



20 December 2019

The Hon. Michael Sukkar MP  
Assistant Treasurer  
PO Box 6022  
Parliament House  
Canberra ACT 2600

Dear Assistant Treasurer,

**RE: Federal Budget 2020-21 submission**

The Society of Hospital Pharmacists of Australia (SHPA) is the national, professional, for-purpose organisation for leading pharmacists and pharmacy technicians working across Australia's health system. Hospital pharmacists are patient-centred advocates for clinical excellence and quality medicines management. SHPA is the national membership organisation for more than 5,200 pharmacists, associates, pharmacy students and pharmacists in training working in Australia's public and private hospital system. SHPA members oversee 22% of the federal government's Pharmaceutical Benefits Scheme (PBS) expenditure each year.

Pharmacists are a dynamic and growing workforce with credentialing pathways to support individuals from early career to Advanced Practice. Clinical pharmacy services in hospitals are extremely cost-effective, returning more than \$22 value per \$1 investment in hospital pharmacy through a combination of increased medicine optimisation, reduced prescribing, shorter length of stay and increased adherence<sup>1</sup>. International evidence reflects the same results. The safe and high-quality use of medicines is the key responsibility of pharmacists in hospitals where medicines are core to the treatment of complex and serious health conditions.

SHPA welcomes the opportunity to provide input to the 2020-2021 Federal Government Pre-Budget Consultation Process. SHPA's submission outlines specific areas in the attached document that require attention in order to achieve optimal health outcomes for Australians. These are:

1. Provide peak body funding for SHPA's ongoing activities to ensure the Federal Government has ongoing access to impartial advice contributing to improved health outcomes for Australians
2. Embed clinical pharmacists in aged care to improve safe and effective use of medicines and reduce inappropriate chemical restraint
3. Fund a pharmacy workforce study to ensure the pharmacist workforce development is suited to meet the challenges of Medication Safety and Quality Use of Medicines
4. Fund a National Opioid Stewardship Support Liaison program to work with SHPA to reduce the risk of opioid-related harm for patients in Australian hospitals
5. Establish a Medicines Leadership Advisory Council to advise Federal Government on Medication Safety and Quality Use of Medicines activities

If you would like any further information about hospital pharmacy, or this submission, please do not hesitate to contact Johanna de Wever, General Manager, Advocacy and Leadership on [jdeweever@shpa.org.au](mailto:jdeweever@shpa.org.au).

Yours sincerely,

A handwritten signature in black ink that reads 'Kristin Michaels'.

Kristin Michaels  
Chief Executive



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## RECOMMENDATIONS

### 1. Provide peak body funding for SHPA's ongoing activities to ensure the Federal Government has ongoing access to impartial advice contributing to improved health outcomes for Australians

Medicine management in hospitals is complex, and significantly different from other areas of pharmacy care in community or primary care setting. Utilising complex high cost medicines to treat people with serious illnesses, these activities have a significant health and economic impact on the Australian health care system. Consultation with hospital pharmacists through SHPA improves government understanding and supports future initiatives to enhance the health and well-being of the Australian population.

SHPA is the national peak body for more than 5,200 pharmacists, pharmacist interns, students, technicians and associates working across Australia's health system. SHPA members lead the Pharmacy Departments in all of Australia's principal referral hospitals, as well as the vast majority of both Public Acute A and Public Acute B hospitals. 75% of all hospitals (public and private) have their pharmacy departments led by SHPA members. SHPA members are also employed in a range of innovative outreach and liaison services in community healthcare settings.

SHPA's broad membership can provide government with access to a diverse and highly specialised workforce of hospital pharmacists, an area of immense growth with recent statistics indicating 50% of new roles have been in the hospital sector. SHPA's 28 Speciality Practice groups including Oncology, Critical Care, Cardiovascular, Nephrology, Emergency Medicine and Infectious Diseases, are a powerful resource of expertise. SHPA members work to reduce medication errors, improve safe and effective quality use of medicines and improve transition of care to community. Ultimately all these activities reduce readmissions and the burden of disease whilst improving quality of life and integration into society.

As a peak body, SHPA supports members to expand their skills and expertise through a diverse range of continuing professional development offerings, innovative workforce programs, research, networking and advocacy opportunities. In 2019 SHPA members participated in numerous government-led committees, supported government-funded projects and submitted more than 40 documents of therapeutic, clinical and administrative advice. In addition SHPA produced a range of resources for members including: Standards of Practice regarding service delivery, Discussion Papers outlining gaps in patient care, Practice Updates exploring clinical care, and education on all areas of pharmacy.

