THE POTENTIAL ECONOMIC IMPACT OF EXPANDED ACCESS TO SELF-MEDICATION IN AUSTRALIA

EXECUTIVE SUMMARY
Policy relevance

There is an opportunity to alleviate the chronic shortage of GPs in the community through a policy response involving better use of pharmacist skills to address a range of minor ailments.

The study identifies some $260 million in costs associated with GPs treating minor ailments, and the opportunity to redirect primary care resources to government priority areas including acute conditions and preventative health.

Further, some 59% of minor ailments are currently treated with a prescription, offering the prospect of savings to the PBS as a result of redirecting some minor ailments away from general practice, toward pharmacy, at least as a “first port of call”.

Pharmacists now offer many types of primary care, and in other nations such as the UK, governments have recognised the potential role of pharmacists in minor ailment care.

To assess the potential for substituting enhanced pharmacist primary care for GP care in Australia, and to assess whether better use of pharmacists’ skills might allow safe and appropriate substitution of non-prescription medicines for prescription medicines, the study reviewed the ten most frequently encountered minor ailment in general practice. They were:

1. Acute upper respiratory tract infection (URTI)
2. Diarrhoea & gastroenteritis
3. Viral infection
4. Pain in joint
5. Malaise & fatigue
6. Dorsalgia
7. Low back pain
8. Cough
9. Headache
10. Constipation

The study was undertaken by independent health economist, David Gadiel for the Australian Self Medication Industry in September 2009.
**Data sources**

Based on a classification of minor ailments derived from work undertaken by the Proprietary Association of Great Britain, the industry body representing the manufacturers of over-the-counter medicines, ASMI commissioned IMS Health to investigate how GPs in Australia manage patients who present with minor ailments.

For this purpose, IMS used a data file constructed from treatment reported by stratified cluster samples of GPs on the way they treat different minor ailments.

Data were collected weekly during the course of IMS’s routine quarterly medical audits from a rolling sample involving some 600 GPs who treated patients during the year ended June 2008. The data file contains records of some 43,700 GP attendances coded for the nominated minor ailments and their associated treatment.

IMS estimated total GP attendances for minor ailments that attracted a Medicare benefit during the year to June 2008 to be some 26 million in a population of 118 million non-referred GP attendances in that year.

It indicates that the ten most frequently treated minor ailments involved some 22,000 unique patients and accounted for 58% (about 25,000) of all minor ailment attendances in the year to June 2008. The latter would project to about 15 million GP attendances for Australia as a whole.

The most frequent minor ailment treated by general practice was acute upper respiratory tract infection (URT), accounting for some 36% of the top 10 minor ailments, followed by ‘dorsalgia’ (14%) and ‘diarrhoea and gastroenteritis’ (11%).

**Major Findings**

This study suggests three outcomes from a minor ailments scheme using pharmacists - one affecting the shortage of GPs, the second affecting the budget costs of the federal government, and the third relating to private household costs..

1. **Impact on the current GP shortage**

An important gain from deflecting certain types of minor ailment care (not all primary care) from general practice to pharmacy would be to free up GP time to treat chronic conditions. Based on the GP care of minor ailments during 2007/08, this report shows that allowing a trained pharmacist to treat minor ailments, would translate into an effective increase of up to 1,000 full time equivalent GPs, or some 7% of Australia’s full time equivalent GP workforce. This would allow the GP workforce to attend to more urgent primary care needs as well as to preventative health.
2. Impact on the federal government budget for Medicare payments

There would be notional financial savings to the federal government from reduced GP cost of treating and prescribing for minor ailments. The study showed that 59% of GP consultations for minor ailments were treated with a prescription medicine.

In terms of GP time alone, the reduced cost of benefits paid by Medicare during 2007/08 could have amounted up to $260 million. Even if, as is likely, some of the ‘freed-up’ time of GPs was redeployed to other areas such as chronic disease, it still represents a more efficient utilisation of scarce national health resources.

3. Impact on private household costs

Without further study of the likely costs falling on private households if there was a greater take-up of non-prescribed medicines dispensed by pharmacists, we are not able to estimate the potential savings in household costs. The reduced costs of travel to and waiting time at a GPs office would need assessment alongside the potentially higher costs of non-prescribed drugs without any PBS subsidy. This latter cost would depend on pharmacy pricing for drugs used in minor ailment care.

Limits of the analysis

This study focused on only ten minor ailments, and our estimates of savings are therefore limited by this sample, but remain conservative. Our results are broadly consistent with a similar study by IMS in the UK which found 57 million GP consultations for minor ailments annually, costing £2 billion. Thus we are reasonably confident that our study has relevance for public policy for primary healthcare in Australia.

Second, because we have no information about patient outcomes of GP treatment, it was not possible to make any findings on the health outcomes afforded to patients in different categories.

We have indicated that any policy review of a minor ailments scheme similar to the UK model should engage all relevant parties in discussions. This would enable a fuller assessment of the risks and benefits not analysed in our study.