

Minutes of the PHARMAC Consumer Advisory Committee (CAC) meeting

Friday 14 October 2016

The meeting was held on Level 9, 40 Mercer St, Wellington from 9.30 am.

Present

David Lui	Chair
Stephanie Clare	CAC member
Key Frost	CAC member
Te Ropu Poa	CAC member
Neil Woodhams	CAC member
Adrienne von Tunzelmann	CAC member
Lisa Lawrence	CAC member
Francesca Holloway	CAC member

Apologies

Tuiloma Lina Samu	CAC member
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In attendance

Simon England (CAC Secretary), Kerri Osborne, Steffan Crausaz, Graham Beever, Mark Woodard, Rebecca Elliott, Agnes Tokuma, Sarah le Leu, Janet Mackay, Jude Ulrich, Alexis Poppelbaum, Belinda Ray-Johnson (PHARMAC staff) attended for relevant items.

1. Record of previous meeting

Minutes of the 15 July 2016 meeting were accepted as a true and accurate record.

2. Chair's report

Chair David Lui reported there had been a smooth transition from previous Chair Shane Bradbrook as CAC's observer on the PHARMAC Board. It was clear that the Board values input from its advisory committees, including CAC.

The Board had been updated on Pacific Responsiveness Strategy progress on several occasions. Updates had emphasised the role of CAC members in leadership and strategy development. The Board had also noted the involvement and interaction of CAC members in the current consultation around the TPP, helping PHARMAC's interaction with the community.

Recent community events had highlighted increased awareness of PHARMAC, and an appreciation of the benefits of PHARMAC. At Forums there had been as much value in the introduction to

PHARMAC sections, as there had been on the specific issue at hand (Pacific responsiveness or TPP). This created relationships which could be nurtured.

Four CAC members attended the recent Ministry of Health NGO forum. Members discussed impressions from the forum. Overall Members felt that while there was a focus on a consumer or patient-centred model, some important voices and perspectives were missing – in particular the Māori health unit, and any discussion about equity, disability, and the health of older people. Members felt that, while there was value in the Forum, it felt like a missed opportunity to join up important parts of the system.

Deputy chair role – members were invited to consider a member to put forward to the Board as a Committee recommendation for Deputy Chair. This could be discussed at the next CAC meeting.

3. Action points/matters arising

Action points noted.

Members considered that the introduction to PHARMAC section included in recent forums, including the TPP forums, provided an important opportunity to connect PHARMAC to the community. Members welcomed this approach and considered this type of engagement (outlining PHARMAC generally; not necessarily related to specific issues) was valuable to the community.

4. Discussion on CAC role

Members were invited to share their views on how the committee can perform its role to continue to add value to PHARMAC. This was timely with new members/new ideas on the committee.

This item will be carried forward to the next meeting of CAC.

PHARMAC staff were asked to investigate technology options available to facilitate discussions among the committee (other than email) as meetings can be quite widely spaced.

PHARMAC staff were asked to share with the Committee any feedback from the last review of CAC's Terms of Reference.

5. Session with the Chief Executive

The Chief Executive acknowledged and thanked members for their support around the Pacific Responsiveness Strategy. Other strategic work was underway including a refresh of PHARMAC's organisational strategy, which had previously been outlined to CAC (July 2016). This was timely to look at as most of the work identified in the previous strategy has either been completed or is underway (such as hospital medicines work). It was also timely to re-look at PHARMAC's work in light of a new Ministry of Health strategy.

PHARMAC was continuing to talk with stakeholders including CAC, staff and Ministry of Health before a finalised strategy was presented to the Board at the end of the year.

TPP activity – this had been an interesting conversation with the community given continued uncertainty over whether the agreement would be implemented. Regardless of that, PHARMAC was working on the assumption it will happen, and planning on having everything in place by November 2017.

Communications work – PHARMAC was looking to increase its visual communications and create more visual resources, including videos, that could be shared through various channels including social media. This was in line with a previous CAC recommendation.

Hospital medical devices – PHARMAC has announced its decision to award market share contracts for some wound care products. This was a relatively small transaction in terms of financial impact, but quite big in terms of the principle it establishes. PHARMAC wants to demonstrate that it is able to determine which products DHB hospitals can use, as this is a pathway to product standardisation and across-the-country consistency, and also for making greater savings. Successfully implementing those agreements will be important.

