

28 January 2022

The Hon Josh Frydenberg MP  
Treasurer  
PO Box 6022  
House of Representatives  
Parliament House, Canberra ACT 2601  
Email: [prebudgetsubs@treasury.gov.au](mailto:prebudgetsubs@treasury.gov.au)

Dear Treasurer,

The Pharmaceutical Society of Australia (PSA) commends the Morrison Government on successfully navigating the many health challenges that have emerged over the course of the COVID-19 pandemic.

As medicine safety experts and one of our most accessible frontline health workforces, pharmacists can play a greater role in improving access to medicines and health care for the Australian population and individual patients to enable better health outcomes for all Australians.

Australian pharmacists have faced immense pressure over the past 24 months. Over the course of the pandemic, the swift pivot towards telehealth by a large proportion of primary health providers has put significant strain on Australian pharmacists – pharmacy doors have remained open, and pharmacists have remained on the frontline, when many other services have closed.

Now, pharmacists continue to go above and beyond for their communities, helping the nation achieve its vaccination targets, managing the significant shortage of rapid antigen tests, and ensuring patients continue to have timely access to essential medicines, non-urgent care, and other services.

Meanwhile, pharmacists continue to be significantly underpaid for their services. Our pharmacist workforce is reaching crisis point, with any who entered pharmacy with admirable intentions to help and care for our community, now questioning their future career prospects. Failure to fairly remunerate these professionals will have dire consequences on Australia's healthcare system.

PSA has identified four key budget proposals for consideration that would directly improve patient outcomes, particularly in residential aged care facilities and in regional Australia. Two of these proposals also look to address the unfair disparities that exist in pharmacist remuneration.

- **Embedding pharmacists in Residential Aged Care Facilities to improve medication management, reduce medicine-related harm, and improve quality of life for aged care residents**

Older Australians in residential aged care facilities (RACFs) continue to face significant threats to their health, due to harm arising from misuse or mismanagement of their medications.

Providing funding for RACFs to secure pharmacist services would allow RACFs to consistently deliver patient-centred, multidisciplinary services and to identify, resolve and prevent medication-related problems.

- **Introduce an MBS service payment to pharmacists for administering National Immunisation Program (NIP) vaccinations (including COVID-19 vaccines)**

Currently, pharmacists receive far lower rates of remuneration for assessing the suitability and administering COVID-19 vaccines than other immunisation providers such as GPs. These low rates of remuneration, particularly in relation to paediatric vaccinations, make vaccination services unviable for many community pharmacies.

Introducing a single MBS service payment to pharmacists for assessing suitability and administering vaccinations funded through the NIP will ensure that vaccines such as COVID-19 and influenza remain viable through community pharmacy.

- **Supporting a GP-Pharmacist Collaborative Prescribing Pilot to address the urgent workforce crisis currently facing regional, rural and remote General Practice**

Many parts of regional Australia are facing significant General Practice workforce shortages, with workloads already at breaking point. This crisis situation requires urgent action to ensure Australians have access to timely, high quality and comprehensive care, regardless of where they live.

Allowing pharmacists embedded in General Practice to prescribe under a collaborative care model would enable GPs to better utilise the existing clinical pharmacist workforce, address the workforce crisis, and reduce avoidable hospitalisations due to medication misadventure.

- **Introduce an MBS rebate for pharmacists to be remunerated for multidisciplinary case conferences**

Multidisciplinary case conferencing is where General Practitioners coordinate a team of allied health, home and community service providers to ensure their patient's care needs are being met through a planned and coordinated approach.

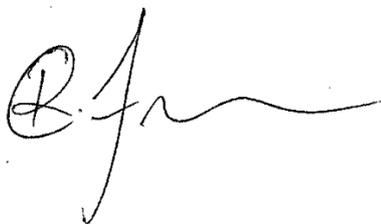
Despite playing a key role in medicine safety, pharmacists remain the only allied health provider who is not remunerated for their participation in case conferences. Ensuring pharmacists' eligibility for case conferencing payments is crucial to connect GPs, pharmacists and the broader multidisciplinary team.

