

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Additional Estimates 13 & 15 February 2013

Question: E13-004

OUTCOME 2: Access to Pharmaceutical Services

Topic: Home Medicines Review Program

Type of Question: Written Question on Notice

Senator: Senator Xenophon

Question:

- a) What is the department's position on the reported over-expenditure in the Home Medicines Review Program?
- b) Does the Department have a figure on this overspend? It has been estimated at twice the budget for the program.
- c) What measures or safeguards have been put in place to ensure this program is not being rorted?

Answer:

- a) It is a positive sign that the Home Medicines Review (HMR) Program has experienced ongoing significant growth since its introduction in 2001. This indicates there is still significant unmet demand for this service among consumers. However, the Department of Health and Ageing is keen to work with the Pharmacy Guild of Australia (the Guild) to ensure that this growth is appropriate, and HMR services are conducted within the policy intent of the program.
- b) The HMR Program is projected to overspend by approximately \$16.5 million this financial year. The Guild and the Department are currently in discussions around how this will be managed within existing funding that is allocated for the Fifth Community Pharmacy Agreement.
- c) The Department is aware of emerging practices and business models in the HMR Program that were not originally envisaged. Since December 2012, the Department has engaged with the Guild to implement a number of changes to the Program to ensure that it is appropriately targeted and sustainable, with effect from 15 March 2013.

These changes include:

- ceasing the ability for HMR's to be conducted outside the home (without pre-approval in defined circumstances); and
- to only permit HMR's to be conducted by accredited pharmacists, including interview and report write up (non-accredited pharmacists will only be permitted to conduct the interview with pre-approval in defined circumstances, for example, lack of timely access to an accredited pharmacist in a remote area).

The Department of Human Services – Medicare Australia also conducts compliance activities on HMR claims in accordance with its risk management framework.