

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Supplementary Budget Estimates 2015 - 2016, 21 October 2015

Ref No: SQ15-000693

OUTCOME: 2 - Access to Pharmaceutical Services

Topic: Efficient Funding of Chemotherapy Review

Type of Question: Hansard Page 85, 21 October 2015

Senator: Seselja, Zed

Question:

- a) Is there a figure in that report that suggested \$41.33?
- b) So all the work was done in that report and that was what pointed to dropping it for non TGA licensed compounders. How many sites contributed data to be able to come to that conclusion?

Answer:

- a) The Review of Funding Arrangements for Chemotherapy Services of October 2013 (the Review) reported on Government funding for chemotherapy preparation and related activities. It included the following fees (at that time):

• Wholesale/distribution costs	\$24.79
• Diluents	\$4.91
• Preparation	\$41.33
• Dispensing	\$6.63

These fees applied in private hospital and community pharmacy settings.

- b) The Review invited key stakeholders and other interested parties to provide information and costing data. 20 individual sites, responsible for an estimated 35 per cent of all chemotherapy infusions dispensed in Australia, chose to provide data to the Review. The Review reported that while the direct costs of compounding are comparable between pharmacies that undertake in-house compounding and Therapeutic Goods Administration (TGA)-licensed compounders, TGA-licensed facilities have additional set up and maintenance costs in meeting the standards associated with holding a TGA manufacturing licence.