PSA would like to thank the Morrison Government for the opportunity to provide a submission for the 2021-22 Commonwealth Budget consultation process.

PSA appreciates your consideration of the ways in which our pharmacist workforce can be better utilised to support the health and wellbeing of Australians, and how we can secure the future of our pharmacist workforce to ensure Australians continue to have timely access to the medicines they need, and high-quality non-urgent healthcare services.

PSA is happy for this submission to be made public. Please do not hesitate to contact PSA if you require any further information to support this submission.

Sincerely,



**A/Prof Chris Freeman FPS**  
*National President*  
*Pharmaceutical Society of Australia*

## ***About PSA***

PSA is the only Australian Government-recognised peak national professional pharmacy organisation representing all of Australia's 35,000 pharmacists working in all sectors and across all locations.

PSA is committed to supporting pharmacists to help Australians access quality, safe, equitable, efficient and effective healthcare. PSA believes the expertise of pharmacists can be better utilised to address the healthcare needs of all Australians.

PSA works to identify, unlock and advance opportunities for pharmacists to realise their full potential, to be appropriately recognised and fairly remunerated.

PSA has a strong and engaged membership base that provides high-quality healthcare and are the custodians for safe and effective medicine use for the Australian community.

PSA leads and supports innovative and evidence-based healthcare service delivery by pharmacists. PSA provides high-quality practitioner development and practice support to pharmacists and is the custodian of the professional practice standards and guidelines to ensure quality and integrity in the practice of pharmacy.

## RECOMMENDATION 1

### **Embedding pharmacists in Residential Aged Care Facilities to improve medication management, reduce medicine-related harm, and improve quality of life for aged care residents**

*PSA recommends the Commonwealth Government provide funding of \$400 million over four years for Residential Aged Care Facilities (RACF) to secure pharmacist services. This would improve medicine safety, reduce the harm caused by inappropriate use of psychotropic medicines, opioids, and antibiotics, and improve the overall quality of life for aged care residents.*

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#### ***The challenge***

The Royal Commission into Aged Care Quality and Safety final report<sup>a</sup> highlighted significant concerns with medicine management in Australia's aged care sector, including with unnecessary and prolonged use of chemical restraint, widespread overprescribing, and unjustifiable use of psychotropic medication.

The *Medicine safety: Take care* report<sup>b</sup> released by PSA in 2019 found that:

- 98% of residents in aged care facilities have at least one medicine-related problem;
- 80% are prescribed potentially inappropriate medicines; and
- 20% of unplanned hospital admissions of RACF residents are due to inappropriate medicine use.

Pharmacists, as medicines experts, are a vital part of the solution.

#### ***The proposed approach***

Increasing access to the expertise of pharmacists, as stewards of medicine safety, is crucial to overcome the medicine safety issues plaguing Australia's aged care sector. Providing funding so that RACFs can secure pharmacist services will ensure residents will have access to timely, high-quality, evidence-based and patient-centred care, while creating an environment where medicine harm is minimised, preventable hospital admissions are reduced, and quality of life is improved.

Pharmacists embedded in a RACF can undertake a wide range of professional activities. At a resident level, these services include resident and respite bed activities, such as comprehensive medication management reviews, preventing, identifying and managing medication-related problems; reducing polypharmacy; and optimising medicine use.

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<sup>a</sup> Australian Government. Australian Government response to the final report of the Royal Commission into Aged Care Quality and Safety. Canberra, 2021. At: <https://agedcare.royalcommission.gov.au/publications/final-report>

<sup>b</sup> Pharmaceutical Society of Australia. *Medicine safety: Take care*. Canberra: PSA, 2019. At: <https://www.psa.org.au/wp-content/uploads/2019/01/PSA-Medicine-Safety-Report.pdf>

Embedded pharmacists can also undertake clinician-level and clinical governance activities, such as reducing use of high-risk medicines (e.g. antipsychotics and benzodiazepines); providing stewardship of opioid and antimicrobial use; and providing education and training to facility staff, consulting GPs, and other health professionals in the quality use of medicines and medicines information. They may also provide accreditation support to aid in the achievement of accreditation standards related to medication management.

