

# Minutes of Consumer Advisory Committee (CAC) teleconference

17 April 2003

The meeting commenced at 2pm.

## Present

Sandra Coney (chairperson)  
Sharron Cole  
Paul Stanley  
Dennis Paget  
Matiu Dickson

Simon England (CAC Secretary – Minutes)  
Wayne McNee, PHARMAC Chief Executive

## Changes to pharmaceutical dispensing

Wayne McNee briefed members on the stat dispensing proposal, and the reasons behind the proposal.

A list of medicines to be dispensed three-monthly has been compiled, incorporating advice from PTAC. PHARMAC would be interested in the CAC's views on what should be on the list, as well as general feedback from a consumer point of view.

Generally members indicated support for the proposal to move to three-monthly dispensing for most medications, as it would be more convenient for consumers and avoid the cost of repeated trips to collect prescriptions.

However, members also identified some concerns:

1. **High surcharges:** High surcharges may lead to failure to collect medicines for some people on low incomes. For its next meeting, CAC would like a breakdown of the number/proportion of dispensings or prescriptions that involve a part-charge (per month) in the cost bands under \$5, \$5-10, \$10-15, \$15-20, over \$20. CAC will consider whether to recommend some special arrangements be made for patients for whom the cost of co-payments may be a barrier.
2. **Medications for patients with heart disease and diabetes:** CAC would like to ensure medications for those with heart disease and diabetes can be dispensed three-monthly, even if they are considered to be high-cost. For its next meeting, CAC would like a report on which medications for heart disease and diabetes fall into the monthly category.
3. **Access to pharmacies:** The CAC recommends that the relevant funding agencies provide some support for rural and essential pharmacies that may be adversely affected by the change to three monthly prescribing to ensure that accessibility to consumers is not diminished. The committee supports the

concept of a 'rural premium' for pharmacies in rural areas whose viability may be genuinely threatened by a reduction in dispensing fees.

4. The CAC recommends that to explain the change, Pharmac institutes a comprehensive education/information programme for consumers informing them of:
  - The change to 3-monthly dispensing
  - Co-payments and surcharges for medicines
  - Options for consumers for whom the cost of three-monthly dispensing might be a barrier
  - Responsible use of medicines
  - Safe storage of medicines in the home
  - Where to go with questions about side-effects etc
  - How to dispose of unused medicines

Members agreed to again discuss the issue, once further information is received, at the CAC meeting of 8 May 2003.

The meeting concluded at 2:55pm.

# Minutes of the Consumer Advisory Committee teleconference

22 May 2003

The teleconference commenced at 3pm.

Present:

Sandra Coney (chair)  
Sharron Cole  
Vicki Burnett  
Anna Dillon  
Dennis Paget  
Paul Stanley  
Deirdre Nehua

Apologies: Matiu Dickson

Simon England (PHARMAC, minutes).  
Stuart Bruce (PHARMAC)  
Hew Norris (PHARMAC)

## Information on surcharges

The committee noted the data supplied to it in response to a request made at the 17 April 2003 teleconference. Members felt the data showed that for some people a higher one-off cost would be a barrier to picking up their medicines.

Members felt there should be some flexibility in the prescribing or dispensing that enabled patients to choose whether to have their medicine supplied monthly or three-monthly. One of the difficulties with this approach was in writing the rules to enable flexibility without opening it up to misuse. For example, consultation on the current proposal had identified that current rules for close control had led to many DHBs paying for a service (such as weekly dispensing to rest homes) that they weren't contracted to provide.

The committee noted that there were genuine fears in rural areas, where pharmacists were often a focal point as health providers, that pharmacies might close. The CAC has already indicated its support for the concept of premiums for pharmacies in rural areas whose viability may be genuinely threatened by a reduction in dispensing fees.

Members felt that the patient should have the option of having medicines incurring a surcharge dispensed monthly if they felt the one-off cost of collecting three-months worth of medicine at once would be a barrier. This should be raised and discussed with the prescriber. Generally if people were prescribed a part-funded drug a fully funded option would also be available, and prescribers should discuss this with the patient.

The CAC endorsed the proposal to change from monthly dispensing to three-monthly dispensing for many medicines as this would be more convenient for consumers and would reduce the opportunity costs to consumers of monthly prescribing.

However, the Committee was concerned that, where medicines carry a surcharge, the up-front cost of picking up a three-month prescription would be prohibitive for a small number of consumers. Therefore the committee recommends that there be some flexibility in prescribing to ensure cost is not a barrier. The committee recommends that patients have the option to have medicines prescribed monthly if discussion with the prescriber identifies cost as a barrier to picking up a three-month prescription.

### **Medicines for chronic conditions**

Members considered the issue of drugs for long-term (chronic) conditions being on the three-monthly dispensing list. The committee was told that, apart from those exempt for safety reasons, the three-monthly list excluded drugs costing more than \$17 per month.

PHARMAC was undertaking some further analysis of drugs and looking at the compliance rates for individual drugs, including those prescribed for chronic conditions. There was the potential to add some high cost drugs with high compliance to the three-monthly list.

The committee noted that some clinicians had put forward the concept of having 'trial' prescriptions to determine whether a drug was suitable for a patient.

The Committee recommended that some drugs that cost more than the \$17 threshold for monthly dispensing be available three-monthly, where they are being taken for long-term (chronic) conditions.

The meeting concluded at 4:25pm.

## **Action Points/Recommendations**

### *Action points:*

1. CAC would like a breakdown of the number/proportion of dispensings or prescriptions that involve a part-charge (per month) in the cost bands under \$5, \$5-10, \$10-15, \$15-20, over \$20.
  - Information was provided to members and considered at the teleconference on 22 May 2003.
2. CAC would like a report on which medications for heart disease and diabetes fall into the monthly category.
  - PHARMAC is undertaking some further analysis of drugs and looking at the compliance rates for individual drugs, including those prescribed for chronic conditions.

### *Recommendations:*

1. The Consumer Advisory Committee endorses the proposal to change from monthly dispensing to three-monthly dispensing for many medicines as this is more convenient for consumers and will reduce the opportunity costs to consumers of monthly prescribing.
2. However, the Consumer Advisory Committee is concerned that, where medicines carry a surcharge, the up-front cost of picking up a three-month prescription will be prohibitive for a small number of consumers. Therefore the committee recommends that there be some flexibility in prescribing to ensure cost is not a barrier. The committee recommends that patients have the option to have medicines prescribed monthly if discussion with the prescriber identifies cost as a barrier to picking up a three-month prescription.
3. The Consumer Advisory Committee recommends that some drugs that cost more than the \$17 threshold for monthly dispensing be available three-monthly, where they are being taken for long-term (chronic) conditions.
4. The CAC recommends that the relevant funding agencies provide some support for rural and essential pharmacies that may be adversely affected by the change to three monthly prescribing to ensure that accessibility to consumers is not diminished. The committee supports the concept of a 'rural premium' for pharmacies in rural areas whose viability may be genuinely threatened by a reduction in dispensing fees.
5. The CAC recommends that to explain the change, PHARMAC institutes a comprehensive education/information programme for consumers informing them of:
  - The change to 3-monthly dispensing

- Co-payments and surcharges for medicines
- Options for consumers for whom the cost of three-monthly dispensing might be a barrier
- Responsible use of medicines
- Safe storage of medicines in the home
- Where to go with questions about side-effects etc
- How to dispose of unused medicines

**Signed:**

S. Money  
Chair

9 June 2003  
Date