

Media release

Thursday 2 May 2019

Hidden \$44m PBS cut questions commitment to medicines 'revolution'

Visionary policies and renewed commitments to reducing the cost of new and improved medicines were front and centre at today's Health Debate at the National Press Club, however the rhetoric belies \$44m in cuts to hospital pharmacy, potentially putting 500 jobs at risk, the Society of Hospital Pharmacists of Australia (SHPA) warned today.

A hidden detail of the 2019 Federal Budget will cut funding to the Pharmaceutical Benefits Scheme (PBS) through a reduction in funds being paid to hospitals, from 1 July 2019.

The *Improving Access to Medicines - supporting community pharmacy* measure will slash the mark-up paid to public and private hospitals to support treatment with PBS medicines and medicines safety activities – from 11.1% to 7.52% – cutting millions of dollars from hospital budgets that are used to support the management of PBS medicines to patients being treated after heart attacks, stroke, life-threatening infections and during chemotherapy.

SHPA Chief Executive Kristin Michaels says without support for Australia's expert health workforce, investment in medicines cannot translate into improvements to the treatment and care of Australia's most unwell patients.

'Information provided by the Department of Health indicates the funding cut will remove \$44 million from Australian hospitals annually, the majority from public hospitals.'

'On behalf of our members, SHPA [has been speaking to all major parties](#), however we are yet to see evidence of any measures to reduce the negative impact of these cuts.

'The PBS is an invaluable mechanism improving equity of medicines access for all Australians, but it must be funded appropriately to ensure high quality patient care, and that includes pharmacy review, counselling and medicines management.

'Rather than quietly cutting funds to the people who are experts in medicine management in acute settings, the government should be increasing support for hospital pharmacies to ensure that, as more and more complex medicines are added to the PBS, they can be used optimally and provided to more patients as effectively as possible.

'Hospital pharmacists are a key part of the multidisciplinary team and this budget cut will reduce their ability to provide patient services in the right place, at the right time – jobs will be lost and fewer patients will be able to be treated.'

Ms Michaels says the 'alignment' of hospital pharmacy and community pharmacy wholesale medicine mark-up, as described in the 2019 Budget, does not tell the whole story.

‘Medicine regimens provided in a hospital setting are complex, designed and managed by treatment teams that involve hospital pharmacists in pivotal roles – these are very different healthcare scenarios to how PBS medicines are handled in the community pharmacy setting.

‘The pricing reduction to 7.52% removes funding currently paid to pharmacy departments as part of the Pharmaceutical Reform Agreement, which was implemented to reduce the wastage of scarce primary care resources and support better, patient-centred care.

‘Prior to this agreement between the federal and key state governments, patients were forced to rush to a GP after being discharged from hospital and some went without crucial medicines for days – a situation Australians should not be asked to accept in 2019.

‘On behalf of our members, we warn strongly against removing funding that enables medicines to be provided effectively to people leaving hospital after organ transplants and trauma surgery, or following treatment for chronic illnesses such as arthritis and diabetes.’

Ms Michaels says SHPA first raised concerns surrounding the Budget measure with the offices of the Health Minister, Shadow Health Minister and Leader of the Australian Greens last week.

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About SHPA

The Society of Hospital Pharmacists of Australia (SHPA) is the national, professional, for-purpose organisation for leading pharmacists and pharmacy technicians working across Australia’s health system, advocating for their pivotal role improving the safety and quality of medicines use. Embedded in multidisciplinary medical teams and equipped with exceptional medicines management expertise, SHPA members are progressive advocates for clinical excellence, committed to evidence-based practice and passionate about patient care.

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