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

By email transmission: community.affairs.sen@aph.gov.au

Dear Committee Secretary,

Senate Committee - The supply of chemotherapy drugs such as Docetaxel

I welcome the public discussion and the Senate Inquiry on the supply and funding of chemotherapy drugs. I would like to take this opportunity to make a submission to the Senate Committee.

UnitingCare Health (UCH) operates one of the largest not-for-profit private hospital groups in Australia, providing for over 1,000 licensed hospital beds spread across five facilities in South-East Queensland. A 'not for profit' organisation, owned entirely by the Uniting Church, UCH reinvests any financial surplus directly back into our hospitals and services including the provision of pastoral care services on behalf of the Uniting Church, not only in our own hospitals but also in most major public hospitals in Queensland.

The Wesley Hospital, one of UCH's largest private hospitals, proudly services over 115,000 patients from Australia and overseas annually. With 524 overnight beds, The Wesley is renowned for clinical excellence and positive patient outcomes, over more than 35 areas of clinical specialty including special clinical services such as: The Wesley Hospital Palliative Care Unit, The Wesley Hospital Pain Management, The Wesley Hospital Back Rehabilitation Program, The Wesley Hospital Cardiac Rehabilitation Program, The Wesley Hospital Kim Walters Choices Program and The Wesley Hospital Breast Clinic.

In 2012, 9,000 inpatients received chemotherapy treatment at The Wesley Hospital for a wide range of oncological and haematological malignancies, including more intensive therapies such as bone marrow transplantation. The care of these patients required input from a multidisciplinary team of doctors, nurses, pharmacists and other allied health personnel and careful coordination with third-party providers to assure safe and timely preparation of the often complicated cytotoxic therapies.

Many of these therapies are individualised, requiring consideration of variables such as age, weight, sex, clearance organ function, immune status, and stage of medication cycle prior to preparation of the therapy. Additionally, expiry dating on the formulated product requires careful multidisciplinary planning to obviate wastage, often times warranting preparation and transport immediately prior to the intended infusion time. The clinical labour requirement is substantial.

The 1 December 2012 and 1 April 2013 Pharmaceutical Benefits Scheme (PBS) price reductions neglected to appreciate the services that pharmacy provides to ensure safe and timely supply of the individualised chemotherapy medication requirements of each of our patients. These price reductions come in the broader context of an on-going erosion of pharmacy margins arising from selective amendments to PBS remuneration for section 94 pharmacies such as our own.

The 1 December 2012 and 1 April 2013 Pharmaceutical Benefits Scheme (PBS) price reductions will negatively impact on the hospital's ability to satisfy the full range of chemotherapy medication supply requirements within their allotted means.
The Wesley Hospital has been already supplying several chemotherapy infusions at a loss for a number of years. PBS reimbursement for the chemotherapy infusions is the primary recovery mechanisms of costs associated with their distribution. I am concerned that any further PBS price reductions will significantly reduce UCH's ability to sustain the delivery of optimal patient outcomes.

Unfortunately, the increased costs of chemotherapy medication supply can not be compensated through health fund contracts as health insures are not wiling to consider additional recovery for the provision of chemotherapy infusions.

The 'collateral damage' of increased costs associated with the supply of chemotherapy treatments will extend to the UCH's ability to invest into staff training, hospitals redevelopment and purchasing the latest technology required to maintain high standards of care delivered to the Australian community. Another indirect impact of a potentially reduced capacity of private hospitals in the provision of chemotherapy services to Australians will be a shift of chemotherapy treatments to the already overloaded public health system. Considering that an estimated 60% of patients are treated in private hospitals the impact on the public sector could be detrimental.

I am aware that in the past eight months the Government received proposals for several sensible solutions to this issue. I strongly believe that one of the proposed solutions, an increase in the current infusion fee to the chemotherapy pharmacist to a level that recognises the professional services provided, would be a logical step towards the introduction of fair, transparent, and sustainable model of chemotherapy funding.

I would welcome the opportunity to speak directly with the Senate Committee in more detail on my concerns and thoughts on this important subject.

Yours sincerely

Richard Royle
Executive Director