTAC & SAC	3%	3%
CAC	33%	33%
RUAC	12.5%	37%

Appendix One: Progress against 2024/25 Letter of Expectations

Expectation	Source	Status	Comment
Organisational Culture and Collaboration			
Strengthen partnership work	LoE #1	On track	Independent Report from Consumer Engagement Workshops presented to the February Board meeting and published in March. Wide range of activity underway as part of implementation of our Engagement Strategy.
Prioritise collaboration with sector	LoE #2	On track	A high level of engagement with the sector on medicines and medical device continues (highlighted throughout report).
Report on Culture & Stakeholder Sentiment	LoE #3	On track	Culture review report summary published and reset programme initiated. Consumer working group being established with Dr Malcolm Mulholland appointed as Chair.
Ensure Right Information is going to the Board	LoE #4	On track	Annual Board programme reviewed and agreed.
Role of Pharmac			
Review Pharmac statutory objectives	LoE #5	Started	Engagement with the Ministry of Health as part of upcoming Pae Ora Act legislative changes.
Clarify role delineation (assessment & decision-making)	LoE #6	Completed	Report provided to the Minister's office in November 2024.
Role clarity (Medical Devices)	LoE #7	On track	We continue to work with the Ministry of Health and Health NZ to provide next advice to Ministers.
Prepare Budget requests to support future investment	LoE #8	On track	Budget 2025 decisions made. Budget 2026 work underway.
Methods and processes (including SPE commitments for Assessment & Decision-making)			
Increase participation into decision-making (including consumers and those with lived experience)	LoE #9 SPE	On track	Activities include researching best practice, consumer workshops, regular meetings with consumer representatives, recruitment for expert advisory groups, engagement strategy.
Comply with Consumer Quality Safety Marker (CQSM) expectations	LoE #10	On track	Next report due September.
Report publicly (LoE# 9 & 10)	LoE #11	On track	Embedded into statutory reporting.
Explore new assessment approach (fiscal and societal impacts)	LoE #12 SPE	On track	Work on Budget 2025 completed. We are working with Erasmus University in the Netherlands to evaluate societal impacts for two more medicines. They are also providing training for Pharmac staff.
Publish agendas / minutes in a timely fashion	LoE #13	Started	We introduced new initiative to publish provisional recommendations from committees within 30 days.

Expectation	Source	Status	Comment
Publicly report on timeliness	LoE #14	On track	Embedded into statutory performance reporting and publicly reported.
Improve timeliness of assessment & decision-making	SPE	On track	Work on backlog, inactive applications, NPPA processes, and streamlining front-end (rapid) assessment processes.
Increase transparency of assessment & decision-making	SPE	Started	Online information is improving (including trackers) with plain language explanations increasing.
Harness innovation in the use of the medicines budget	SPE	Started	Societal impacts work underway. Budget 2026 preparation in progress.
Strategic Management of Medicines and Devices (SPE commitments)			
Work with Health New Zealand to increase access to cancer treatments and other medicines	SPE	Completed	Investments completed following June budget uplift. We are working closely with Health NZ, the Cancer Control Agency and Ministry of Health on implementation.
Promote sustainability of our current portfolio of funded medicines	SPE	On hold	Approach has been developed. Plans to test the approach are currently on hold due to available resource focused on funding new medicines from the June 2024 budget uplift as fast as possible.
Update and develop our commercial approach	SPE	On hold	Focus has been on supporting new investments. Work to progress part of 2025/26 work programme.
Improve reimbursement arrangements for medicines	SPE	On hold	Planning underway to improve reimbursement arrangements for medicines used in hospitals.
Comprehensive list of medical devices that hospitals are using	SPE	Completed	Consultation on the comprehensive list closed in March. The comprehensive list was published on 27 June.
A category management approach for hospital medical devices	SPE	Started	Ongoing engagement with Health NZ on category management roles. Work begun on category plans in several areas including dialysis, and some surgical devices. Renal dialysis advisory group being established to support this work.
A national assessment process for hospital medical devices	SPE	On track	Under development – with An Interim Medical Device Advisory Group (IMDAG) established. Two assessment process pilots completed. Work with HNZ on service design and processes being planned.
New IT system to support our medical devices work.	SPE	On hold	Proposal developed – Board agreed to defer pending Ministry of Health review of medical devices.

