

13 March 2026

PHARMAC
PO Box 10254
The Terrace
Wellington 6143

Sent via email to: consult@pharmac.govt.nz

Dear Sir/Madam,

Re: Feedback on the consultation on changes to how the Pharmaceutical Schedule will work

The Pharmacy Guild of New Zealand (Inc.) (the Guild) is a national membership organisation and the largest representative of community pharmacy owners in New Zealand. We provide leadership on all issues affecting the sector and advocate for the business and professional interests of community pharmacy.

Our feedback focuses on the practical, operational, and system-level considerations required to ensure the proposed changes to the Pharmaceutical Schedule (the Schedule) can be implemented in a safe, equitable, and sustainable manner, without creating unintended burden or risk within the medicines supply chain.

We support the objective of modernising the Schedule to improve usability, transparency, and digital interoperability. A more structured and machine-readable Schedule has the potential to improve clarity around funding pathways, product groupings, and prescribing intent, while reducing ambiguity between subsidy rules, product listings, and supply status.

However, we believe that careful consideration will be required to ensure that implementation does not create operational disruption across the health system. Community pharmacies operate at the end of a complex medicines ecosystem that includes product suppliers, prescriber management systems (PMS), pharmacy management systems (PhMS), wholesalers, decision-support tools, and national digital infrastructure such as the New Zealand ePrescription Service (NZePS) and the New Zealand Universal List of Medicines (NZULM). These systems are closely interconnected, and many rely on legacy architecture that has evolved over many years. As a result, changes can be slow, technically complex, and costly to implement.

If the Schedule architecture changes faster than supporting systems can adapt, the result may be increased manual processing, workflow disruption, and potential safety risks at the point of dispensing. Pharmacists act as the final safety checkpoint in the medicines supply chain, and any ambiguity or system misalignment introduced through structural changes to the Schedule will ultimately need to be resolved at this stage of the medicines process. For this reason, while we support the direction of travel toward a more modern and interoperable Schedule, successful implementation will depend on careful sequencing, vendor and system readiness across the sector, and practical support for product suppliers, prescribers, pharmacies, wholesalers, and software vendors.

We also have significant questions and concerns regarding the proposal to change product identifiers within the Schedule, including the rationale for this change and the associated risks,

operational implications, and potential significant costs for the sector. We believe that further clarification and consideration of these factors and sector-wide engagement is required prior to any change decision being made. We note that we have not been engaged in this significant change proposal to date.

Navigation and usability

The proposal to consolidate funding requirements for a medicine in a single location has clear potential benefits, including improved clarity around subsidy conditions, a reduced need to cross-reference multiple sections of the Schedule, and easier interpretation by clinicians, pharmacists, and decision-support tools.

However, pharmacists frequently rely on familiarity with the existing Schedule structure when validating prescriptions and determining subsidy eligibility, and PhMS, PMS, and decision-support tools have been built around the current arrangement of Schedule sections. Changes to how information is grouped, structured, or indexed may initially create operational challenges, including increased time required to locate subsidy conditions, greater reliance on manual interpretation where system integration is incomplete, and potential dispensing errors during the transition period while users adjust to any new structure. Given that pharmacists act as the final safety checkpoint in the medicines supply chain, even small increases in complexity at the point of dispensing can have workflow and safety implications.

To support safe adoption, the new Schedule structure should align as closely as possible with prescribing, clinical, and dispensing workflows, and preserve intuitive navigation pathways where feasible. Practical transition tools are essential, and in particular, the sector would benefit from:

- Side-by-side comparisons between the current Schedule structure and the proposed model.
- “Where has this moved” reference tools to help users locate relocated information.
- Detailed crosswalks between existing identifiers and new terminology.
- Practical examples illustrating common prescribing and dispensing scenarios under the new system.
- Sector-specific implementation guidance for prescribers, pharmacists, and wholesalers.

Providing these tools will help organisations adapt their systems, training, and operational processes, and support safer and more consistent use of any new Schedule structure.

Access and usability of the Schedule

While digital and API-based access to the Schedule is a logical and welcome evolution, pharmacies continue to rely on static versions of the Schedule for several operational and compliance purposes, including:

- Offline access during internet outages or system disruptions.
- Staff training and reference materials.
- Compliance and audit documentation.
- Verification of subsidy rules during PhMS downtime.
- Archival record keeping for historical subsidy decisions.

Given New Zealand’s exposure to natural disasters, infrastructure disruption, and system outages, the ability to access the Schedule without internet connectivity remains important for operational resilience and continuity of patient care.

Removing the PDF Schedule entirely could create operational gaps for pharmacies and other healthcare providers. At a minimum, consideration should be given to providing downloadable

consolidated versions of the Schedule, downloadable sections for offline use, and archival versions for compliance and reference purposes. Maintaining some form of static, downloadable Schedule will also help ensure that pharmacies retain reliable access to funding rules during system disruptions, without requiring additional subscriptions or creating additional costs to access essential information.