PSA proposes that the Aged Care Pharmacist Program be funded outside of the 7<sup>th</sup> CPA, with funding to be provided directly to RACFs. This approach will ensure that service providers have the flexibility to determine how they secure pharmacist services – some facilities may choose to employ a pharmacist directly, some may choose to contract pharmacists through third parties, including community pharmacies.

This approach will ensure that RACFs can consistently deliver a patient-centred, multidisciplinary service aimed at identifying, resolving and preventing medication-related problems.

### ***Why it will work***

Embedded pharmacist pilot programs have received overwhelmingly positive feedback from residents, staff and allied health professionals in the ACT, Tasmania, South Australia, Victoria, and Western Australia.

In 2018, an ACT RACF was the first in Australia to employ a pharmacist as part of a 6 month trial. The study found that medication administration practices improved, with inappropriate dosage form modification reduced, and with staff spending more time on medication administration, documenting allergies and adverse reactions or medication incidents.

In this trial, almost 80% of the pharmacist's activities were initiated by other stakeholders, demonstrating acceptance and demand of pharmacist activities from staff of residential aged care homes. The role of the pharmacists employed within the aged care facility was well received by patients, family members, care staff, doctors and other health care professionals involved in the care of patients. The value of the aged care pharmacist is reflected in the facility now maintaining an on-site pharmacist as a member of staff – proving the potential benefit of having an embedded pharmacist.

### ***Budget implications and funding model***

PSA estimates this proposal will require a budget allocation of \$400 million over four years.

PSA estimates that the average facility would require a pharmacist delivering services to a 0.6 Full Time Equivalent per 100 residents.

Cost savings may be realised through reforms to the current Residential Medication Management Review and Quality Use of Medicines programs, and repurposing the current annual funding allocation for these programs out of the 7<sup>th</sup> CPA.

## Benefits for Australians

Improves the health outcomes and overall quality of life for residents of aged care facilities by:

- Reducing the use of psychotropic medicines/chemical restraints and associated side effects (sedation, weight gain, impaired cognition);
  - Reducing hospitalisations from medicine-related adverse events;
  - Rationalising the use of opioid medicines, resulting in improved pain management and alertness of residents;
  - Better targeting the use of antimicrobials in accordance with local resistance patterns and treatment recommendations;
  - Increasing staff access to pharmacist's expertise in medicines and medication management within the residential care facility.
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## RECOMMENDATION 2

### **Introduce a MBS service payment to pharmacists for administering National Immunisation Program (NIP) vaccinations, including COVID-19 vaccines**

*PSA recommends the Commonwealth Government introduce a MBS payment of \$39.10 to be paid to pharmacists to assess the suitability and administer vaccines funded through the NIP. This would address existing pay disparities in vaccine remuneration (particularly for COVID-19 vaccines), ensuring that vaccination services remain viable in pharmacies.*

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#### ***The challenge***

At present, pharmacists receive far lower rates of remuneration for assess the suitability and administering COVID-19 vaccines than other immunisation providers such as GPs. These low rates of remuneration, particularly in relation to paediatric vaccinations, make vaccination services unviable for many community pharmacies.

The particularly unfair and inequitable remuneration of pharmacists has recently been highlighted with the COVID-19 vaccination roll out and the accompanying National Booster Program. Pharmacists currently receive \$16 for first doses, with other health providers receiving almost double this rate at \$31.05 per dose. On the 23<sup>rd</sup> December 2021, the Commonwealth Government announced that payments for booster vaccinations would increase by \$10 for pharmacists and GPs.

Whilst this increase was welcomed by pharmacists, and allowed many to breakeven on a service that was previously running at a loss, and subsequently led to a big lift in capacity, there still remains unfair disparity between health professions for providing the same service.

