

Minutes of the PHARMAC Consumer Advisory Committee (CAC) meeting

Friday 15 July 2016

The meeting was held on Level 3, 40 Mercer St, Wellington from 9.30 am.

Present

Shane Bradbook	Chair
David Lui	Deputy Chair
Stephanie Clare	CAC member
Key Frost	CAC member
Neil Woodhams	CAC member
Adrienne von Tunzelmann	CAC member
Lina Samu	CAC member
Katerina Pihera	CAC member

Apologies

Barbara Greer	CAC member
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In attendance

Simon England (CAC Secretary), Peter Alsop, Rebecca Elliott, Agnes Tokuma, Janet Mackay, Jude Ulrich, Vanessa James, Steffan Crausaz (PHARMAC staff), and Richard Hamblin (HQSC) attended for relevant items. Te Ropu Poa, Francesca Holloway and Lisa Lawrence attended as observers.

1. Record of previous meeting

Minutes of the 1 April 2015 meeting were accepted as a true and accurate record.

2. Chair's report

The chair noted the completion of the CAC member recruitment process, and welcomed the new members as observers at the meeting.

Inviting new members to a meeting prior to them beginning their terms was a positive step as it aided the transition of committee membership. The managed transition of the Chair had also been a positive step and enabled David Lui to become familiar with the Board, which aids its interaction with the CAC at a personal level.

The Chair acknowledged the contributions of outgoing members Katerina Pihera and Barbara Greer. The Chair's contributions were also acknowledged by members.

3. Action points/matters arising

Noted. Action points and PHARMAC responses were outlined in the letter to members from the Chief Executive.

4. Atlas of Healthcare Variation

The Health Quality and Safety Commission provided a briefing on the background to, and purpose of, the Atlas of Healthcare Variation. The Atlas provided an opportunity to compare healthcare differences across New Zealand as a way to promote discussion on debate on those differences. Several articles on such differences had been published (eg NZ Medical Journal article on gout) that have further prompted discussion.

The Commission had found that publishing information could lead to positive behavior change. Pointing out unexplained differences in care was probably more effective than a 'name and shame' approach.

There was a role for consumer engagement in determining what research and issues were looked into. For example Diabetes NZ has been involved in discussion around diabetes data.

5. Diabetes

As part of the current competitive process for funding of blood glucose meters, PHARMAC is ensuring a range of assessment occurs prior to decision making, including end-user feedback from consumers.

Members sought assurances that sufficient thinking has been put into making sure the groups providing feedback were representative of the different groups with diabetes with different testing needs/requirements. Staff commented that this was the case and there was a desire to involve people with conditions such as arthritis, essential tremor, Parkinsons etc. Māori and Pacific peoples will be included.

Women with gestational diabetes were not being sought as they were primarily initiated on a meter, rather than changed, due to the short-term nature of needing to test. It was noted that women could have multiple pregnancies and therefore be exposed to using multiple meters.

Members discussed problems with people self-selecting to be part of the end-user feedback, and the difficulty in finding a truly random sample. 'Activists' can self-select to be involved which could lead to a bias in feedback.

Staff noted that the end-user feedback was to help support and determine what implementation activities could be needed for any particular meters should they be funded. The end-user feedback would be an opportunity to identify and potentially resolve issues with the suppliers that could be solved with good consumer commentary – such as readability of user manuals. Issues such as size of buttons or viewing screens were more difficult to resolve but end-user feedback could identify those issues so that appropriate implementation support and information could be developed.

Members considered the way to recruit Māori and Pacific people was potentially through large medical practices or Whānau Ora collectives. This could be a practical application of the Memoranda of Agreement that PHARMAC has with some Whānau Ora collectives.

Staff sought specific feedback on how to maintain confidentiality of consumers during the feedback process. Members agreed this would be difficult. A suggested way to address the issue is to strip all identifying markers and branding from the devices being tested, so that testing was “blind”. Using small groups could help minimize confidentiality risks. Members also considered the confidentiality issue shouldn’t be overplayed, as people may be more likely to leak things they think are secret.

Members considered PHARMAC should be up-front with the suppliers about what devices were being tested, as suppliers would likely find out anyway.

6. Pacific Responsiveness Strategy

Members were given an outline of work to date in developing a draft Strategy, and thanked the members of CAC who have been involved so far. Fono are underway and there has been some good attendance. Feedback has been helpful and even at this early stage some common themes are emerging that will change the way the strategy looks.

Members considered one of the most critical things to come out so far is the relationship being created between PHARMAC and the Pacific community that will endure.

Pacific members of CAC expressed their gratitude for support from senior staff at PHARMAC. Very complimentary comments had been received about the sincere approach of PHARMAC and the accessible language being used.

Members noted the short time period and considered more notice would be useful.

The nature of the conversation indicates it could be useful for PHARMAC to go out to health professionals, particularly those in primary care, just to talk about itself – lots of desire for ‘PHARMAC 101’.

Members commented that PHARMAC should expect the ‘PHARMAC 101’ discussion to occur. This didn’t necessarily mean the opportunity to discuss the Pacific Strategy was wasted, as it was still positive engagement and building a relationship. Ultimately the relationship is what will then enable discussion of specific issues such as the Strategy to occur.

Members considered it important that the Strategy leads to clear measurable outcomes that can determine success of the Strategy. Staff acknowledged this desire and stated PHARMAC is committed to being accountable for tangible actions – this direction had been reflected by the PHARMAC Board.