In recent years SHPA has also invested in the safe and quality use of medicines in hospitals by developing a residency program for early career pharmacists to ensure patients have access to optimal medicines management treatment. This program is provided free of charge to hospitals and resident pharmacists. And SHPA remains a lead partner in the Pharmacy Development Australia consortia which have led the re-establishment of Advancing Practice which accredits expert pharmacists in order to build a more highly skilled, flexible and adaptable pharmacy workforce.

Given the increasing demand for expert medicine advice and policy development related to high cost and complex medicines in the acute setting, SHPA would welcome the opportunity to apply for funding in the round of Healthy Peak and Advisory Bodies programme in early 2021.

**Cost of investment: ~\$600,000 annually for ongoing operations**



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## 2. Embed clinical pharmacists in aged care to improve safe and effective use of medicines and reduce inappropriate chemical restraint

**SHPA's forthcoming Standard of Practice in Geriatric Medicine for Pharmacy Services recommends a ratio of one full-time equivalent pharmacist to 200 residents (1:200) in aged care facilities to deliver an evidence-based, best practice, clinical pharmacy service, as reiterated in SHPA's submission to the Royal Commission into Aged Care Quality and Safety.**

Australia has a growing elderly population; 3.8 million Australians are aged 65 years or over. Government expenditure equated to \$18.1 billion on aged care services during this time. With a large consumer base and funding pool, elderly patients in aged care facilities are often experiencing poor health outcomes due to polypharmacy and lack of medication management services.

In 2018-19, the federal government funded residential aged care packages for over 216,000 Australians, yet according to Medicare statistics, only just over 70,000 received an RMMR service – meaning approximately two-thirds of all residential aged care residents **do not** receive a medication review. Recent research into medication safety unveiled that there were 250,000 medicine-related hospital admissions each year at a cost of \$1.4 billion to the healthcare system<sup>1</sup>, and that older Australians contribute to this statistic disproportionately.

The Federal Government should fund the employment of clinical pharmacists to support the complex needs of this patient group who are at high risk of medication-related harm, including patients who are chemically restrained with antipsychotic medicines as uncovered in the Interim Report of the Royal Commission into Aged Care Quality and Safety. Current evidence highlights that 20% to 30% of all hospital admissions in the population aged 65 years and over (the most frequent users of hospital services) are estimated to be medication-related.

It is important that the \$3.7 million investment by the Federal Government in last years' Federal Budget to embed pharmacists in aged care facilities across the ACT, is extended across the rest of the country. Recent Australian evidence that highlighted that embedded clinical pharmacist services in aged care homes can reduce medication-related problems, polypharmacy and adverse medication event, while also being cost-effective<sup>2</sup>. Evidence from Victoria on a clinical pharmacy model in a home nursing service indicates a return on investment of \$1.54 for every \$1 spent is achieved through embedding pharmacists to improve medicines management<sup>3</sup>.

Clinical pharmacist services can improve medicines management through a range of patient-focused services that aim to minimise the inherent risks associated with medicines, ensure medicines are used appropriately and optimise health outcomes of the elderly. Most aged care facilities do not currently employ a pharmacist on staff or a pharmacist who is available to spend significant time with patients as required for good medicines management. Medication errors related to transitions of care occurred in 13-31% of residents. Pharmacists are contracted primarily for the dispensing of medicines, which can exacerbate poor medicines management, rather than the regular and ongoing clinical review that is needed. For example, post-discharge medication reviews are frequently delayed or do not occur, and only 1 in 5 home care clients receive an HMR<sup>4</sup>.

**Cost of investment: ~\$100 million annually for aged care pharmacist workforce**



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### 3. Fund a pharmacy workforce study to ensure the pharmacist workforce development is suited to meet the challenges of Medicine Safety and Quality Use of Medicines

**The Federal Government should fund a pharmacy workforce study to determine where service gaps exist in the pharmacy workforce and to develop solutions that address structural pharmacy workforce issues.**

The Federal Government's concerted efforts to tackle the challenge of Medicines Safety to improve the Quality Use of Medicines and review the National Medicines Policy is commendable. Whilst the National Medicines Policy has four pillars that support timely access to safe and quality medicines, recognises the importance of Quality Use of Medicines and the importance of a viable medicines industry, it unfortunately does not mention the importance of having a fit-for-purpose pharmacy workforce.

In the last decade, the PBS has shifted structurally with hospitals accounted for over 22% of overall PBS expenditure in the 2018-19 financial year. Section 100 medicines, which comprise the Highly Specialised Drugs Program and chemotherapy medicines used predominately in hospitals, has grown from \$350 million in 2009-10 to \$3.83 billion in 2018-19<sup>11</sup>, a growth of 1095%. As more complex and specialised medicines and treatments are being subsidised by the Australian government, health outcomes of Australians are best supported by a pharmacist workforce that is adaptive and responsive to this changing environment.

