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60 Day Dispensing - Pushing rural pharmacies to the brink

Is this the Governments attempt to close rural pharmacies down and force patients to use online medications or city pharmacies? Do they understand the implications of this for rural pharmacies and rural communities?

Currently Australian pharmacies are experiencing an unprecedented shortage of medications, unprecedented financial pressure on their businesses and unprecedented pressure on the industry as a whole.

In 2018 the Pharmaceutical Benefits Advisory Committee (PBAC) made a recommendation that dispensing times be increased from 30 days to 60 days, which was strongly supported by the Royal Australian College of General Practitioners (RACGP). Chemist Warehouse also made a comment in 2018 that they would not say no to the change, which was also been made in April 2023.

In 2018, The Pharmacy Guild of Australia was strongly opposed to this, and put measures in place to safeguard pharmacies and patients medical requirements of regular contact with a health professional. The guild has continued to protect the pharmacy profession for both members and non-members ability to provide health services to communities Australia wide.

In 2006 the Government introduced the 20 day rule in regards to the safe use of medications and affordability on the PBS. Pharmacy has been abiding by this rule, and the extract from the PBS pamphlet is as follows:

"The PBS helps to make your medicines affordable by limiting the amount you pay. To keep the PBS affordable for everyone, PBS medicines should not be obtained earlier than you need them. From 1 January 2006, a new rule changes the way the Safety Net works for an early resupply of certain PBS medicines."

"Safety Net entitlements can act as an incentive to obtain additional quantities of medicines earlier than they are needed. The new rule encourages responsible use of the PBS. The change supports good practice for safe use of medicines and will help to make best use of funding for the PBS"

Now the Government is looking to introduce a rule where patients can have 2 months of medications dispensed at a time. It begs the question of why this 20 day rule was introduced in the first place, and whether it was actually for the patients safety or just for the Government to save a bit of money at the time.



I was a Pharmacist working on the front line during the whole COVID outbreak. Lets revisit some of the experiences, realisations and new processes that pharmacy had to endure during the outbreak...

- Patients trying to stockpile medications, even when they were not using them anymore and pretty much trying to have a free for all - costing the PBS thousands, wasting medicines and adding to the out of stock shortages.
- Patients coming into the pharmacy and purchasing Salbutamol even when they were not asthmatic and did not need it - This caused a major shortages for the asthmatics and patients who ACTUALLY did require it.
- Major shortages on every day medicine including medications like amoxicillin, Clopidogrel, Warfarin, sertraline, Olmesartan and many more. Patients needed to either go without their medications, as the hospitals were out as well or change to a different one, which could put their health at risk.
- Nearly every single pharmacy process needed to be changed or adapted to COVID, even including how we accepted scripts into the pharmacy and talked to our patients.
- Patients giving other people their medications because "they use them themselves" and the Doctor was booked out, unavailable or they had Covid and couldn't go anywhere.

We have a population of people who need to be taken care of and have guidance and regular contact with a health professional in regards to the medication needs. We also have a dedication to the pharmacy profession via the 7CPA agreement from the Government, where certain clauses help to bolster the pharmacy industry by way of incentive payments and remunerations.

Clause 17.3.1 outlines that the Pharmacy Guild of Australia and the Government are the only two entities that are able to negotiate any changes or issues associated with this agreement.

The new 60 day dispensing agreement would save the PBS a monthly dispensing fee on these medications, at the cost of rural pharmacies having to decide whether to either go bankrupt or close down. Most of these pharmacies are already on the brink and relying on each dispensing fee to be able to supply pharmacy services to their rural town.

The customer will save money by getting 2 months at a time, but if the local rural pharmacy has had to close its doors it seems to defeat the purpose. I don't believe in coincidences, but Woolworths has just launched their new online pharmacy platform, which could now take over the industry, impacting on the pharmacy services and advice available.



Many medications on the list, including antidepressants, are susceptible to hoarding and misuse. Couple this with the nation wide out of stocks and you have a recipe for disaster. Providing safe and continued access to medications is one of the cornerstone foundations of pharmacy practice.

In the current agreement, there is a remuneration adjustment mechanism. In this adjustment the NUMBER of PBS scripts dispensed is the defining factor. If the 60 day dispensing agreement was implemented would the adjustment would not apply as the apparent number of PBS scripts would not be reduced according to 60 days being supplied on the PBS rather than 28 or 30 days?

