

I wish to make the following submission to this inquiry based on the Terms of Reference.

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

I was dismayed to hear that Government had not accepted the recommendations provided in good faith in relation to medicines which had been assessed as being of benefit to our community. The actions of government appeared to be based on financial implications and not on the quality use of medicines for our community. If our government's financial position had been downgraded to "junk" status as is happening in other parts of the world, perhaps there may have been some justification for this type of decision. However this is not the case – we have a sound economic advantage over many other countries, we do not need to have these important health decisions deferred or rejected.

If our government was to continue to make similar decisions, ie based purely on financial considerations and perhaps political as well, consumers could rightly query why have an administrative body to assist government, at all.

**(b) any consequences for patients of such deferrals;**

From my readings I understand that some of the rejected medications may have an equivalent quality medicine already available. However medications already available on the market of similar quality, may not always suit each individual. Some of the rejected medications may have been able to assist these people.

**(c) any consequences for the pharmaceutical sector of such deferrals;**

Yes – the time involved in getting the recommendations through the various stages to be considered by government is quite horrendous. Time costs money, delays costs money. If there is no consistency in any industry, that industry will eventually fail or go offshore where reliability may be more consistent. Australian industries need consistency in government processes so that they can confidently continue their business in our country.

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

Yes I think so – as I stated above, time delays and uncertainty in processes will give industry and new developers a very loud message – saying GO AWAY, WE CAN'T DO BUSINESS WITH YOU. Is this really what our government wants? It most certainly is not what Australian consumers want.

**(e) the criteria and advice used to determine medicines to be deferred;**

This is currently a lengthy process and I understand it is being addressed in the National Health Reform agenda. I have never quite understood why Australia needs to redo all tests on a particular medication when these have been conducted by such countries as United Kingdom, Canada and New Zealand and that particular medication has been on the market in those countries for some years. I do hope that the reform agenda will be able to develop a more comprehensive and quicker assessment and recommendation method.

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

I can foresee that there will be a negative effect on the Commonwealth Budget over a number of years. By deferring the listing of medicines, this may delay the recovery process to consumers who need these particular medicines. Again, delays costs money – it also costs in the social environment where families are under constant strain when a disease or illness takes longer to control.

**(g) the consultation process prior to a deferral;**

I am not fully aware of the current consultation process prior to deferral. It appeared to be a shock to many – perhaps it was just a phone call from Cabinet? I would recommend that any future deferral process be clearly defined including time frames.

**(h) compliance with the intent of the Memorandum of Understanding signed with Medicines Australia in May 2010; and**

I understand that referral process is a recommendation only. If the MOU was not clearly detailed in relation to intent, perhaps it needs to be revisited with a view to ensuring that all compliance matters are more clearly articulated.

(i) any other related matter. n/a

Submitted by Valerie Hanrahan