Further to this, pharmacists are still only receiving \$16 for first doses administered to children 5-11 years of age. As a result, only half of all vaccinating pharmacies have chosen to participate in the paediatric rollout. Administering vaccinations to children is more complex and takes longer, as extra consultation time is required to undertake appropriate assessment and consent, placing further strain on service sustainability.

This program is not sustainability for many pharmacies at the current rates of remuneration. As mass vaccination hubs have started downscaling, the onus has fallen on pharmacists to deliver not only the booster program but also paediatric vaccinations placing further pressure on the already-exhausted pharmacist workforce.

Current rates of remuneration are summarised below:

Description	Pharmacists		General Practitioners	
	MM1 Fee	MM2-7 Fee	MM1 Fee	MM2-7 Fee
First Dose Administration	\$16	\$19	\$31.05	\$37.70
Second Dose Administration (by same provider)	\$26	\$29	\$34.45*	\$37.80*
Second Dose Administration (by different provider)	\$16	\$19	\$24.45	\$27.80
Booster Dose Administration	\$26	\$29	\$34.45	\$37.80
COVID-19 Vaccine Suitability Assessment (billable once only)	Nil	Nil	\$39.10	\$39.10

\* including \$10 Practice Incentive Payment

### ***The proposed approach***

PSA recommends that the Commonwealth Government address this pay disparity by introducing an immunisation service payment of \$39.10 per NIP vaccination administered by pharmacists.

This payment should be implemented through the MBS. It should be modelled on the Level B payment available to GPs, which is defined as professional attendance by a general practitioner lasting less than 20 minutes, which includes providing appropriate preventive health care.

Improvements in remuneration will ensure that pharmacists are recognised in accordance with that of other vaccinators, both financially and professionally, ensuring that vaccination services remain viable for pharmacies and that pharmacists are adequately remunerated for the time it takes to provide the service.

### ***Why it will work***

Pharmacists have now administered over five million COVID-19 vaccinations to Australians, with over 1 million vaccines administered in the past three weeks alone. With National Immunisation Program being available through nearly every state and territory in 2022 for influenza, including influenza for over 65's, funding for pharmacists will ensure that there are no out of pocket costs for the most vulnerable Australians who access National Immunisation Program, aligning with the policy intent of the program.

The \$10 increase in remuneration for boosters was followed by three record weeks of vaccinations administered by pharmacists. This demonstrates that pharmacists have been able to significantly increase their vaccinating capacity with additional resourcing – such as more booking slots, and longer vaccination hours – to keep the booster program on track.

Pay parity will ensure that vaccination services remain viable for pharmacies, and ensure that Australians have greater access to NIP vaccines and align to the policy intent of the program. This will

particularly improve access for those in rural and remote areas, or those in areas experiencing GP shortages and long waiting times for GP appointments.

### ***Budget implications***

PSA estimates this proposal will require a budget allocation of \$118.9 million over four years, equivalent to approximately \$5000 per year, per pharmacy.

This is based on the assumption that pharmacies will administer approximately 8.9% of COVID-19 vaccines and 12.5% of NIP-funded influenza vaccines.

### **Benefits for Australians**

- Continued access to COVID-19 vaccination through pharmacies, one of Australia's most accessible healthcare providers
  - Increased access to NIP vaccines for Australians, and ease of access for those in rural and remote areas, or areas with GP workforce shortages.
  - A happy, healthier pharmacist workforce, ensuring that the custodians of medicine safety can continue to service their communities and perform at their professional peak.
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## RECOMMENDATION 3

### **Supporting a GP-Pharmacist Collaborative Prescribing trial to address the urgent workforce crisis currently facing regional, rural and remote General Practice**

*PSA recommends that the Commonwealth Government provide funding of \$2.9 million over four years for a GP-Pharmacist Collaborative Prescribing Pilot, which would allow pharmacists embedded in General Practice to prescribe under a collaborative care model. This would enable GPs to better utilise the existing clinical pharmacist workforce and ensure Australians have access to timely, high quality and comprehensive care regardless of where they live.*

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#### ***The challenge***

Many parts of regional Australia are facing significant General Practice workforce shortages, with workloads already at breaking point.