Systems and data considerations

The proposed transition from downloadable Schedule files to a more structured, API-driven model represents a significant shift in how the Schedule will be accessed and integrated across the health system. While this approach has the potential to improve interoperability and enable more dynamic use of Schedule information with prescribing and dispensing systems, it also presents several technical and operational challenges that need to be carefully managed.

Systems used within community pharmacies operate within a complex digital ecosystem and rely on multiple interconnected components, including PhMS, clinical decision-support tools, wholesaler catalogues, NZULM integration, and NZePS prescription flows. These systems have evolved over many years and are highly interconnected and many rely on legacy architecture, meaning system changes can be technically complex, time-consuming, and costly to implement.

Some of these systems update infrequently and still depend on batch data imports rather than real-time API integration. Moving to an API-based Schedule may therefore require significant development work by software vendors and system providers before full functionality can be realised, with potential challenges including vendor development timelines, compatibility with legacy PhMS and third-party software, increased reliance on internet connectivity, and the risk that different systems interpret Schedule data inconsistently during early implementation phases.

Without coordinated vendor engagement, sector-wide testing, and sufficient transition time, pharmacies may experience operational disruption as systems attempt to adapt to the new structure. Early engagement with system vendors and digital infrastructure providers will be essential to ensure that system updates are implemented consistently across the prescribing and dispensing environment.

Terminology and identifiers

Aligning the Schedule with New Zealand Medicines Terminology (NZMT) and NZULM identifiers is a logical step toward improved interoperability across prescribing, dispensing and clinical decision-making systems, with greater consistency between terminology frameworks used across the health sector should help improve data quality and system integration over time. However, many pharmacy and prescriber systems currently rely on a combination of legacy identifiers, proprietary catalogues, and operational product identifiers that are embedded within existing software platforms and supply chain infrastructure.

Adopting NZMT-based identification within the Schedule will require coordinated updates across PhMS, PMS, wholesaler ordering systems, and clinical decision-support tools, and will involve development work from system vendors and may also require organisations to update internal data mapping processes. These changes will take time and will likely impose significant development costs on software vendors. In many cases, these costs are ultimately passed on to healthcare providers, including community pharmacies. Given that pharmacies and prescribers are not the initiators of these structural changes, consideration should be given to how implementation costs can be managed and funded for frontline healthcare providers.

For this reason, sufficient transition time, clear technical guidance, and sector-wide system testing will be essential, as well as costing and funding strategies in this space, to ensure that terminology and identifier changes can be implemented safely and consistently across the healthcare system.

Workflow and operational impacts

If implemented successfully, consolidating product information and funding pathways within a modernised Schedule has the potential to improve clarity and simplify prescribing and dispensing workflows. However, during the transition period there is a risk that PhMS and PMS may not immediately interpret the new Schedule structure in a consistent manner, and pharmacists may need to manually verify subsidy rules and funding conditions during dispensing.

Pharmacists already serve as the final safety checkpoint in the medicines supply chain, and any ambiguity introduced by structural changes to the Schedule will ultimately need to be resolved at the point of dispensing, leading to an increase in dispensing time, administrative workload, and the potential for manual processing errors during the transition period. Ensuring that prescribing and dispensing systems can interpret the new Schedule structure consistently, and that pharmacists have access to clear guidance and decision-support tools during the transition, will be important to minimise operational disruption and maintain safe and efficient access to medicines for patients.

Sector readiness and implementation support

While the community pharmacy sector supports the direction of modernising the Schedule and recognises the long-term benefits, readiness across the healthcare system varies considerably. Many PhMS rely on legacy architecture and will require vendor updates or additional “bolt-on” solutions before they can interpret and integrate with the proposed Schedule structural and data services. As a result, individual pharmacies themselves have limited ability to adapt independently until their software providers release compatible system updates.

During the transition period the sector would face additional significant financial and operational costs, including PhMS upgrade costs, staff training requirements, workflow adjustments, and increased manual processing while systems are updated or where integration with the new Schedule structure is incomplete. Along with this, successful implementation will also depend on early and ongoing engagement with PhMS vendors, wholesalers, PMS vendors, and other organisations responsible for the digital infrastructure that supports prescribing, dispensing and medicine distribution. Coordinated engagement with these stakeholders essential to ensure that any redeveloped Schedule can be interpreted consistently and safely across the sector.

The sector would strongly support a clearly staged implementation plan and timeline aligned with vendor development cycles, costing analysis and acceptable sector-wide funding arrangements, sector-wide testing environments prior to rollout, and practical transition tools such as identifier crosswalks, mapping tables, and technical implementation guidance for system vendors and healthcare providers. Given the interconnected nature and fragility of the medicines supply ecosystem, structural changes to the Schedule should be phased and carefully coordinated rather than introduced abruptly, to help minimise operational disruption and ensure continuity of access to medicines for patients.

