

**Minutes of the PHARMAC Consumer Advisory Committee (CAC) meeting
Tuesday 15 April 2014**

The meeting was held at PHARMAC, 9th floor, 40 Mercer St, Wellington from 1.30pm.

Present:

Kate Russell	Chair
Anne Fitisemanu	Deputy Chair
Anna Mitchell	CAC member
Maurice Gianotti	CAC member
Katerina Pihera	CAC member
Shane Bradbook	CAC member
David Lui	CAC member

Apologies:

Barbara Greer	CAC member
Jennie Michel	CAC member

In attendance:

Simon England (CAC Secretary); Steffan Crausaz (Chief Executive); Sarah Penno, Jeremy Price, Jude Ulrich (PHARMAC Staff); Key Frost (observer).

1. Record of previous meeting (24 October 2013)

Minutes of the 24 October meeting were accepted as a true and accurate record.

Russell/Gianotti

2. Chair's report

The chair thanked deputy chair Anne Fitisemanu for representing the CAC at the most recent meeting of the PHARMAC Board. CAC's interaction with the PHARMAC Board continues to improve with the chair feeling that the Board is increasingly seeking the CAC view during discussions. This was appreciated and indicated a willingness by the Board to listen to the consumer perspective.

The recruitment process for a new Pasifika member of CAC had proven highly successful, with three candidates selected. All of the candidates interviewed had been of extremely high calibre and a decision on appointments had been difficult. The chair was confident the new members would represent the community and serve the committee well.

The chair also noted the amount of policy work currently being undertaken by PHARMAC, particularly decision criteria and high cost medicines. The high emotion expressed to date was likely to be ongoing. PHARMAC had shown a commendable willingness to engage with the community over this work. The CAC was supportive of this approach and would continue to help PHARMAC through the process.

3. Matters arising

Cultural competency training

Members reiterated a request to extend cultural competency training to CAC members.

Wallet card

Members considered a first draft of a potential consumer resource to assist patient discussions with health professionals. Members considered the draft a good start and agreed it would be useful to 'road test' the concept with their community networks. Should the concept prove successful, PHARMAC could list it as a free product to download from its pharmaonline website.

Members agreed that any resource developed would need to support or be consistent with other health literacy programmes or resources developed by other agencies. PHARMAC would be liaising with external agencies such as the Health Quality and Safety Commission to make them aware of the CAC initiative and potentially link it in with other work.

The committee requested that PHARMAC produce a small initial print run for the next meeting of CAC, which members could take away and test with communities. Feedback from that process could then inform further development of the resource, and potentially identify distribution channels.

Pasifika member recruitment

Contact had been made with Spasifik magazine who had shown interest in developing a story about the three newly appointed members, who all have links to Pasifika communities. PHARMAC staff would help facilitate this story.

4. Correspondence

Members noted an improvement in PHARMAC's responsiveness to external communication, reducing the time taken to reply to correspondence.

A letter to a consumer regarding a particular device appeared to miss the point about why the letter had been written. The response appeared defensive and did not explore potential solutions. Members considered the usual high quality of PHARMAC's responses meant this particular example stood out.

5. Chief executive discussion

Members reflected on the morning's discussions at the consultation event at Te Wharewaka. While there was some negativity at the event, this was perhaps not as great as it could have been. Members considered the facilitation of the event and responses from PHARMAC were good, and that people attending were allowed to participate and feel heard.

There was a good diversity of people at the event and tables were well set up with a mix of views. Members felt the diversity at the event may reflect the influence of CAC on the way PHARMAC interacts with the community.

One concern raised was that some groups and people at tables didn't realise the role of CAC – that there was a voice for consumers within PHARMAC that could help ensure that PHARMAC was listening to consumer perspectives.

Members encouraged PHARMAC to continue to have community forums. While they acknowledge the amount of work required to organise events and get people to them, and the potentially difficult conversations that result for PHARMAC's staff, members considered the events are needed to maintain PHARMAC's level of engagement and to keep building CAC's links to the community.