PHARMAC was currently seeing an increase in media discussion about appropriate level of funding for medicines. At the time of the meeting, the debate was around breast cancer. Coincidentally PHARMAC had begun consulting on funding one of the medicines being sought, pertuzumab, prior to the campaign beginning. It was likely this type of public campaigning will continue and strengthen into 2017.

6. Refreshing the PHARMAC Strategy

The Committee was provided with an outline of the strategy at the July 2016 meeting. Following that meeting, feedback had been incorporated into an updated draft that had been provided to the PHARMAC Board. This had developed the themes and bold goals expressed in the strategy. Staff were now seeking further input, including from CAC, before final submission to the Board which is likely in December.

The Committee had previously been particularly interested in two issues:

- Setting a goal around equality/equity
- Information and importance of information as a tool to support our objectives.

PHARMAC still needed to work through how the strategy was expressed, particularly through accountability documents such as the Statement of Intent.

Members had some commentary around the use of some terms such as:

- distillation – is this appropriate in the context or is there a better term?
- health technology – do people understand what PHARMAC means by this term?

Members observed that most of the measures come down to financial measures – was there a way to take into account impacts on people/communities (outcomes)?

Members debated the adequacy of the measure around inequality/inequity, and whether it was bigger than PHARMAC could tackle on its own. The challenge was to find a balance between acknowledging that inequalities exist and setting a target that can't be attained. PHARMAC wasn't looking to set itself up to fail. It wants to make progress, while acknowledging that having inequalities is not acceptable. The tricky part will be determining how PHARMAC influences reducing inequity through the things it can do.

The committee expressed support for the concept of “bold goals” – looking at what's possible but which won't necessarily be easily achieved. Members also noted that even as PHARMAC moves towards the goal it may continue to move further away (eg, such as by new people entering the system). Bold goals were bigger than stretch targets – potentially they can empower staff and likely attract new staff who really believe in what PHARMAC is doing. This was unusual in the public service.

7. Pacific Responsiveness Strategy

Staff updated members on the strategy development to date, including the community fono. This had created some great community impressions. PHARMAC had established some great relationships and a reputation that is likely to endure. Engagement had been led by CAC members and supported by other members attending the fono.

The consultation and fono had identified six priority areas. Staff now wanted to test these with CAC in a workshop environment.

Members summarised feedback as follows:

1. Connecting with communities – ‘simple language’ may not be a useful term. Consider use of different languages. Talk with communities, not at them. Build trust through constant interactions. Consider different groups within ‘Pacific’.
2. Use different channels, including online, and use different layers. Remember face to face is important.
3. Nearly 300,000 people in NZ identify as Pacific, from 8 ethnicities, and there were approximately 80-odd at the fono. PHARMAC still needs to work on engagement. Memoranda of Agreement could be developed with groups that work in the health field, similar to what PHARMAC is doing in Māori health.
4. Increasing capacity and knowledge. Ideas included:
 - Incorporate inequity clauses into supplier contracts.
 - Create a Pasifika TRAM.
 - Make Pacific cultural learning part of induction. KPIs.
 - Change wording – a commitment not a focus.
 - Careful about separation – there’s integration of Māori and Pacific including through communities.
5. Tools and resources. Could be time-bound. Similar comment in regard to research. Maybe a bit more clarity to firm up the commitment.
6. Partnering - offer secondment/scholarship; arrangements to have Pacific health staff in PHARMAC – or PHARMAC staff to go into Pacific health providers to learn more about how they work and issues on the ground.

Improving health literacy as a mechanism for improving medicines use was seen as vital. Comment that “if PHARMAC can do it it’ll be cracked for everyone else as well.” This would lead to improved medicines use overall.

Members continued to support PHARMAC’s work in Pacific Responsiveness and asked to be kept updated on progress.

8. Venlafaxine implementation

PHARMAC has approved a sole supply agreement for the antidepressant venlafaxine, and was seeking the Committee’s feedback on the implementation plan to support the change to a new funded brand.