The last comprehensive Pharmacy Workforce Planning<sup>5</sup> study was undertaken within Community Pharmacy Agreements in 2008. Since then, Health Workforce Australia released *Australia's Health Workforce Series – Pharmacists in Focus*<sup>6</sup> which showed that pharmacists have a relatively young workforce. Whilst this is a positive indicator for the future of the pharmacy profession, it is important to have a better understanding of the varied skill levels, specialities and interests across the workforce in order to guide education and ensure tailoring to future population health needs. Health Workforce Australia disbanded shortly after the release of this report. SHPA is aware of considerable data held by the Department of Health and would work to bring together this with data held by peak bodies and the Consumer Health Forum to develop a clear and well-informed understanding of the pharmacy workforce.

SHPA is well-placed to work with other pharmacy and health bodies to progress a workforce study as we have a unique understanding of both the diversity of practice and the emergence of highly specialised roles in hospitals. Recent statistics have shown that despite being 20% of pharmacists overall, 50% of new roles have been in the hospital sector. These typically include specialised clinical skills not obtained in community pharmacy, including supervised prescribing.

In recent years SHPA has established the Foundation Residency Program and Advanced Training Program for hospital pharmacists to deliver structured, formalised, and accredited national pharmacy residency programs, equipping the next generation of hospital pharmacists with the clinical skills to provide safe and quality care to patients in an increasingly complex healthcare environment. With appropriate data from across the workforce these programs could be tailored to equip expert pharmacists to provide increased support to doctors and nurses in acute, primary, aged care and community care settings.

**Cost of investment: ~ \$300,000 to undertake a pharmacy workforce study**



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#### **4. Fund a National Opioid Stewardship Support Liaison program to work with SHPA to reduce the risk of opioid-related harm for patients in Australian hospitals**

**SHPA is requesting federal funding to engage 1 FTE National Opioid Stewardship support liaison role for two years, to work as part of a collaborative team including hospitals, hospital workforces and key peak bodies to support practice changes which support the revisions to regulations introduced by the TGA in 2019.**

The opioid crisis facing Australia is broadly acknowledged with research showing 1.9 million Australian adults initiating opioids each year. The harms associated with the use of opioids have dramatically increased resulting in a 25% rise between 2007-08 and 2016-17 in the rate of hospitalisation due to opioid poisoning and a 62% increase in the rate of opioid deaths from 2007-2016<sup>7,8</sup>.

The medical use of opioids prescribed in a hospital setting has been identified as a key risk for ongoing use. Research shows that for many patients their first ever exposure to opioid medicines occur in a hospital after undergoing surgery. A systematic review has indicated that post-surgical prescribing in hospitals (at discharge) is an important point of intervention.

Given the urgency of the issue and its strategic priority for the Federal and jurisdictional government through the *National Strategic Action Plan for Pain Management*, SHPA is also advocating for State Governments to implement a two-year pilot of pharmacist-led Opioid Stewardship services in all principal referral hospitals (29 nationally) in order to accelerate broader adoption in all hospitals which undertake surgeries and are currently unable to provide these services to patients. SHPA would like to see this discussed at COAG Health Council.

An Opioid Stewardship Pharmacist (OSP) is a clinical pharmacist with expertise in pain and analgesia management, practicing within a hospital multidisciplinary team with a key focus on promoting safe and effective use of opioids, decreasing serious adverse effects and improving patient care. The Opioid Stewardship Pharmacist aims to mitigate harm associated with opioids prescribed in hospital by impacting on the overall patient journey at four main intervention points; collaborating with prescribers, managing the supply of opioids on discharge, increasing patient education and sharing of information with primary care providers.

Similar to the well-established Anti-Microbial Stewardship model, Opioid Stewardship is backed by strong research showing effective risk mitigation for patients at risk of opioid harm. This approach is also supported by Painaustralia, the national peak body working to improve the quality of life of people living with pain, their families and carers, and to minimise the social and economic burden of pain.

Fundamentally, pharmacist-led Opioid Stewardship services have a key role to play in reducing harm for all Australians undergoing surgery in all public and private hospitals. SHPA's proposal to State Governments acknowledges the lead role played by principal referral hospitals however, there is a need for a coordinated national approach to the current opioid crisis and to stewardship services across Australia to dovetail jurisdictional efforts. SHPA is also working with charitable bodies and universities to enable robust evaluation of Opioid Stewardship services to support further roll out.

SHPA is requesting federal funding to engage 1 FTE National Opioid Stewardship Program Manager for two years, to work collaboratively with hospitals, hospital workforces and key peak bodies to support practice revisions which contribute to reducing the risk of harm for the more than 2.2 million Australians undergoing surgery each year. SHPA receives no peak body funding from the Federal Government.

