

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Budget Estimates 2011-2012, 30/31 May 2011

Question: E11-005

OUTCOME 2: Access to Pharmaceutical Services

Topic: DEFERRED PHARMACEUTICAL BENEFITS SCHEME APPROVALS

Written Question on Notice

Senator Xenophon asked:

- a) Why has the most recent round of PBS approvals been deferred?
- b) How long will this deferral last?

Answer:

a) and b)

The Australian Government is committed to a sustainable PBS as a key to keeping medicines affordable and accessible, and delivering better health services for all Australians.

The cost of the PBS has continued to grow over the past ten years, averaging growth of about nine per cent a year, and it is estimated it will cost over \$9.5 billion over the 2011-12 financial year.

A fiscally responsible Government cannot continue to increase funding for one program at the expense of other pressing health needs, in the hope of a reduction in costs at some point in the future. The Government must deal with the fiscal circumstances and health priorities now, as well as assessing future growth patterns.

Consequently, the Government is concentrating on listing medicines on the PBS that treat serious and life threatening conditions where there are no alternative treatments on the PBS.

Those listings which have been deferred will be reconsidered when fiscal circumstances permit.