This is the same effect as when medications went to combinations. Suddenly you had one medication payment for 2 medications dispensed, which cut into pharmacy financials and started this downhill spiral on top of PBS Price Disclosures.

The 60 day dispensing will impact on patient health and services supplied. Many patients require at least monthly contact with a health professional in regards to their ongoing health and medication requirements. 2 months without seeing a health professional can severely affect health outcomes and patient medication safety.

If the 60 day dispensing is passed, patients will have reduced benefit from the current professional services offered by pharmacies, and this will also impact a pharmacies ability to claim for professional services. There is an adjustment for the number of PBS scripts dispensed, but there is nothing for pharmacies who are impacted by being unable to provide the professional services as often to their patients.

If this 60 day dispensing was passed, minimum expected would be an extra rural pharmacy payment or an increase in the regional pharmacy maintenance allowance to safeguard rural pharmacies so they can continue to provide essential health and medical services to rural communities. We would also be expecting the requirements for payments for pharmacy services on the PPA portal be reviewed.

The below is an extract from the Pharmacy Programs Administration in regards to the rural pharmacy payment. The payments are based on the number of PBS scripts, not the number of boxes/months dispensed. Again, if scripts are classed on the PBS as a 2 month box, would the pharmacy will be loosing out on their PBS script numbers going towards this allowance and miss out on not just the dispensing fee for one month but also a drop in this allowance?



"The RPMA provides annual allowances to regional, rural and remote pharmacies which apply and satisfy the eligibility criteria. The amount that a pharmacy is eligible to receive depends on their annual volume of Pharmaceutical Benefits Scheme (PBS) and Repatriation Pharmaceutical Benefits Scheme (RPBS) prescriptions and the rurality of their locality according to the MMM The RPMA is calculated annually, and is based on the Community Pharmacy's MMM category, and the total volume of Pharmaceutical Benefits Scheme (PBS) and Repatriation Pharmaceutical Benefits Scheme (RPBS) prescriptions dispensed each year. Community Pharmacies located in MMM category 3 will receive the base payment rate only. Community Pharmacies located in MMM categories 4 to 7 will receive a variable rate in addition to the base rate."

Prescription volume ranges	3 (Inner Regional)	4 (Outer Regional)	5 (Rural)	6 (Remote)	7 (Very Remote)
0 – 22,101	\$3,000	\$15,047	\$27,094	\$39,141	\$51,188
22,102 – 44,202	\$3,000	\$13,326	\$23,652	\$33,978	\$44,304
44,203 – 55,253	\$3,000	\$11,605	\$20,210	\$28,815	\$37,420
55,254 – 66,303	\$3,000	\$9,884	\$16,768	\$23,652	\$30,536
66,304 – 77,354	\$3,000	\$8,163	\$13,326	\$18,489	\$23,652
77,355 – 88,404	\$3,000	\$6,442	\$9,884	\$13,326	\$16,768
88,405 – 99,455	\$3,000	\$4,721	\$6,442	\$8,163	\$9,884

Rural pharmacies have also endured the a Dr shortage, with some pharmacies even having to close their doors on certain days when there is no Dr available in town. What effect is this new 60 days dispensing going to have on rural communities ? It is going to either completely cut it off or severely restrict access to pharmacy due to the reduced number of hours that a pharmacy can afford to remain open. This will negatively impact rural healthcare and the level of care available in rural communities.

Rural Pharmacy Australia will work with the Pharmacy Guild of Australia in any way possible to stop this 60 day dispensing from being passed. It will be the demise for many rural pharmacies Australia wide and impact on the professional services and advice provided by pharmacists.

Rural Pharmacy Australia will be writing to the Health Minister of Australia, and Shadow Minister for their comments, and to invite them to attend the Rural Pharmacy Conference in September to sit on the panel and address the rural pharmacists of Australia. We will also be touching base with rural pharmacies in regards to this situation and taking on board their comments in a petition to the Government.

Rural Pharmacy Australia wants to remind pharmacies in rural communities that it is not all doom and gloom. Don't forget to just breathe, we will fight this as an industry whole and whatever happens - we will just make it work - the same way we got through Covid and the challenges it threw at us.

Regards,

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