The National Opioid Stewardship Support Liaison program will assist optimal pharmacy and prescribing practice by developing resources, providing guidance and encouraging practice change among SHPA members and broader multidisciplinary teams working in Australian hospitals. This role would support the





intent of changes to TGA regulations and would liaise with all Australian hospitals to ensure standardisation and implantation of these changes and utilisation of the NPS MedicineWise pain and opioid resources available to health professionals and consumers.

The National Opioid Stewardship Support Liaison service would work with SHPA's expert membership through our Speciality Practice structure, to develop a framework for Opioid Stewardship service delivery to support and streamline implementation in public and private hospitals in Australia. The role would support the creation of educational modules for best practice post-surgical pain management and opioid use in hospitals and the publishing of an online Hospital Pharmacy Clinical Practice Update for reducing opioid harm in acute settings as well as a Standard of Practice for Surgery and Perioperative Medicine for Pharmacy Services.

As part of this approach SHPA will host a national educational workshop bringing together pharmacists working in the Opioid Stewardship space to share ideas and strategies, ultimately developing a support network and collaborating with the National Opioid Stewardship Liaison service to ensure a consistent approach to pain and opioid use across all Australian hospitals.

**Cost of investment: ~ \$200,000 annually for 1 FTE National Opioid Stewardship Support Liaison role for a two-year period**



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## 5. Establish a Medicines Leadership Advisory Council to advise Federal Government on Medication Safety and Quality Use of Medicines activities

### **SHPA supports the establishment of a Medicines Leadership Advisory Council to advise and support the Federal Government's initiatives on Medication Safety and Quality Use of Medicines.**

SHPA welcomes the recent announcement that Medicines Safety and Quality Use of Medicines has been declared a National Health Priority Area by the federal Health Minister and the Council of Australian Governments. Along with the impending review of the National Medicines Policy – the first review in twenty years – these major developments necessitate the Federal Government to have the requisite Medicines Leadership expertise as it develops initiatives and responses to tackle the 250,000 medicine-related hospital admissions per annum, costing the healthcare system \$1.4 billion annually<sup>1</sup>.

The PBS Pharmaceutical Reforms implemented over the last two decades, allows for PBS medicines to be supplied to hospital patients upon discharge. This has vastly improved the transitions of care for patients helped the consistent alignment of hospital and community care with respect to PBS medicines. Ultimately, this promotes patient adherence to medicines, minimises confusion and reduces risk of adverse events.

The PBS Pharmaceutical Reforms were overseen by the then Australian Pharmaceutical Advisory Council (APAC)<sup>9</sup>, which comprised of over twenty member organisations from the pharmacy, medical, nursing and healthcare sectors and existed since the early 1990s and was disbanded in 2006. The resources developed by APAC, particularly the *Guiding Principles to Achieve Continuity in Medication Management (2005)*<sup>10</sup>, remain the principles that guide clinical pharmacy service delivery and are supported by professional practice standards and guidelines.

However, in the last decade since APAC disbanded, alarming statistics on the medicines-related hospital admissions have come to light. Furthermore, the PBS has since structurally transformed with the top PBS medicines from yesteryear coming off patent but still being supplied in high volumes, alongside an ever-increasing proportion of specialised and complex PBS medicines being prescribed and used in hospitals.

In the 2018-19 financial year, hospitals accounted for over 22% of overall PBS expenditure. In the ten-year period between 2009-10 and 2018-19, Section 85 medicines which are predominantly supplied in community care settings, has grown by 11.1% in expenditure. Comparatively in the same period, Section 100 medicines, which comprise the Highly Specialised Drugs Program and chemotherapy medicines which are used predominately in hospitals, has grown from \$350 million in 2009-10 to \$3.83 billion in 2018-19<sup>11</sup>, a growth of 1095%.

Current policy parameters indicate that these trends will continue, as an analysis of all new PBS listings in recent years presented at SHPA's Medicines Leadership Forum 2019 showed that approximately two-thirds of all new PBS listings are used predominantly in the hospital setting as they are for acute and complex diseases such as cancer, renal disease and autoimmune disorders.

Despite the seismic structural shifts that the PBS is currently undergoing, there has been a lack of Medicines Leadership and no group to replace APAC, to steer the Australian healthcare system's pharmacy and medicine policy and ensure that the appropriate advice, programs and resources are being developed to maximise the Quality Use of Medicines and Medicines Safety amidst the changing face of the PBS. Medicines are the most common intervention for any health condition, and ahead of the National Medicines Policy review and a strategic commitment to the Long Term National Health Plan, a Medicines Leadership Advisory Council comprising of medical, pharmacy and healthcare stakeholders is required to ensure medicines policy in 2020 and beyond is fit for purpose to achieve better health outcomes for all Australians.



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