

21 June 2024

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Dear Sir/Madam,

**Re: Proposal for Pharmac funding for additional Oestradiol patch prescriptions and prescription co-payments via community pharmacy**

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

Our proposal focuses on Guild members' concerns around general economic, funding and supply issues. Guild submissions should not be taken as any endorsement of, or any attempt to comment on, issues of safety, efficacy, or individual patient utility.

We request that Pharmac provides funding to patients for additional prescriptions for Oestradiol patches dispensed via community pharmacies due to the current stock shortage. This proposal seeks to address the financial and procedural challenges faced by patients and pharmacists due to the current legislation and rules governing the New Zealand Electronic Prescription Service (NZePS) and the quantity limits set by Pharmac, particularly given the upcoming reintroduction of prescription charges from 1 July 2024.

This proposal aims to ensure that patients have uninterrupted access to Oestradiol patches without incurring additional costs by removing barriers to equity and access that currently exist due to these products ongoing stock issues.

**Current challenges**

**Prescription limitations**

Pharmacists are unable to create a new prescription for an additional strength of Oestradiol patches without the consent and countersigning of a prescriber. Currently, pharmacists are frequently having to "split up" strengths of Oestradiol patches midway through an original prescription, e.g., having to provide 8 x 25mcg patches plus 8 x 50mcg patches instead of the prescribed 8 x 75mcg patches in the second and/or third dispensing.

The “splitting up” of strengths of Oestradiol patches midway through an original prescription necessitates the pharmacist having to either request an additional prescription of one of those strengths of Oestradiol patches from a prescriber or communicating with the prescriber to authorise the creation of a pharmacy-generated “phoned script,” which must then be sent to the prescriber for signing as per legal requirements.

This process can be cumbersome and time-consuming for pharmacists, impacting patient satisfaction and pharmacist efficiency. This process can also incur further costs to the patient, with the possibility of having to pay for the additional prescription from the prescriber, as well as having to pay an additional charge for the medicine at the pharmacy once the reinstatement of the prescription co-payment occurs from 1 July 2024.

### **Financial implications**

While some prescribers do not charge their patients for the issuing of a new prescription or signing of a pharmacy-generated “phoned script” under these specific circumstances, there are exceptions. This can result in patient dissatisfaction and confusion about who authorised the pharmacist to request a new prescription on their behalf and why this resulted in the additional cost to the patient. In turn, this wastes more valuable pharmacist time to have to explain their actions and the legal requirements that they must follow, whilst the pharmacist aim was always to try to maintain the patient’s treatment continuity.

### **Government prescription co-payments**

The reintroduction of prescription co-payments for some populations from 1 July 2024 will further complicate the situation. Some patients who are not exempt from these government charges may be unable to afford to pay the prescription co-payment, particularly if multiple prescription co-payments are required due to the need for additional prescriptions. This will place a financial burden on patients or may lead to pharmacies providing medicines at a financial loss, which is not sustainable and unacceptable.

### **Technical limitations with the NZePS**

The NZePS currently does not allow pharmacists to add a medicine item to a new NZePS-barcoded prescription without causing issues within the NZePS system as well as the prescribing system. In practice, this means that if a new prescription of Oestradiol 75mcg patches was prescribed and the 75mcg patch strength was out of stock, a pharmacist would not be able to initiate the first dispensing of 50mcg patches plus 25mcg patches to make up the total dose of 75mcg that the prescriber intended to be dispensed to the patient.

This is in comparison to a new non-NZePS prescription, in which a pharmacist can provide the two different strengths of Oestradiol patches to make up the total dose prescribed and annotate and sign the prescription explaining the reasons for dispensing two different strengths instead of the prescribed single strength.

As NZePS-barcoded prescriptions do not allow pharmacists to add a medicine item to a new NZePS-barcoded prescription, it necessitates the request by either the pharmacist or patient for a second new prescription for the additional strength of Oestradiol patches, which is a workaround rather than a permanent solution, and requires additional administrative effort and time by both the prescriber and the pharmacist, who are already under strain from the current workforce shortages.

### **Proposed solution**

To address the challenges listed above, we propose the following:

#### **1. Funding for additional prescriptions:**

Pharmac to cover the cost to the patient for additional prescriptions required to fulfil the intended Oestradiol patch dosage by the prescriber.

#### **2. Funding for the additional prescription co-payments:**

Pharmac to cover the cost of any additional prescription co-payments to patients that are not exempt from 1 July 2024.

#### **3. Flexible funding rules:**

Pharmac to apply the same funding rules to Oestradiol patches as currently applied to certain special foods, for example, allowing pharmacists to provide more than one strength of Oestradiol patches if the original single strength prescribed is out of stock without having to charge the patient two separate prescription co-payments.

Currently pharmacists are allowed to do this for different flavours of the same product of certain special foods, e.g., Fortisip, etc.

#### **4. System Improvements:**

Work with Health New Zealand to support efforts by the NZePS team to prioritise and fix the technical issues that prevent pharmacists from adding a medicine item to a new NZePS-barcoded prescription without causing issues within the NZePS system and the prescribing system. This prioritisation will streamline the process and reduce the administrative burden on both pharmacists and prescribers.

### **Motivation for requesting the funding**

#### **Patient welfare**

Ensuring that patients can access their prescribed Oestradiol patches without incurring additional costs is crucial for their health and wellbeing. The financial burden of additional prescriptions and prescription co-payments can deter patients from obtaining their necessary medicines, leading to adverse health outcomes.

#### **Operational efficiency**

Providing funding to patients for additional prescriptions and prescription co-payments and addressing the technical limitations of the NZePS will streamline community pharmacy operations. Pharmacists will be able to serve patients more efficiently and

focus on their core functions and clinical services, reducing wait times for medicine supply and time spent explaining the reasons for new prescriptions and additional costs, and improving overall patient satisfaction.

**Financial sustainability**

By covering the costs to the patient for additional prescriptions and prescription co-payments, Pharmac will prevent community pharmacies from operating at a financial loss and prevent the additional costs to patients that could present a barrier to timely and equitable access to their medicines. This support is essential for maintaining the viability of community pharmacies and ensuring they can continue to provide essential services to their communities, whilst ensuring therapeutic continuity for patients.

If you have any questions about our proposal, please contact our Senior Advisory Pharmacists, Martin Lewis ([martin@pgnz.org.nz](mailto:martin@pgnz.org.nz), 04 802 8218) or Cathy Martin ([cathy@pgnz.org.nz](mailto:cathy@pgnz.org.nz), 04 802 8214).

Yours sincerely,



**Nicole Rickman**

General Manager – Membership and Professional Services