

**Minutes of the PHARMAC Consumer Advisory Committee (CAC) meeting
Thursday 26 March 2015**

The meeting was held at PHARMAC, 9th floor, 40 Mercer St, Wellington from 9.30am.

Present:

Kate Russell	Chair
Shane Bradbrook	CAC member
Key Frost	CAC member
Barbara Greer	CAC member
Lina Samu	CAC member

Apologies:

David Lui	CAC member
Katerina Pihera	CAC member
Maurice Gianotti	CAC member

In attendance:

Simon England (CAC Secretary); Joy Gribben, Jude Urlich, Steffan Crausaz, Janet Mackay, Lauren Grierson, Rebecca Elliott, Jenny Langton (PHARMAC Staff), attended for relevant items.

1. Record of previous meeting

Minutes of the 9 October 2014 meeting were accepted as a true and accurate record.

Russell/Bradbrook

2. Chair's report

I have attended all Board meetings since the last CAC meeting but very few consumer-focused questions have arisen over that time.

Media continues to swirl around the provision of the modest budget for rare conditions/high cost medicines but PHARMAC has received tenders through the process and the assessment is ongoing.

We have a strong field of candidates from across the spectrum of consumer experience for my replacement on the Committee and I will be part of the panel that interviews once we have shortlisted.

I am aware that we have yet to resolve the issue around the Chairperson of the committee once I have stepped down. I believe PHARMAC staff will have some recommendations on a way forward at this meeting.

I have been asked to appear as a guest lecturer at the University of Canterbury Post-grad Diploma in Health Science in May, speaking on the role of the consumer in health spending prioritisation and the role of CAC within the PHARMAC structure.

Internationally, the groundswell of support for tighter controls on pharmaceutical pricing is gaining momentum. Various governments are considering how to ensure that innovator drugs are not priced out of reach for those who need them most.

Kate Russell
Chair

3. Action points

Action points noted. To be updated as noted.

Grapevine

Members noted that they appreciated the opportunity to talk to communities about PHARMAC and CAC's role. With the resources made available to members, people were able to understand the difference between CAC and PHARMAC.

4. Cardiovascular medicines and brand changes

As part of its medicine management work, PHARMAC manages medicine brand changes. The approach taken depends on the nature of the medicine. When innovator brands change to generics, this needs a bit more attention than generic-to-generic changes. Changes in medicine, though small, can cause concern.

One such process that is coming up is the process around blood glucose meters, used to test blood sugar levels for diabetes.

About 120,000 people currently use them, for both Type 1 and Type 2 diabetes. They are used so that people know when to use insulin, and how much.

Our activity this year follows on from the 2012/13 brand change to CareSens. Sole supply for CareSens ends at the end of June. PHARMAC has begun the process by letting people know what we are planning to do, and seeking feedback such as establishing what features of meters are must-haves and what are nice-to-haves.

The initial part of the process is information seeking. This will be used to inform the commercial process with suppliers later in the year. End-user testing will be part of the process – that didn't happen last time. Only suppliers who have been part of usability testing will be able to bid in the commercial (Request for Proposals) process.

Once proposals have been received, decisions will be made. PHARMAC has not made up its mind on what the final decision might be.

PHARMAC staff had engaged with many of the key diabetes groups leading up to the proposal being issued, including Diabetes NZ, Diabetes Youth NZ, Diabetes Canterbury and clinical groups. Those meetings were supportive of the approach being taken.

Members commented that if the community can see lessons have been learned from the previous process, that would reflect positively on PHARMAC.

Members considered there was some concern in the community at the lack of regulatory oversight for devices, so it's encouraging to see the thorough process being run by PHARMAC. Members thought it important to provide the opportunity for people to have a say, and considered PHARMAC was running an inclusive process.

In answer to a question about escitalopram brand changes, Staff commented that the brand change occurs from 1 Sept, with a six-month transition to sole supply.

Members sought information on which mental health groups were contacted in relation to the change.

5. PHARMAC stakeholder survey

PHARMAC is running a survey of stakeholders to ask for views on PHARMAC's work, and how PHARMAC might do it better. Preliminary results from the quantitative part of the survey have been received. PHARMAC had 784 completed surveys, with a further 981 partially complete. This was a satisfactory result.

Members received an outline of some of the results to date. The next step, which is currently underway, is more in-depth qualitative interviews with a smaller group of stakeholders. A full analysis of all results would then follow.

