

Cost-Effectiveness Assessment of Pharmacy Programmes and Services

What will the measure do?

This measure will ensure all programmes and services delivered through community pharmacy and by pharmacists deliver maximum benefits for the Australian consumer, and represent cost-effective services that improve patient health. It will achieve this by ensuring all programmes and services are reviewed for clinical and cost-effectiveness and the health benefits they offer to the community by an independent health technology assessment body, such as the Medical Services Advisory Committee (MSAC), to be determined by the Minister.

This process will ensure pharmacy programmes and services are assessed against the same standards of evidence as for other health professions. It supports a consistent approach to informing investment that delivers the greatest benefit to consumers, and will include existing programmes and services, as well as investment in a range of new programmes and services delivered through community pharmacy.

This measure directly addresses feedback from many groups through consultations on the development of the Sixth Community Pharmacy Agreement (6CPA), particularly around differential standards by which Government makes decisions to invest in healthcare related services. It also ensures objective assessment by an independent assessment body.

It is expected that the way programmes and services are assessed will differ, based on levels of existing evidence. Many services have a greater evidence base as they are well established, and some services are more recent. In addition, assessments will look prospectively at what information may be needed to inform recommendations, particularly for trial programmes which will be implemented under the 6CPA.

What is the impact?

For the first year of the 6CPA, programmes and services which are continuing from the Fifth Community Pharmacy Agreement will continue to be supported, while a clinical and cost-effectiveness assessment is undertaken. Outcomes from these assessments will inform future funding priorities, and ensure funding is invested in programmes and services that are clinical and cost-effective, and deliver the best benefit and value to consumers.

This measure represents a broad shift towards outcome-based funding of services to deliver demonstrable and measurable benefits to the consumer, such as improved medication adherence and compliance.