Pharmaceutical Efficiencies Taskforce Communication - August 2016

A Pharmaceutical Efficiencies Taskforce (the Efficiencies Taskforce) was established in May 2016. It comprises representatives from Pharmacy, MoH, DHB and PHARMAC. The Efficiencies Taskforce was requested to pick up, and consolidate, the efficiency work and registers being advanced by a number of other groups, with a focus on progressing efficiencies that are material to the sector and where a positive impact could be achieved in the short-term.

The Efficiencies Taskforce is pleased to provide the key outcomes agreed at its recent meetings, which will result in improved whole-of-system efficiencies for the sector.

Key Outcomes

1. There was considerable discussion about how many prescriptions require referring back to the prescriber. It was recognised that while the New Zealand ePrescription Service (NZePS) that is currently being rolled out will shine a light on the issue, the only way to ensure prescriptions meet all legal and schedule requirements, is to have the functionality built into prescribers' Patient Management systems. The Ministry of Health (MoH) has undertaken to facilitate conversations between the pharmacy sector and lead medical organisations, followed by the standard setting bodies, in order to advance this.

2. De-blistering paracetamol is recognised as a significant inefficiency concern for pharmacists and the Efficiencies Taskforce acknowledges that PHARMAC tried to purchase loose paracetamol in the last tender round. PHARMAC has committed to explaining to the sector what the tender process involves, the steps which are taken to obtain alternative pack sizing and why the ideal pack sizing isn't always available. PHARMAC will again request submissions providing loose paracetamol in the next tender round occurring in September 2016.

3. PHARMAC has agreed to look at the list of drugs above $150 that are not currently listed as Original Pack (OP) and where wastage is not claimable and develop a business rule to determine the most appropriate solution for each. PHARMAC will communicate separately once the drugs that will have OP or wastage added have been identified or where an alternative approach is warranted. Although the impact on individual pharmacies of specific high cost medicine wastage can be significant it was found that the overall national financial impact is not significant.

4. PHARMAC will also take the opportunity to compare the original pack size and the quantity of the medicines funded as a Medical Practitioner Supply Order (MPSO) to see if a greater alignment between the two can be obtained.

5. The Efficiencies Taskforce noted that there are some low cost medicines that still require Special Authority (SA) numbers. PHARMAC understands the additional work that SA numbers require from prescribers and pharmacists and explained that the SA numbers are always there for a genuine reason, such as to control the use of a specific antibiotic. PHARMAC regularly reviews the requirements and removes the SA whenever possible.

6. A process has been established in which wholesalers will provide a biannual report on short-dated stock to DHBs and PHARMAC. This will enable PHARMAC to monitor if short-dated stock is being sold into NZ.

7. The MoH has agreed to facilitate conversations between the sector and relevant parts of the Ministry around the need for some pharmacist annotations. The aim is to see what is possible in the current legislative environment with a view to minimise administrative pharmacist obligations that do not contribute to patient safety. The MoH will also explore what can be enabled under the new legislation (the review of the Medicines Act) to avoid administrative pharmacist obligations that do not contribute to patient safety such as the current need for pharmacists to write the brand name and sign next to every item even when it is a sole supply product.

8. The Efficiencies Taskforce acknowledged that there is an increasing number of brand switches occurring where a Brand Switch Fee is not applicable. It was agreed that this issue will form part of the new contract negotiation as a component of the overall funding package.

9. The Ministry of Health clarified that Audit and Compliance has a 14 day window of tolerance for claiming for medicines after the death of a patient, not the two to three day window previously thought by some in the sector.

10. With regard to electronic CD recording, the Efficiencies Taskforce noted that there is no current tool that meets the required guidelines. A guidance document on what the requirements are will be published.

For full details of the efficiencies identified by the Efficiencies Taskforce and the outcomes agreed, please refer to the Efficiencies Register.