7. Refreshing the PHARMAC strategy

Members were given an outline of the development of a refreshed PHARMAC strategy. This would feed into planning for the next PHARMAC Statement of Intent which would take effect from 1 July 2017.

To date work had involved staff in working groups and workshops, developing and testing five themes, accompanied by vision statements and bold goals for each theme.

Members had a lengthy discussion about the information and data theme, seeing this as an area where PHARMAC could contribute and lead. There was a clear tie-in with the recent Health Research Council partnership aimed at generating pharmaceutical-related research. Marrying this up

with 'big data' analysis could lead to tremendous insights. Members noted that consumers wanted to be involved in selecting which themes to measure and analyse.

A 'consumer-centred' theme was welcomed, although members noted that the language around this theme at present could be simplified.

Members noted that some themes were potentially broad and asked if these could lead to PHARMAC taking a position on issues such as child poverty or other broader determinants of health, such as housing. In response, Staff noted PHARMAC can make observations or put information in the public domain, be a conduit for information. Members of CAC in their roles can take positions on social issues as they impact on health.

Members acknowledged staff bringing the emerging strategy to them early and that this was appreciated.

8. National health strategies and PHARMAC

PHARMAC has always taken Government health priorities into account in its decision-making, and it was timely to update these in the light of recent changes around the Factors for Consideration, and the redevelopment of Government strategies including the Health Strategy and Pharmacy Services Strategy.

Staff had formed a list of conditions that are identified in Government health strategies, and also thinking about the consequences of some service-delivery targets, for example faster cancer treatment, on PHARMAC.

PHARMAC's list is aiming to be more specific than previously, for example identifying dementia/frailty rather than the health of older people. PHARMAC will be working with the Ministry of Health to understand where we could put greater emphasis, and aligning with their programmes

Staff would also be putting in place a process to make sure we're keeping our list fresh and in a format that staff can easily use.

Members considered it would be valuable to have a document that describes the priorities as they map to Govt health strategies. A wiring diagram might help illustrate how things fit together.

In answer to a question, Staff outlined that PHARMAC has been involved in discussions around the health research strategy.

Members considered it could be useful to further break down the list, and cross reference it with identified Māori and Pacific health priorities.

Members acknowledged the importance of the work and that it has been brought to the Committee in its early stages for input. Members requested an updated version be brought back to a future meeting of the Committee for further input.

9. PHARMAC and the TPP

Members received an outline of how PHARMAC is planning to implement the aspects of the TPP that had been negotiated and which pertained to PHARMAC. These largely centred on improving transparency and implementing a review process for new pharmaceutical funding applications.

Staff advised that the Government was working on legislation and regulations to implement the TPP, although PHARMAC's activities did not require a law change. However, to bring in a timeframe for

eligible applications and a review process for those not listed PHARMAC's Operating Policies and Procedures would need to be amended. Staff acknowledged the view of CAC members that there was uncertainty expressed in the media as to the future of the TPP. Despite such speculation, PHARMAC is required to act on current information and policy settings.

Members considered that the proposed changes to PHARMAC's assessment process being put forward were clear, and were supportive of this being put to the public for consultation.

Members noted there continues to be considerable anxiety and potential for suspicion and misinformation around the TPP, so to avoid this PHARMAC needs to ensure a full set of information is available on what it is proposing and why.

Members considered the best approach was to be 'big and wide' as early as possible, using a multi-pronged approach including public forums and social media. This might involve pushing out timelines but was the best approach. At the same time, it was important to give people sufficient notice of impending forums or public discussion, as too short a notice period could lead to a perception of PHARMAC having 'something to hide'.

Members considered there were arguments both for and against separate engagement, or pre-engagement, with leading public figures with an interest in the TPP. Members generally agreed with direct engagement with the critics of TPP as this could ensure their views on the specific PHARMAC issues were understood and addressed in any public consultation.

Members agreed to provide PHARMAC staff with lists of people or groups who should be targeted in consultation.

The Committee considered it was important to be clear that consultation was about proposed changes to PHARMAC processes, not about the TPP itself. This could marry up with a desire the Committee saw for PHARMAC to have further engagement with the public around its role in general.

10. Update from the chief executive

Medical devices – Outcomes from this work are currently ahead of expectations. Savings are greater than expected, and looking to grow with market share procurement (a more competitive process) being used for some wound care products. Savings release money for DHBs that they can then use. Within 12 months PHARMAC is looking likely to have 20-30% of all hospital medical devices under national management, and looking to grow further.

A benefit for the work has been a changed attitude amongst DHB leadership, who have a growing belief that we can get ongoing benefits, including benefits in quality of care.

The Chief Executive outlined the long timeline around securing additional funding in the Budget that has made possible the funding of new medicines including treatments for hepatitis C, melanoma and new vaccines. There was a public perception that the new money was opportunistic in the light of public pressure but PHARMAC had identified new investment opportunities in late 2015 and gone through the Treasury budget-setting process to obtain the necessary funding, in addition to the traditional PHARMAC route of seeking funding from DHBs. At the same time, data on PD-1 inhibitors for melanoma had matured and improved in the light of data from two medicines, and this had led to positive funding decisions for one, and a proposal to fund another.

Members noted the smooth introduction of the Factors for Consideration. Members noted there was some interlinkage with the transparency requirements of the TPP and that introduction of the Factors may help in that regard.

Pacific Responsiveness – The Chief Executive noted the contribution of CAC members to the Pacific Responsiveness Strategy and the positive vibe at fono to date. Relationship being formed will have long-term benefits for PHARMAC’s community engagement.