6. Hospital Medical Devices Update

Sarah Penno and Jeremy Price presented an update on PHARMAC's work in relation to hospital medical devices.

PHARMAC is running a gradual process where change will occur incrementally, on a category by category basis over several years. Decisions are and will be informed by consultation and clinical engagement.

Work on how the PHARMAC model will be applied to medical devices management, and interim procurement of specific categories of devices, is being done simultaneously. To date, national contracts for three categories of devices (wound care products, sutures and some disposable laparoscopic equipment) offer DHBs using these contracts a minimum of \$1 million of savings annually. These contracted products are optional for DHBs.

PHARMAC has conducted consultation throughout its work and more is to come. A discussion paper is planned for release in May, looking at how the PHARMAC model could be applied to hospital medical devices. One issue that has come to light is a lower level of evidence available for assessment of medical devices. PHARMAC will have to find ways of being able to gather a satisfactory amount of evidence and relevant data to be sure that it has considered everything when making a funding decision.

Impact on patients is another area to consider, and where CAC has already provided some input. PHARMAC will look to obtain consumer views to ensure it makes appropriate decisions.

PHARMAC is aiming to take over management from mid-2015. The next step will be work towards full budget management of hospital medical devices, with a capped budget agreed with DHBs and the Government.

Members questioned what level of buy-in had there been to date from specialists and DHBs. Staff consider there is still some nervousness within DHBs about what PHARMAC's work and any changes mean in the long term. To date there has been a lower than anticipated uptake of the national contracts. PHARMAC was looking into what may encourage a faster uptake.

Early engagement with specialists through colleges and societies was the key.

Members considered that PHARMAC's 'softly softly' approach must be working well. Discretionary contracts were also considered to be a good approach. Members expressed surprise that, with some DHBs financially stretched and on the lookout for savings, that there hadn't been a swift move to take advantage of savings offered by PHARMAC's national contracting.

Staff considered that, while there had not been a rapid uptake to date, that may be changing as DHBs realise the current approach is unsustainable.

7. Health Promotion Agency rheumatic fever programme

Mary Ann Carter and Andre Afamasaga presented to CAC on an upcoming promotional campaign aimed at raising awareness on rheumatic fever. The programme is due to begin 1 May 2014, and

would be a national programme (focussed in Auckland and Wellington) aimed at reducing rates of rheumatic fever.

Initially the HPA campaign will aim at raising awareness, and emphasising the link between sore throats and rheumatic fever. The underlying theme is getting children to take their course of antibiotics.

The campaign will include television, radio (talkback) and social media, with Māori and Pacific components.

Members welcomed the move and suggested some additional channels that may be useful. Producers of Shortland St could be approached to include a rheumatic fever storyline, or supplying producers with posters from the campaign to display around the Shortland St clinic.

Another possibility was community days, or funding community groups to promote community events.

CAC could play a role in helping the social media component go viral. Links could be sent to members to distribute through their networks, once these were available, along with radio links.

Members considered the HPA work tied in well with PHARMAC's work on medicines adherence and messages on taking antibiotics.

8. General Business

Members reflected further on discussion at the morning consultation event. It was great that PHARMAC has captured feedback from all tables.

There appeared a desire to see more work on the decision-making matrix – a feeling at some tables that there are things missing that can be brought in or the scope of the matrix broadened. Members thought it would be constructive to continue engagement to flesh out the ideas. Members suggested PHARMAC form a sub-group from people present at the consultation event, which could be used as a focus group to test potential changes.

Feedback from the Māori group hui, which may not have been presented at the consultation event, was a view that references to the Treaty of Waitangi need to be supported by something - probably PHARMAC's Te Whaioranga strategy.

Members were informed that, in addition to today's discussions, there have also been meetings with other groups and written feedback. The next step is to look at the views and summarise feedback. Some of the views expressed today were expressed earlier and PHARMAC has responded following an earlier round of consultation. PHARMAC will need to check whether it needs to modify the initial position. No change will be worked up until the consultation period is finished.

Noting papers

Noted:

Decision Criteria consultation and NPPA consultation