Supply chain and system resilience

The Schedule interacts with multiple operational systems across the medicines supply chain, including wholesaler distribution systems, manufacturer supply chains, pharmacy ordering platforms, and pharmacy inventory management systems.

Changes to the structure of the Schedule, the way products are identified, or how funding pathways are described may have indirect impacts on procurement systems, ordering systems, and stock management workflows used by pharmacies and wholesalers. Further clarity on how these supply chain considerations will be managed and how any additional costs will be funded during implementation would be welcomed. It will be important to ensure that changes to Schedule data structures can be reliably interpreted by ordering systems and supply chain platforms that depend on consistent product information.

Recent experiences across the health sector have demonstrated that changes to digital infrastructure can create operational pressure when systems are not fully aligned or when implementation timelines do not allow sufficient time for vendor updates and sector testing, reinforcing the importance of staged implementation, vendor readiness, and cross-sector testing prior to go-live. Ensuring that supply chain partners, including wholesalers, manufacturers, and system vendors, are actively engaged throughout any redevelopment process is critical to maintaining system stability and avoiding unintended disruption to medicines availability.

Product identification and sector infrastructure

Modernising the Schedule should also recognise the importance of consistent and reliable product identification across the medicines ecosystem.

In New Zealand, operational product identification within the pharmacy supply chain has historically been supported through Pharmacode identifiers, which are deeply embedded across PhMS, wholesaler catalogues, stock ordering platforms, dispensing workflows, and claiming processes. As a result, Pharmacodes play an important role in enabling medicines to be ordered, supplied, dispensed, and claimed consistently across the sector.

While initiatives such as NZMT provide an important clinical terminology framework and support interoperability between clinical systems, they serve a different purpose from operational product identifiers used in supply chain and dispensing systems. NZMT primarily supports clinical terminology and semantic interoperability, whereas operational identifiers such as Pharmacode support product identification, ordering, stock control, and dispensing workflows, across pharmacy and distribution systems.

Assuming that clinical terminology identifiers alone will fulfil all operational roles within the medicines supply chain underestimates the complexity of pharmacy and distribution systems. If the modernised Schedule removes the need for manufacturers or distributors to obtain operational product identifiers without providing a coordinated alternative framework, there is a risk of fragmentation across systems, including inconsistent product identification across pharmacy systems, increased mapping complexity between terminology frameworks and operational catalogues, and greater reliance on proprietary identifiers developed independently by vendors or wholesalers. Fragmentation of product identification standards would increase system integration complexity rather than simplify interoperability.

While alternative product identifiers exist, such as Global Trade Item Numbers (GTINs), not all products supplied in New Zealand currently carry barcodes or consistently use global identification standards. Pharmacode is a bespoke system and has historically provided a pragmatic solution that aligns with New Zealand's unique medicine sourcing and purchasing model introduced by Pharmac. Pharmacodes are also used in a number of operational processes beyond product identification, for example, by pharmacies claiming for services such as brand switch fees, and new Pharmacodes are issued when products transition from Section 29 supply to

approved medicines. We would welcome further clarity and sector-wide engagement on how these operational processes will function in the future if Pharmacodes are retired from the Schedule.

Given how deeply Pharmacodes are embedded in the medicines supply chain, from pharmaceutical wholesaler systems through to pharmacy management systems and dispensing workflows, any transition away from Pharmacodes is likely to impose significant system development costs across the sector. It would be helpful to understand whether Pharmac has undertaken a comprehensive cost-benefit analysis of this proposed change, including the potential impact on pharmacies, wholesalers, manufacturers, and system vendors.

Additionally, the consultation does not clearly articulate the operational problem that replacing Pharmacodes is intended to solve, nor how the proposed approach would deliver a materially better outcome for the medicines supply chain ecosystem. It is also unclear how Pharmac intends to manage or fund the transition costs associated with implementing a new identification framework across the sector. We would welcome further clarification from Pharmac on these issues, including the rationale for replacing Pharmacodes, the expected benefits of the proposed approach compared with the current system, and how the transition would be implemented in a way that minimises disruption and cost for the sector.

A coordinated approach that aligns NZMT identifiers with existing operational identifiers would provide a more stable transition pathway while preserving existing supply chain efficiencies. Engagement with organisations responsible for pharmacy supply chain infrastructure, including Pharmaceutical Services Ltd, wholesalers, and system vendors, will be essential and would also help ensure that changes to the Schedule strengthen rather than destabilise the medicines ecosystem.

Thank you for the opportunity to provide feedback on this consultation. If you have any questions about our feedback, please contact our Senior Advisory Pharmacists, Martin Lewis (martin@pgnz.org.nz, 04 802 8218) or Cathy Martin (cathy@pgnz.org.nz, 04 802 8214).

Yours sincerely,



Nicole Rickman

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