People living in regional, rural and remote Australia have poorer access to primary healthcare services than those in major cities – including specialist services. As a result, there is a greater reliance on local GPs to provide primary healthcare. However, many regional areas are struggling to recruit and retain GPs, which has resulted in appointment waiting times blowing out.

This also puts further pressure on already strained Emergency Departments (ED), with patients likely to present to ED if they cannot access primary healthcare in a timely manner via their GP. Data from the Australian Institute of Health and Welfare shows that rates of lower urgency ED presentations are markedly higher in regional areas, at 159 cases per 1000 (compared to 92 in major cities).

The current workforce challenge can be demonstrated by the experience of Ontario Medical Clinic in Mildura, Victoria, which has lost three full time GPs over the past 6 months. With each GP seeing upward of 50 patients each working day, this equates to 625 patient appointment times lost each week. As a result, the previous 2-3 week waiting period for routine care became a 4-5 week minimum wait for many patients.

Workforce shortages and workloads are already at breaking point. This crisis situation requires urgent action to ensure Australians have access to timely, high quality and comprehensive care, regardless of where they live.

#### ***The proposed approach***

Expanding the scope of practice for Pharmacists working in General Practice to prescribe under a collaborative care model would enable GPs to better utilise the existing clinical pharmacist workforce, address the workforce crisis, and reduce avoidable hospitalisations due to medication misadventure.

Some General Practices already employ Pharmacists. In this role, pharmacists conduct pre-consultation appointments to gather healthcare information, review patient history and consult notes, assess pathology results, and make recommendations to GPs to adjust drugs and dosage. GP Pharmacists can also perform Home Medication Reviews, which involves visiting the patient at home, reviewing their medicines and holistic health, and making recommendations to the GP to optimise their medication regime.

A Pilot program would allow this collaborative care model to be trialled and tested in a number of GP Clinics in regional and remote Australia, whilst alleviating workforce pressures.

Under this Pilot, existing GP Pharmacists in General Practices located in MMM3 and above, or MMM2 where there is a demonstrated workforce shortage, would see their role expand to include:

- Issuing repeat prescriptions of existing medication in a patient's regime;
- Altering doses of existing medications;
- Prescribing alternative medicines where a patient has an intolerance or there is an obvious inefficacy to an existing medication, for existing conditions already diagnosed by the GP;
- Referring patients for pathology to aid in medication management.

The Pilot would be managed by PSA, and PSA would, in consultation with the Department of Health and the Australian College of Rural and Remote Medicine, identify potential clinics and manage the grant application process. PSA would also develop pharmacist prescribing guidelines and training to support GP Pharmacists participating in the trial.

### ***Why it will work***

Approximately half of all GP appointments are for the management of chronic or existing health conditions, as opposed to the diagnosis of something new.

Allowing GP Pharmacists to prescribe under a collaborative care model would improve patient access to timely, high quality and comprehensive care. This model would allow GPs to share the management of their patient with the GP Pharmacist.

This model would allow workforce shortages to be addressed by utilising the existing healthcare team for effectively.

Pharmacist prescribing is an established practice in a number of countries, including New Zealand, the United Kingdom, Canada, and the United States of America. Pharmacist prescribing is not too dissimilar to activities of the Nurse Practitioner workforce, which has been supported and expanded by successive Australian governments across all jurisdictions, with authorised nurse practitioners accessing the Medicare Benefits Schedule (MBS) to prescribe certain medicines and provide pathology and specialist referrals.

The primary concern generally raised around the topic of pharmacist prescribing is the lack of separation between prescribing and dispensing. By limited this Pilot to GP Pharmacists who are in non-dispensing roles, this separation can be maintained.

### ***Budget implications***

PSA estimates this proposal will require a budget allocation of \$2.9 million over four years.

This is based on the Pilot extended to 0.6 FTE per clinic, across five GP clinics. This includes funding for administrative support, the development of pharmacist prescribing guidelines, the design and delivery of 3x online eLearning modules, and a clinical evaluation of the pilot program.

