



Australian Government

Department of Health

Simplified Price Disclosure

6 December 2013



Simplified Price Disclosure

- Reduces the Price Disclosure cycles from three cycles to one rolling cycle
- Reduces the Price Disclosure cycle length from 18 to 12 months
- Reduces the Price Disclosure price reduction days from three to two
- Brings forward price reductions which are already due to occur
- First price changes start 1 October 2014



Current and revised arrangements

	Existing arrangements	New arrangements
Number of regular cycles	3	1
Price disclosure reduction days per year	3	2
Length of regular cycles	18 months	12 months
Data collection period for price calculations	≥ 12 months	≥ 6 months
Price reporting, calculation, notification, dispute resolution period	6 months	6 months
Reporting period – data batches	Every 6 months or as specified	Every 6 months or as specified
Report due six weeks after	31 March & 30 Sept	31 March & 30 Sept
≥ 10% price difference test	Yes	Yes

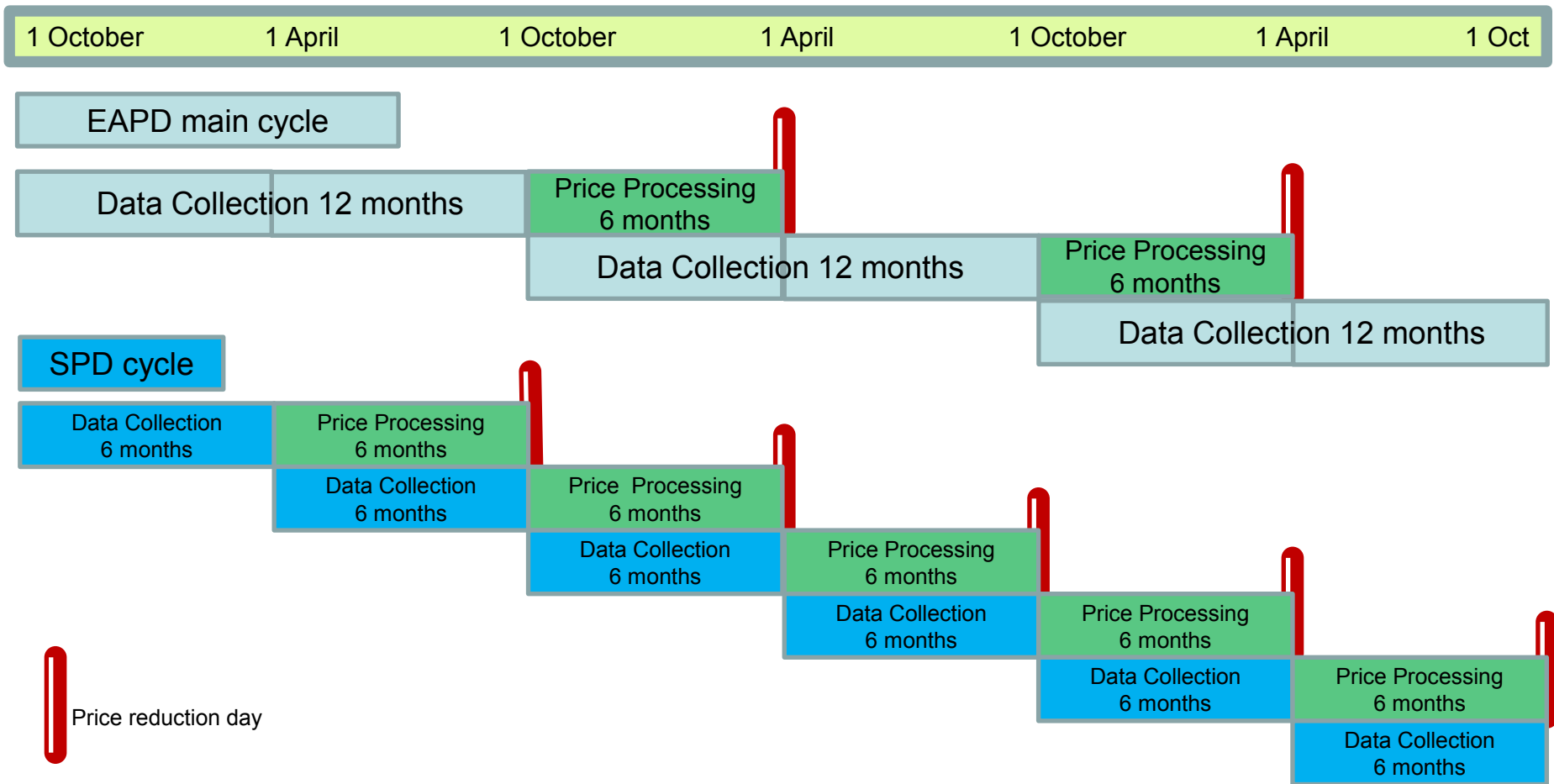


EAPD to SPD cycles

Drug	Current EAPD Cycle	Current Reduction Day	SPD Reduction Day
Atorvastatin	Formerly 2013 Supplementary B (currently 2015 Main Cycle)	1 April 2015	1 October 2014
Aspirin	2014 Main Cycle	1 April 2014 (remains)	1 October 2014
Candesartan	2014 Supplementary B Cycle	1 December 2014	1 October 2014
Zolmitriptan	2015 Main Cycle	1 April 2015	1 October 2014
Riluzole	2014 Supplementary A Cycle	1 August 2014 (remains)	1 April 2015
Nevirapine	2014 Supplementary A Cycle	1 August 2014 (remains)	1 April 2015

