

Efficient National Diabetes Services Scheme Supply and Delivery Arrangements

What will the measure do?

From 1 July 2016, the Commonwealth will create efficiencies in the delivery of products under the National Diabetes Services Scheme (NDSS) by directing product supply and delivery through the established Community Services Obligation (CSO) distribution network to community pharmacy.

The CSO Funding Pool already supports supply of the full range of Pharmaceutical Benefits Scheme (PBS) medicines to community pharmacies across Australia within 24 hours, regardless of location. In addition, community pharmacy comprises over 96% of NDSS access points in Australia.

While this change will mean NDSS products will generally only be available through pharmacy in the future, this is consistent with how people access their medicines and in some cases will increase access for consumers. An example includes insulin pump consumables, which are currently only available by mail order or through State and Territory Diabetes Associations.

This measure does not impact the range of products available to eligible registrants under the NDSS, which remains based on clinical evidence. It only impacts on supply and delivery arrangements of these products to Australians.

The Department will work through the implementation of these new arrangements with Diabetes Australia and other affected stakeholders to ensure that people with diabetes continue to be able to readily access the products they need to manage their diabetes, no matter their location.

What is the impact?

All Australians who need access to subsidised diabetes products will still have access to these products through community pharmacy. Around 94% of patients already access these products through community pharmacy.

The benefits of this measure include cost efficiencies through consolidated deliveries of PBS medicines and NDSS products, improved timely access through the provision of products within a set time period nation-wide, and improved customer access by enabling pharmacies to directly order and supply insulin pump consumables to registrants.

It is expected that the efficiencies from new supply arrangements will enable a proportion of the savings from this measure to be reinvested in registrant services and activities which help people more effectively self-manage their diabetes, such as through improved education and support services.