

Australian National Audit Office
GPO Box 707
Canberra ACT 2601
Australia

Dear Sir /Madam

**ANAO Audit: Administration of the Fifth Community Pharmacy Agreement (5PCA)
Submission by Cancer Voices Australia**

Overview

Cancer Voices Australia (CVA) is the independent, volunteer voice of people affected by cancer – since 2000. We appreciate the opportunity to make a submission to the ANAO's review of this very important Agreement. The timing of your Audit is also pertinent as the sixth CPA (6CPA) will be due for negotiation before long.

CVA understands that the aim of the review is make an independent and objective assessment of the administration of the Fifth Community Pharmacy Agreement's programs, policies, projects or activities. It will also examine how well administrative support systems operate.

CVA welcomes the ANAO's determination to clarify the present complex and opaque system of funding the various services and activities of Australia's pharmacies, both retail and hospital based. CVA hopes the review will recommend a "clean slate approach" to the next CPA, especially in view of the fact that pharmaceutical services are subsidised to the tune of \$15.4 billion of taxpayers' money under the 5CPA. Australians deserve reassurance that their money is being well spent, and exactly what it is being spent upon. A major recommendation is that the parties to the 6CPA, currently only the pharmacists' union, the Pharmacy Guild, and Government, are broadened to represent those with an interest in it – and this obviously includes health consumers.

Why is this review important to people affected by cancer?

Cancer kills more Australians than any other disease and a great many of the 100,000 diagnosed each year are offered cancer drugs – mostly chemotherapy and hormone therapy - as an integral part of their treatment – along with surgery and radiation oncology. Proportionately more people are now offered chemotherapy, and quite a large percentage receives it via the private health system in cancer clinics and hospitals, dispensed by in-house pharmacists or third party compounders. Many cancer patients are also dependent on retail pharmacy for prescription and over the counter medicines, as well as medicines information.

What do cancer consumers want?

- As cancer patients, consumers want access to best practice, affordable drugs and services for their treatment, whether in the public or private sectors – and when they need it.
- As taxpayers who fund much of cancer treatment, consumers seek efficient and effective arrangements for the support and delivery of cancer drugs and services.

Need for an Audit

CVA in its submissions and statements has consistently called for a review and audit to look at the present complex and obscure system of the funding of clinical and retail pharmacist services with a view to establishing transparent standards of service, access and cost. We have also called for an annual report against detailed payments. For these reasons, we particularly welcome the ANAO's present Audit.

It is most important that transparency be introduced to the funding arrangements and subsidies for pharmacy services, especially those subsidies covered by the Community Pharmacy Agreements which are paid to pharmacists for a range of services.

We trust the Audit will examine whether public money should be used as an industry assistance package for pharmacy, as the Pharmacy Guild is currently seeking (see the attached petition which the Guild has placed in its member pharmacies).

Cancer Voices works closely with the Consumers Health Forum of Australia (CHF), the national voice for Australian health consumers, which has publicly expressed serious concerns about the administration of the Fifth Community Pharmacy Agreement's programs, policies and projects. We support both the CHF's full submission and its 15 August supplementary submission, which was provided in the light of the Guild's current campaign for further industry assistance.

The Department of Health and Ageing itself finds the 5PCA short on details regarding what the subsidies are to be applied to. Its submission to the 2013 Senate Community Affairs *Inquiry into the Supply of Chemotherapy Drugs such as Docetaxel*, made it clear that the Department considered the payments for the dispensing of chemotherapy drugs were already covered in the 5PCA, whereas the Pharmacy Guild did not. We submit that this is a serious failure of the Agreement which we trust the Audit will examine.

Cancer and the Fifth Community Pharmacy Agreement (5PCA): an example

Cancer Voices is concerned that the community, taxpayers, professional associations and indeed those Government Departments most closely involved, do not know what the 5PCA pays for. As an example, CVA extracted a list (included in CVA's submission to DOHA's *Review on Funding Arrangements for Chemotherapy*) compiled from various authoritative organisations' views, as advised to the Senate Inquiry, of their understanding of the roles of pharmacists in cancer treatment at hospitals and clinics. We imagine, not being privy to the arrangements agreed between Government and the Pharmacy Guild, that these are the services for which these pharmacists are being subsidised. They vary greatly and are very broad. It appears impossible to establish whether these services are indeed part of the 5PCA. Anecdotal reports from our members suggest that cancer patients rarely see hospital pharmacists or are aware of any role beyond dispensing of drugs.

Conclusion

The Review into Chemotherapy Funding Arrangements (due to report to the Minister for Health in October 2013) included the objective "to ensure the efficient use of taxpayer money to fund services" (DOHA Discussion Paper, p10). CVA fully supports this as applicable to the entire 5CPA - in the interests of developing a system which is transparent, accountable, fair, efficient and cost effective.

Cancer Voices again thanks the ANAO for this opportunity to provide the broad and independent consumer view. We are encouraged that the ANAO is keen to address the complex problems which have developed around the funding of pharmacy services in Australia. We believe this process will go a long way to efficiently maximise the benefits that consumers receive from the important pharmacy sector.

Yours sincerely



Sally Crossing AM
Executive Committee

11 Sep 2013

Cancer Voices Australia is the independent, 100% volunteer voice of people affected by cancer, working to improve the cancer experience for Australians, their families and friends. We are active in the areas around diagnosis, information, treatment, research, support, care, survivorship and policy.
To achieve this we work with decision-makers, ensuring the patient perspective is heard.

Cancer Voices has led the cancer consumer movement in Australia since 2000. The CVA network across Australia shares objectives and works together on national issues identified as important by their members, with consumers working to help others affected by cancer.

Cancer Voices Australia is the independent, volunteer voice of people affected by cancer since 2000.



PETITION

This petition of certain citizens of Australia draws to the attention of the House a recent announcement by the Federal Government, without consultation, to change the Pharmaceutical Benefits Scheme (PBS) and reduce what is paid to community pharmacy to dispense medicines. This PBS change will ultimately put at risk the viability of community pharmacies across Australia.

We therefore ask the House to take whatever action is needed to ensure that community pharmacy receives the funding support it needs to stay in business, serve patients, employ staff and remain open after hours.

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