## Benefits for Australians

- Improved access to timely, high quality and collaborative care for Australians in regional, remote and rural Australia.
  - Better utilisation of the existing clinical workforce in regional Australia;
  - Reduced GP waiting times and reduced pressure on hospital emergency departments;
  - Improved opportunities for career progression for pharmacists in regional areas.
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## RECOMMENDATION 4

### **Introduce an Medicare Benefits Schedule (MBS) rebate for pharmacists to be remunerated for their participation in multidisciplinary case conferences**

*PSA recommends the Commonwealth Government provide funding of \$2.5 million over four years to introduce an MBS rebate that would allow pharmacists to be remunerated for their participation in case conferencing. This would see more pharmacists participate in case conferences, leading to a reduction in medication-related harm.*

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#### ***The challenge***

Collaborative health care is widely accepted as necessary for good human health. The more complex someone's health issues are, the more important it is the whole health-care team works together effectively. Sadly, and often tragically, this often doesn't happen as it should.

Case conferencing is where a General Practitioner (GP) organise and coordinate allied health, home, and community service providers to ensure their patient's care needs are being met in a planned and coordinated manner.

At present, patients with a chronic or terminal condition, or complex care needs requiring services from their GP and at least two other providers, are eligible for case conference services. Allied health providers including audiologists, occupational therapists, optometrists, orthoptists, physiotherapists, psychologists, and speech pathologists receive an MBS rebate for participating in case conferencing.

Despite pharmacists playing a key role in medicine safety and medication management, particularly for patients with complex health needs, pharmacists are ineligible to receive an MBS rebate or any form of remuneration for their participating in multidisciplinary case conferences. This puts patient health and medicine safety at risk.

The MBS Review Taskforce examined the need for effective case conferencing and considered improvements to better engage in collaborative care, making a considered package of recommendations to government in mid-December 2020. The MBS Review Taskforce specifically recommended that pharmacists be added to the list of eligible allied health professionals, allowing them to access MBS items for medication management services for patients with complex care requirements.

In October 2021 the Commonwealth Government introduced a new allied health case conferencing item for a long list of allied health professionals. However, pharmacists were not included on this list.

#### ***The proposed approach***

PSA recommends the Commonwealth Government implement Recommendation 4 of the MBS Taskforce Review, by introducing an MBS rebate for accredited pharmacists to be remunerated for their participation in case conferencing, by adding accredited pharmacists to the list of allied health professionals who are eligible to claim for multidisciplinary case conferencing.

The MBS is a key funding mechanism to support innovative and collaborative models of care for chronic disease and complex conditions. Accredited pharmacists should be able to deliver these services from any setting, including general practice, aboriginal health services and community pharmacies. This would allow the right pharmacist with the right skill set to work as part of a multidisciplinary collaborative team.

This is a simple and cost-effective solution to address challenges in the health system and reduce harm caused by medicines.

### ***Why it will work***

Creating MBS items for all health practitioners to align with the equivalent GP items will foster better collaboration and enhanced safe and quality use of medicine outcomes for patients. Recommendation 4 recognises the extensive evidence base which supports case conferencing as necessary for effective, safe, patient-centred team-based care.

The recommendation means accredited pharmacists will, for the first time, be eligible to be remunerated for participation in multidisciplinary case conferences. This will lead to greater participation; identification of many medicine safety issues and resolution before they become a problem.

### ***Budget implications***

PSA estimates this proposal will require a budget allocation of \$623,000 per year, or \$2.5 million over four years.

This is based on the assumption that pharmacists would participate in approximately 40 per cent of case conferences.

## **Benefits for Australians**

- More coordinated health care, leading to fewer medicine safety problems, fewer avoidable hospitalisations for people with chronic health conditions
  - Better quality of life for people with chronic health conditions
  - Cost savings from reduced avoidable hospital admissions linked to chronic health conditions, such as COPD exacerbations, cardiac representations and complications of diabetes.
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