



**Parliament of Australia, Senate Community Affairs Committee  
Finance and Public Administration Reference Committee  
The Government's administration of the Pharmaceutical Benefits Scheme (PBS)**

## **Submission**

### **Introduction**

We thank the Parliament of Australia, Senate Community Affairs Committee for the opportunity to provide input into the Inquiry into the Government's administration of the Pharmaceutical Benefits Scheme (PBS)

The *Private Mental Health Consumer Carer Network (Australia)* (hereafter Network) represents Australians who have private health insurance and/or who receive their treatment and care and their carers, from private sector settings for their *mental illnesses or disorders*. As our title implies, the Network is the authoritative voice for consumers and carers of private mental health settings.

The Network is committed to working with the Parliament of Australia, Senate Finance and Public Administration Committee and relevant others in addressing the needs of people with a mental illness and their family or carers. We bring to this Submission, a mental health consumer and carer perspective.

Mental health brings with it many challenges. As a consumer and carer organisation we are in a position to provide direct 'lived' experiences to the Inquiry and would welcome the opportunity to engage in further consultations.

Whilst our Network is primarily focussed on mental health delivered in private sector settings such as private hospitals and private providers in their own practices, we nonetheless consider this an opportunity to focus on the whole of the mental health system far more broadly than just the private sector.

### **Issues relating to the Terms of Reference**

There are a number of issues relating to the authorisation of, and prescriptions for, medications from private practitioners which do not necessarily affect those in the public mental health sector. The relevant Terms of Reference to which we are responding are:

**(a) The deferral of listing medicines on the PBS that have been recommended by the Pharmaceutical Benefits Advisory Committee**

The Network is very concerned that the Government has delayed the listing of several medications, in our area psychotropic, which have previously been recommended by the Pharmaceutical Benefits Advisory Committee (PBAC)

The cost of non-PBS listed medication will most often be beyond the financial reach of the patient and, in desperation, the patient may be required to switch to an alternate (but possibly less useful and with greater side effects) medication listed on the PBS. Consequently, risks to their health may in fact be increased.

**(d) Any impacts on the future availability of medicines in the Australian market due to such deferrals**

The Network is very concerned that the Government has adopted a stance that drugs will be added to the PBS as a consequence of no other treatments being available for a particular condition or disease. The Government has taken this action despite the PBAC's recommendation, in what appears to be a purely cost-saving measure.

**(f) The financial impact on the Commonwealth Budget of deferring the listing of medicines**

As a result of a mental illness or disorder, many people are disadvantaged in their ability to find and retain meaningful paid employment on a long term basis. Through no fault of their own, many survive on the Disability Pension or worse, suffer a homeless existence. This results in severe financial hardship.

Practitioners must feel a great degree of frustration knowing particular drugs would benefit their patients but, since they are not listed on the PBS and therefore not affordable for them, are unable to prescribe. From a consumer's perspective, this is unacceptable. Knowing that there are drugs available, but not within their reach.

Many psychotropic drugs have severe side effects which impact on overall health. Any alternate drug which offers the same therapeutic benefits without unacceptable side effects must be made available. If this means listing on the PBS, then this must follow.

The question of which will be the greatest long term cost must be asked; The long term medical management of physical conditions resulting from side effects and the cost to the health system and to the individual themselves, or the listing of a more appropriate drug, which in the first instance appear to be costly?

The processes of PBAC in recommending particular drugs for listing on the PBS are well documented and in a media release by Health Minister Nicola Roxon of 5 July, 2011 she stated that-

*"The PBAC is an independent, expert advisory body comprising doctors, other health professionals and a consumer representative and makes recommendation to the Australian Government about PBS listings after considering safety, clinical effectiveness and cost-effectiveness of medicines for intended use compared with other available treatments.*

*Since 2007, the Government has, following PBAC recommendations, listed more than 500 new medicines or brands recommended by PBAC at a cost of more than \$4 billion. This includes more than half a billion in the first six months of 2011.*

The listing of drugs on the PBS goes through a series of very strict criteria. Drug Companies must establish the grounds of their request with strong and substantiated data. This is reviewed by the panel of experts (PBAC) referred to by Minister Roxon above and their recommendations made. If this is the protocol set up **by** Government to provide informed advices **to** Government, it is surprising that a decision contrary to the recommendation of this officially recognised body is made.

**(i) Any other related matter.**

A further concern long held by the Network, is the lack of availability of newer atypical anti-psychotic medications for disorders other than schizophrenia and bi-polar. We first raised this issue in our Submission to the Senate Select Inquiry into Mental Health in 2004.

Apart from patients with a diagnosis of schizophrenia, and Bipolar Disorder, the newer atypical anti-psychotic medications are not approved under the Pharmaceutical Benefits Schedule to be used for other conditions in private practice.

There is strong evidence that these medications can be used, in low doses, to very usefully treat a number of other disorders, particularly mood disorders, post natal depression, and post-traumatic stress disorder - in fact, any disorder where there is evidence of psychosis. The restriction on making these medications available on the PBS effectively prohibits private practitioners from providing evidence-based best treatment for a great number of their patients.

There is a strong argument that this decision is also a bureaucratic decision based entirely on cost.

**Conclusion**

The Network has been pleased to provide this Submission to inform the Inquiry into the Government's administration of the Pharmaceutical Benefits Scheme (PBS)

We would welcome the opportunity of providing further input into the Inquiry or to discuss this submission directly from a consumer and carer 'lived' experience.

We thank you for the opportunity of providing this information to you. I would be pleased to discuss any aspects or provide further information.

Yours faithfully,



Ms Janne McMahon OAM  
Independent Chair, 7 July, 2011