Members considered one of the issues could be a move from one pill a day to two pills – this may be a challenge for patients in an environment where health literacy is low. It was noted that only a small number of people would likely be affected by this.

Members considered PHOs would be an important channel. This was a gateway into primary care and a first point of patient contact, for example Pacific health providers, nurses, mental health

facilitators and pharmacy facilitators. Another useful channel could be the New Zealand Association of Counsellors.

Members thought patient endorsement, or a 'champion GP' would be important and PHARMAC could look to have patients talking about their experience with brand changes. Use of video could help get this message across.

The implementation was a good opportunity to reinforce messages to health professionals about managing change and how messages can influence perceptions and behavior.

In general, members agreed that the approach being taken by PHARMAC seemed sensible and reasonable.

9. PHARMAC and the TPP

Members were updated on the series of public forums being held as part of consultation on changes to PHARMAC decision-making, related to the TPP trade agreement. To date 52 people had attended, and there had been a good mix of people. Most feedback had been supportive, with the most common source of comment being the 36-month timeframe for TPP track applications. Most feedback was that the change proposed was not as severe as people expected.

Aside from TPP-related discussion, a lot of other topics had come up which was not unusual in public forums. This was a good opportunity to engage more widely.

In addition to Forums there had been two supplier meetings, both fully subscribed, and meetings specifically for patient support groups, clinicians and DHB staff.

Members asked how PHARMAC justified a 36-month timeframe for processing applications – this seemed a very long time for a patient seeking a medicine. A shorter timeframe should be considered. Staff responded that this was a maximum duration and could be shortened in practice. Members urged PHARMAC to take into consideration the consumer perspective when considering this issue.

Members thought it useful to include a 'decline as proposed' decision-type, this would enable the applicant to modify their proposal. Members considered it might also be useful to note the nature of the decline – why or how close to the target was the applicant?

Members asked whether additional budget would be available for considering medicines under TPP. This wasn't being sought as the proposal was for all medicines to be considered within the same budget, as occurs at present. PHARMAC can seek additional budget from DHBs and Government, and use its commercial processes to free up further funding.

Members were invited to provide further comments if they wished, following the meeting.

10. Consumer engagement with Schedule development

Staff outlined to Members the role the Schedule played in implementing PHARMAC decisions, and where it sits within the wider sector rules and systems such as the Medicines Act and medicines regulations, and the sector claims and payment system.

PHARMAC is keen to ensure the Schedule is fit for purpose into the future and fits into the changing sector environment.

The 2016 NZ Health Strategy has a theme of People Powered. This theme is about ensuring New Zealanders can get and understand the information they need to manage their care; enabling individuals to make choices about the care or support they receive; understanding people's needs and preferences; communicating well; and supporting people's navigation of the system.

PHARMAC is keen for the Schedule to be more consumer-centred to align with the Health Strategy.

An example is how people access their medicines - the number of times they have to visit a pharmacy. This can differ for different types of medicine, and people may have several of these medicines prescribed to them at any one time. PHARMAC manages the rules around how often medicines are dispensed. These rules are set within the boundaries of the Medicines Act. This can result in people needing to visit the pharmacy multiple times within a three-month dispensing period.

In order to look at this in depth, PHARMAC needs to better understand how it impacts people. PHARMAC intends to seek CAC's input as it looks into this issue.

Members reflected that issues such as repeats and ongoing charges were an issue that had been raised in community fono around the Pacific Responsiveness Strategy. Could this be simplified?

Members considered that the system is complex and not always working for people. Will PHARMAC's work be able to influence making the system simpler? PHARMAC is one cog and it can talk to other players in the sector to influence them.

Members considered there were also interactions with mechanisms such as high-user health cards and the welfare system, and people's awareness of their eligibility for assistance. This wasn't always raised with people by pharmacists. Members asked what PHARMAC can do to address that issue.

Staff commented that payment systems are managed by the Ministry of Health, but PHARMAC has regular contact and can be more joined-up. PHARMAC works collaboratively with the Ministry. The Pharmacy Action Plan is helping to galvanise those sorts of issues. A lot could be resolved through better communication and being better joined-up.

Members commented that 'consumer-centred' means there's no holes and people don't fall through.

The meeting closed at 3.30pm