



20 September 2021

Dr Brendan Murphy
Secretary
Department of Health
GPO Box 9848
Canberra ACT 2601

Dear Dr Murphy,

RE: Draft terms of reference for review of the Pharmaceutical Reform Agreements

Thank you for your letter dated 19 August 2021 inviting the Society of Hospital Pharmacists of Australia (SHPA) to comment on the draft terms of reference for the review of the Pharmaceutical Reform Agreements. As custodians of the 23% of Pharmaceutical Benefits Scheme (PBS) expenditure incurred in hospital settings, consisting of a majority of the Section 100 Efficient Funding of Chemotherapy and Highly Specialised Drugs Program, this review is much welcomed by our hospital pharmacist members.

Additional aspects to the draft terms of reference which SHPA would like this review to consider are:

- Supply of pharmaceutical benefits to Aboriginal and Torres Strait Islander patients in hospital settings (upon discharge, day centres and outpatients)
- Governance arrangements for Pharmaceutical Reform Agreements, including:
 - risk-sharing arrangements
 - changes to fee structures/amounts which reference Agreements the sector are non-signatories to i.e. Community Pharmacy Agreements
 - regular review/re-negotiation of Pharmaceutical Reform Agreements between signatories, similar to other five-year Agreements entered into by the Commonwealth
- The impact of the hospital pharmacy workforce sector to enhance the safety, judicious and quality use of PBS medicines in all settings of care
- The ability to supply PBS medicines in hospitals arbitrarily dictated by the specific setting or specific point in a patient's care journey, and the impact on safety, quality and efficiency of care
- Supply of PBS medicines from hospitals in state-run residential aged care facilities
- Professional pharmacy clinical service and medication management funding for hospitals to support safety and quality use of PBS medicines, similar to program provisions in Community Pharmacy Agreements

SHPA welcomes that the draft terms of reference states that each health department every jurisdiction will be consulted with, including New South Wales and the ACT who are currently not signatories to the Pharmaceutical Reform Agreements. Whilst we understand there is a tight timeline, SHPA would also



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welcome individual hospital networks and districts to be provided an opportunity to respond to this consultation.

If you have any queries or would like to discuss our submission further, please do not hesitate to contact me on ceo@shpa.org.au or 0408 399 505.

Yours sincerely,



Kristin Michaels
Chief Executive



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