Expectation	Source	Status	Comment
Health System Priorities			
Give effect to the Government Policy Statement on Health	LoE #15	Completed	Alignment captured in SPE and captured in refresh of the SOI.
Support Government priorities & targets	LoE #16	On track	Commitments captured refreshed in SOI. 2025/26 SPE completed.
Work with Health NZ on Health Plan	LoE #17	Delayed	Delayed by Health NZ.
Work with Ministry of Health on rare disorders	LoE#18	On hold	Rare Disorders Strategy published. Awaiting implementation plan/approach from Ministry of Health/Health NZ.
Accountability			
Complete 2024/25 Statement of Performance Expectations	LoE #19	Completed	2025/26 SPE completed. To be published with Annual Report 2024/25.
Refresh Statement of Intent (SOI)	LoE #20	Completed	SOI 2024/25 – 2027/28 published in December.
Progress Pharmac review actions	LoE #21	On track	Embedded into statutory performance reporting. Produced report to update progress on Pharmac review recommendations with the aim to close out progress. This will be provided to Ministers in July.

Appendix Two: Summary of performance measures

No	Performance measure	2023/24 result	Q4 result 2024/25
1	Increase in the number of New Zealanders receiving funded medicines. (A) ²	4.1 million New Zealanders	Result calculated at year end
2	Increase in the number of new medicines funded. (A)	12 new treatments funded	52
3	Access is widened to an increased number of medicines that are already funded. (A)	16 access widenings	31
4	Increase the estimated number of New Zealanders benefitting from new medicines funded. (A)	19,851 additional New Zealanders received new medicines	Q4 estimate for 2024/25 is total of 89,436.
5	A reduction in the average time to assess and rank new applications. (A)	Average is 54 months Average over 5 years is 23.7 months	Average is 41 months Average over 5 years is 24 months
6	A reduction in average time to publish PTAC and sub-committee records (SAC). (A)	PTAC = 63 days SAC = 90 days	Targets for 24/25 are PTAC: less than 70 days (14 weeks). Advisory panels: less than 108 days (22 weeks)
7	Average time from funding application to decision date.	38.6 months average for applications received in last 5 years	Average of applications received for last 5 years at end of Q3= 27.4 months
8	Percentage of decisions Named Patient Pharmaceutical Applications made within 10 working days.	68%	Q1 90% Q2 76% Q3 75% Q4 67%
9	The number (volume) and range (mix) of medicines have increased over time within budget.	In 2023/24 and 2022/23 volume and mix went up relative to the cost.	Result calculated at year end
10	An increase in Māori trust and confidence (external survey)	Advocates 11% (23/24) Critics 2023/24 = 31%	Result available at year end
11	Increased public trust in Pharmac (external survey)	2023 = 59 2024 = 60	Result available at year end
12	Assessment of consumer engagement (based on the Consumer Quality Safety Marker (CQSM) self-assessment)	Self-reported scores Engagement: 3 Responsiveness: 2 Experience: 2	Self-reported scores Engagement: 3 Responsiveness: 2 Experience: 2
13	A comprehensive list of medical devices on the Pharmaceutical Schedule by 30 June 2025	New measure	Published 27 June 2025

² (A) = Appropriation measure

No	Performance measure	2023/24 result	Q4 result 2024/25
14	Manage expenditure on hospital medical devices under Pharmac contract to within 1.5% of budget for the year. (New measure)	New measure	<p>Price variances agreed in the financial year average at 0.44% increase, well within the 1.5% target.</p> <p>Variance is expected to fluctuate during the year due to commercial activity and price volatility</p>