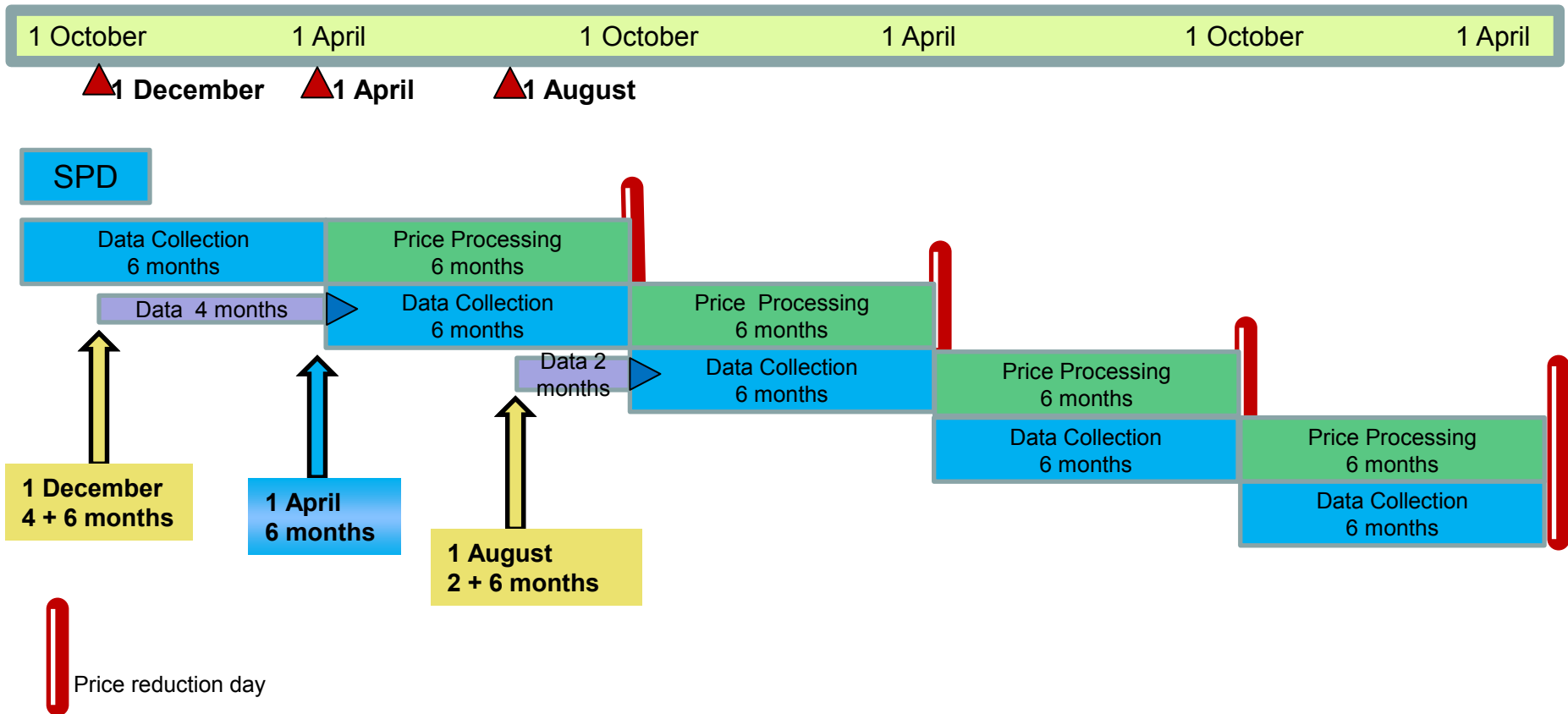


EAPD & SPD timelines comparison





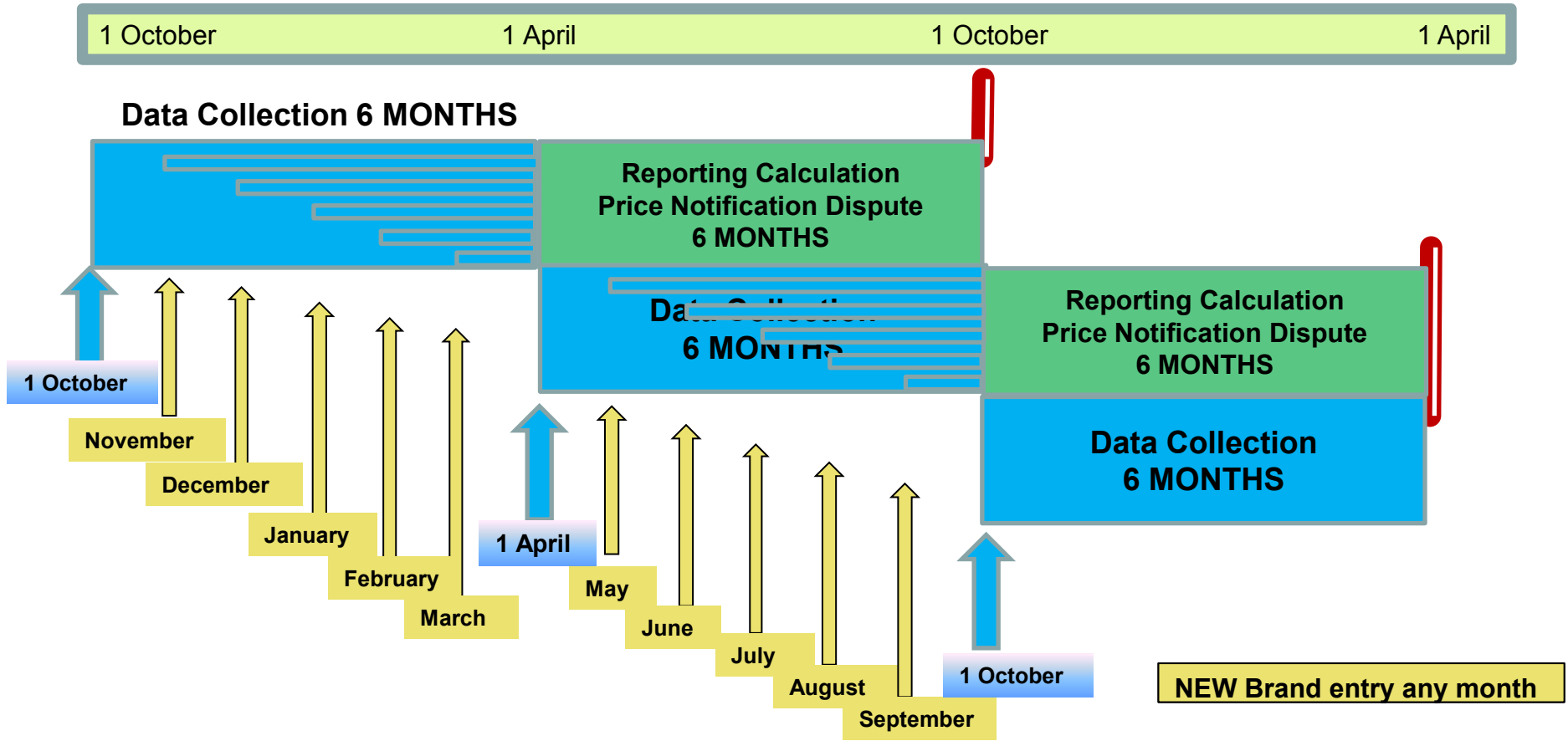
SPD new entrants – drugs new to price disclosure





SPD new entrants – brands

Medicines already subject to price disclosure





Next steps & timing

21 November 2013	Introduction of Simplified Price Disclosure Bill to HoR
Mid to late December 2013	Debate and passage of legislation through HoR and Senate
Mid to late January 2014	Information on PBS website, including transition tables
Early to mid 2014	Drafting and promulgation of regulations
Mid to late June 2014	Publication of percentage reductions and new prices
1 October 2014	The first SPD price reductions



More information

- Legislation home page
 - www.aph.gov.au
 - www.comlaw.gov.au
- Available early in 2014 – updated Guidelines and transitional arrangements including cycle details
 - www.pbs.gov.au/info/industry/pricing/
- Available early in 2014 – Fact sheets
 - www.pbs.gov.au
- Email notification to company responsible persons
- Updates for registered PBS subscribers



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Questions?