



Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

16th December 2011

Re Inquiry into the supply of health services to rural Australia

I would like to comment on the following Terms of Reference as they apply to the provision of pharmaceutical care services.

(a) the factors limiting the supply of health services and medical, nursing and allied health professionals to small regional communities as compared with major regional and metropolitan centres;

The provision of a pharmacy in a rural (and remote) town is dependant on the will of an entrepreneur to continue or establish a business as a commercial undertaking and therefore to expect a return on investment. This should not be the case as the practice of pharmacy – the supply, distribution and provision of information to the patient or community should be viewed as a part of the primary health care process. It is not and this is largely due to the fact it is seen as a part of the retail shopping environment and not located within the precinct of the health centre and other allied health facilities.

Pharmacy organisations in Australia are anxious to see a maintenance of the status quo – that is the system that has not changed since the Pharmaceutical Benefits Scheme came into play in 1950. All else has changed around it but not pharmacy despite cries for over 30 years that the profession is “*at the crossroads*” – it simply has not known which way to go – or if it has it has not been prepared to move from the proprietary model of private investment in a profitable business.

The Committee has the opportunity through its report to recommend that the provision of pharmacy services be included in the facility from which other health services evolve. The supply of medicines to patients provides the data required to evaluate effectiveness and recommend to the prescribers changes to prescribing or dosage regimes. So long as the supply function is done from a distant place this is not readily possible. It is essential that both emanate from the same location and this should be the health precinct. The example given in previous inquiry reports of Cootamundra is an ideal example of where the retail pharmacists did not want to locate to the primary health care service.

The benefits are numerous to the patients in that they are able to talk to a pharmacist about their prescribed medications at the same time as having them dispensed. Other clinicians (nurses, doctors and Aboriginal Health Workers) also have direct access to the knowledge a pharmacist has in therapeutics and the most recent advances with new medicines coming onto the market.

As the so called *PBS Reforms* take effect the economic viability of pharmacy businesses Australia-wide will be at risk. There is thus the need for an alternative action plan for smaller communities in rural areas that could suddenly be left without a pharmacy service at all.

Telepharmacy operations are also an innovation that is well developed in America but have failed to obtain a sponsor in Australia. This is a shame as it would be ideal for a small town to have a dispensary manned by a technician and directed from a distant location where a registered pharmacist would be supervising all dispensing functions from the reading of the prescription to the placing of the label on the packet of tablets.

Such an operation should be encouraged to provide an ongoing dispensing service to small rural and remote towns where a pharmacy business is simply not an economically viable proposition.

The Pharmacy Guild continually wants more money to maintain the network of 5,000 pharmacies across Australia. The truth of the matter is that there is no need for that number and a reduction in pharmacy business would free up funds that could be used for innovations like telepharmacy. The Guild says the network must be sustainable but for who? The entrepreneur who has their money invested – not the public – they could make other arrangements.

An illustration of telepharmacy is attached.

(b) The effect of the introduction of Medicare Locals on the provision of medical services in rural areas;

The following is extracted from the **Discussion Paper – on governance and functions** - in response to the question “what will Medicare locals do?” It is stated:

*Provide support to clinicians and service providers to improve patient care
By building on the good work in supporting providers by Divisions of General Practice, Medicare Locals will see greater levels of interaction and integration across the full primary care system (including nursing, allied health, specialists and pharmacy). This will encourage more appropriate and coordinated care being provided to more patients. Medicare Locals will assist primary care providers to meet safety and quality standards of service delivery in their local community, and monitor and provide feedback to providers on their performance.*

The key words here are **integration** and **interaction**. This has proven not to happen while the pharmacy service operates from premises separate from the medical or health centres. They (pharmacies) are seen by the public to be removed from the primary health picture while, positioned next to a giant supermarket in a regional shopping centre. Medicare Locals should provide the impetus for pharmacies to co-locate with other allied health services and discard their shop environment image in favour of a fully integrated and interacting health precinct location. It is only when this happens that other allied health and medical practitioners will appreciate the knowledge inherent in a pharmacist's training and realize how this can be used to benefit patient care.

I will be pleased to expand on these points to the Committee in person should you decide to conduct a public hearing in Darwin.

I have no objection to this submission being posted on the Internet.

Yours sincerely

ROLLO MANNING
Principal

Attachment – Telepharmacy – see separate PDF file