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National Health Amendment Bill (No. 2) 1989

Date Introduced: 29 November 1989
House: House of Representatives
Portfolio: Housing and Aged Care

Digest of Bill

Purpose

Increase the membership of the Pharmaceutical Benefits Remuneration Tribunal (the Tribunal) and provide for the appointment to the Tribunal, after consultation with the Pharmacy Guild of Australia, of at least one member who has had previous experience in community pharmacy.

Background

The Tribunal and the area of pharmaceutical benefits has attracted a lot of publicity in recent months due to a determination of the Tribunal made on 28 August 1989. For information relating to the Tribunal's determination and response of the Pharmacy Guild of Australia, refer to the Digest for the National Health Amendment (Pharmaceutical Benefits Determinations) Bill 1989 (Private Senator's Bill).

On 17 November 1989, the Tribunal announced that it would review its determination of 28 August 1989. The Tribunal conceded that its August decision may have been based on inaccurate information and therefore may not have properly reflected the real costs incurred by pharmacists. The Tribunal invited persons and organisations to submit further information to a public hearing which could establish a prima facie need for a new inquiry. Also on 17 November 1989, the Prime Minister announced that, for any new inquiry, an additional member, with previous experience in community pharmacy, would be appointed to the Tribunal.¹ Following a public hearing on 29 November 1989, the Tribunal, in a Statement issued on 4 December 1989, announced that it had found that there was sufficient concern to enquire afresh into the matter of the dispensing fee and to arrange for a fresh survey of pharmacists' costs in dispensing pharmaceutical drugs. The survey was made subject to certain conditions, including that pharmacist co-operate fully in the survey, allow the survey and subsequent review to be undertaken free of duress and in a calm and proper atmosphere, and that there be a return to the status quo existing prior to the 28 August 1989 determination. These conditions have been agreed to by the principal organisations and associations of pharmacists'.² On 29 December 1989, the Tribunal announced that the Pharmaceutical Benefits Scheme remuneration formula would revert to the pre-1 November 1989 formula on 1 January 1990.

Main Provisions

Clause 3 will increase from two to four the number of members additional to the Chairperson that can be appointed by the Minister to the Tribunal and provide that the Minister is to appoint as an additional member, after consultation with the Pharmacy Guild of Australia, at least one person who has had experience in community pharmacy but is no longer engaged in community pharmacy.

Clause 4 provides that the minimum size of the Tribunal will be the Chairperson and at least two additional members and that the Chairperson may give directions as to the constitution of the Tribunal for the purposes of any inquiry.

References

1. *The Weekend Australian*, 18 – 19 November 1989.
2. Pharmacy Guild of Australia, *National Newsletter*, January 1990.

For further information, if required, contact the Education and Welfare Group.

18 January 1990

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This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

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