

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Supplementary Budget Estimates 2010-11, 20 October 2010

Question: E10-085

OUTCOME 2: Access to Pharmaceutical Services

Topic: PROPOSED REFORMS AND PBS GROWTH

Written Question on Notice

Senator Boyce asked:

- a) Could you please provide the annual growth rate by year of the PBS over the past ten years and the average over this period?
- b) What is the future rate of growth of the PBS projected by the Department with and without the proposed reforms to the PBS?
- c) What is the future rate of growth of the PBS by F1 and F2 formulary?

Answer:

- a) The PBS average annual growth rate over the last ten years (1999-2000 to 2009-10) was 9.1 per cent. The individual annual growth rates for each of the last ten years are listed in the following table:

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Annual Growth Rate	22.0%	7.5%	10.4%	10.9%	7.0%	2.7%	4.3%	9.0%	9.2%	9.0%

Note: Based on PBS expenditure figures published in Department's annual reports.

- b) The Budget 2010 forecast average annual rate of growth for the PBS (2009-10 to 2013-14) was 6.5 per cent. This includes the estimated savings from the proposed reforms. If the savings from the proposed reforms are excluded the corresponding forecast becomes 7.5 per cent.
- c) Forecasts by formulary are not undertaken by the Department.