30 September 2021

Lisa Pulver
Project Officer
Council of Australian Therapeutic Advisory Groups
26 Leichhardt Street
Darlinghurst NSW 2010

Dear Ms Pulver,

RE: Stakeholder consultation on CATAG Guiding principles for the governance of high-cost medicines in Australian hospitals

The Society of Hospital Pharmacists of Australia (SHPA) is the national professional organisation for more than 5,200 pharmacists, pharmacists in training, pharmacy technicians and associates working across Australia's health system. SHPA is committed to facilitating the safe and effective use of medicines, which is the core business of pharmacists, especially in hospitals.

Hospital pharmacists are intimately involved in hospital formulary processes and the governance of high-cost medicines use in their healthcare facilities. SHPA has consulted with its members from both the Medication Safety and Leadership & Management Specialty Practice Groups to provide feedback on the questions below.

1. **Broadly, do you support the Guiding Principles that have been proposed?**

SHPA has in-principle support for the proposed Guiding Principles and acknowledges that as suggested, they should be read in conjunction with the *Guiding principles for the roles and responsibilities of Drug and Therapeutics Committees in Australian public hospitals.*

SHPA recommends that all DTCs use the same definition of a high-cost medicine to reduce the risk of inequity for patients due to differing access to treatment options depending on the site they present to, or state they live in. Whilst Guiding Principle 1 discusses the need for Drug and Therapeutics Committees (DTC) to define what a high-cost medicine is, and gives examples of three different jurisdiction's approach to this, it would be beneficial if CATAG could express what their preferred method was for determining if a medicine is high-cost, to minimise the large variation that exists. This would be most beneficial for hospital systems such as Victoria and New South Wales where governance is decentralised. This would also be assisted by CATAG identifying strategies and methods for DTCs to help ensure adequate cost evaluation is completed.

2. **Are there any areas of concern that you have identified within the Guiding Principles or areas that require further clarification? Please provide details.**

SHPA members who work in health service facilities without a DTC have expressed concern around the implementation of Guiding Principle 4 due to a lack of expertise around pharmacoeconomic evaluation as well as the lack of public hospital resourcing and training, as mentioned in Guiding Principle 7.

SHPA members require further clarification on recommendations of the level of resourcing for different facilities such as quaternary hospital with a state-wide service, versus a smaller regional hospital with limited or no support from major hospitals.

In addition, SHPA members noted that Medicines Access Programs (MAP) and compassionate access are also access pathways for high-cost medicines to be considered in this document. If life-long commitment to supply is not contracted with the pharmaceutical sponsor, there is a risk that the ongoing costs and supply remains with the initiating health service once the MAP or compassionate access expires, requiring consideration by the DTC to assess whether the hospital service funds this medicine out of its own budget, despite not anticipating these costs.

It was noted by members that DTCs and state-wide formularies and drug panels impose restrictions not only on high-cost non-Pharmaceutical Benefits Scheme (PBS) items, but also on high-cost PBS items. All medicines used in public hospital inpatient settings are ineligible for PBS subsidy, requiring the hospital to pay for these medicines if requiring administration during an admission. Examples of these could be PBS chemotherapy treatment or infusion of a biological medicine on the PBS, where the administration date happens to coincide with an unplanned admission. Where the hospital would have anticipated receiving PBS funding for these expensive medicines when administered in the day clinic or outpatient setting, is not possible during an unplanned admission. SHPA would welcome acknowledgment or guidance on this particular issue in the draft Guiding Principles.

3. **Do you think these Guiding Principles would be a useful addition in the management of high-cost medicines in Australian hospitals?**

SHPA welcomes CATAG advocating for increasing level of support and resources to support DTCs to assess financial and economic consequences of funding of high-cost medicines. SHPA suggests convening a network of state and hospital's DTCs to share approvals, outcomes, and medicine use evaluations to facilitate this.

If you have any queries or would like to discuss our submission further, please do not hesitate to contact Jerry Yik, Head of Policy and Advocacy on jyik@shpa.org.au.

Yours sincerely,

Kristin Michaels
Chief Executive