Members welcomed the update and considered the work of benefit to PHARMAC for understanding the views and needs of stakeholders. Members commented that, in order to have meaningful engagement and feedback from Pacific peoples, this should ideally be done face to face.

6. Smoking cessation products

PHARMAC staff sought the committee's view on engagement with stakeholders for smoking cessation. There had been some issues raised over some additional smoking cessation products not being funded, and the situation was difficult given PHARMAC's current budgetary position (limited opportunity for new spending) and that Smokefree NZ is a Government target.

Suggested contacts for PHARMAC to speak with included:

- Health Promotion Agency working group – includes most smoking cessation groups
- Namsca is a group for addiction services (including smoking cessation)
- Changing Minds – the Auckland regional consumer network for mental health
- Stephanie Eric CEO of ASH
- National Heart Foundation Pasifika unit
- South Island mental health alliance
- Dapanz (addiction practitioners' association) has a Pacific team.

Members suggested PHARMAC develop an information sheet that could be given out at conferences, which could ask people for their views on what PHARMAC's top three priorities should be overall. Could be an interesting exercise for people.

7. Factors for consideration

The Factors were announced in November 2014, and PHARMAC is now working on implementation. The Factors will come into effect from late this year and PHARMAC has been communicating with stakeholders so they know what they can expect.

Work to date has taken on board recommendations from CAC, including:

- development of an interactive online diagram to explain the Factors

- making explicit that PHARMAC takes into account the health needs of Pacific peoples
- developing a video to aid communication (in production).

Members considered that the interactive diagram was a very effective tool for explaining the Factors. A link could be sent to every health NGO for them to link to from their website.

Health TV could be a good channel to use for the Factors video.

Members considered that to be most effective there still needed to be face to face engagement with the Pacific community, or through online channels used by Pacific youth (Facebook, Coconet).

Members asked to be sent a link to the interactive diagram.

8. Pacific Responsiveness Strategy

Staff briefed the committee on development of the Pacific Responsiveness Strategy. This can build on the learnings from Te Whaioranga in terms of how we interact with stakeholders and implement the strategy.

The primary question is how can PHARMAC develop a strategy that is meaningful and useful to Pacific peoples.

Members considered development needed to take account of what research is telling PHARMAC, including experience from previous work. PHARMAC's agenda – what PHARMAC wants to get out of the work, also needs to be explained.

PHARMAC needs to develop an understanding of what things are important to the Pacific community. Face to face contact is important – there should be fono in major centres, and also look at other areas such as South Waikato (Tokoroa), Napier, Bay of Plenty. CAC members can support any public meetings.

It was important to engage leaders of the Pacific community. All doors should be opened, and CAC members could act as 'champions' to help PHARMAC's engagement.

Pacific health networks and providers were important to include.

9. Chief executive update

Rare disorders work

28 proposals had been received for 25 medicines. PHARMAC is now working with some suppliers to progress proposals. It was not clear yet exactly how many medicines might be funded from the process. The next step will be to go to consultation as we reach agreements.

International medicine pricing

There has been a lot of international media coverage about medicine pricing recently, some focused on hepatitis C treatment including sofosbuvir. It is effective, high priced and relatively cost-effective. But there is a large patient population so at current prices it would have a high budgetary impact.

The debate internationally has generated commentary around pricing principles and how new medicines can be affordable. PHARMAC was looking to highlight the issue as one also affecting New Zealand.

Factors work

The Factors for Consideration work is going through an implementation phase. PHARMAC will begin to use the factors internally over coming months. This will begin with analysis this year, so that everything's stacked up once we come to make decisions using the Factors next year.

10. Succession planning

Members considered a paper on succession planning for the committee. The terms of two members including the current Chair end this year. PHARMAC staff would like to take the Committee's recommendations on the Chair's succession, and future management of membership, to the May meeting of the PHARMAC Board. These recommendations would then take effect from 1 August 2015.

Members supported the approach of staggering the appointments, to ensure appropriate institutional knowledge and experience is retained.

The Committee reiterated its nomination of Shane Bradbrook as Chair until the end of his term in 2016, and asked this recommendation be provided to the PHARMAC Board.

Members also continued to support the nomination of David Lui as Deputy Chair from August 2015, although with David Lui absent from the meeting this was to be confirmed following further email discussion. The Committee's view will be confirmed at the conclusion of that email discussion.

David Lui's nomination as Deputy Chair assumed that he would then be appointed to the Chair's role from August 2016 (conclusion of Shane Bradbrook's term).