

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Additional Estimates 2016 - 2017, 1 March 2017

Ref No: SQ17-000026

OUTCOME: 4 - Individual Health Benefits

Topic: Life Saving Drugs Program

Type of Question: Hansard Page 41, 1 March 2017

Senator: Watt, Murray

Question:

Ms Shakespeare: The Life Saving Drugs Program is a separate medicines funding program to the PBS. The Pharmaceutical Benefits Advisory Committee has statutory functions relating to the PBS. The Life Saving Drugs Program is administered separately and it has program criteria as set out on the website. The role of the PBAC in the Life Saving Drugs Program is that medicine must have been considered by the PBAC for listing on the PBS and been rejected by the PBAC before it is considered for listing on the Life Saving Drugs Program. So it is not actually a function of the PBAC to provide advice or decide whether or not a medicine is included on the Life Saving Drugs Program.

Senator WATT: I accept that, but it seems that, at least back in July 2012, they did have a role in this process in that it was their role to determine whether there was evidence acceptable to them to predict that a patient's lifespan will be extended. Do they no longer have that role?

Ms Shakespeare: They do not have that role, no.

Senator WATT: But they did back in 2012?

Ms Shakespeare: They do have that role in relation to considering whether or not medicine should be listed on the PBS.

Mr Stuart: Their role is about the PBS, not about the Life Saving Drugs Program. We do not have in front of us what you do, so I think we might have to take on notice that specific quote and understand where it came from and when and in what context.

Senator WATT: That is fair enough, but are you saying that to your knowledge the PBAC has never had a role in these decisions around life-saving drugs?

Ms Shakespeare: I was describing the program as it operates now. I think we would need to go back and look at documents from 2012.

Answer:

The Life Saving Drugs Program (LSDP) criteria were previously clarified, to reflect the role of the Pharmaceutical Benefits Advisory Committee (PBAC) consistent with legislation.

The PBAC is established as a statutory committee under the *National Health Act 1953*, and as such, it can only perform functions conferred on it under legislation.

The Department of Health confirmed in 2012 that it is not a function of the PBAC to decide whether or not a medicine is included in the LSDP.

Changes were made to the LSDP program to ensure it reflected the correct role of the PBAC, and since then the program has operated so that an application may not be made to list a medicine on the LSDP until it has first been rejected by the PBAC for PBS listing on the grounds of cost effectiveness. Following an application for LSDP listing, the Chief Medical Officer provides advice about whether the LSDP criteria are met, including whether there is evidence to predict that a patient's lifespan will be substantially extended as a direct consequence of the use of the medicine.

In July 2016, some documents were identified on the department's website that had not been updated to reflect the changes. The documents were subsequently updated.