



FACT SHEET

Subsidising PBS Medicine Co-payments

What the Australian Government is doing

The Government will provide further assistance with the cost of Pharmaceutical Benefits Scheme (PBS) medicines for Aboriginal and Torres Strait Islander patients living with, or at risk of, chronic disease. The assistance – from 1 July 2010 – will be in the form of lower co-payments, which are the amounts paid by patients for each PBS medicine.

The cost of medicines has been identified as a significant barrier to improved access to medicines for Aboriginal and Torres Strait Islander people. Access to PBS medicines is an important aspect of preventing and treating illnesses. Despite two to three times higher levels of illness, PBS expenditure for Aboriginal and Torres Strait Islander people is about half that of the non-Indigenous average.

How this will work

- Lower costs for PBS medicines will be available to eligible patients receiving care at a general practice participating in the Indigenous Health Incentive (IHI) under the Practice Incentives Program, or non-remote (i.e. metropolitan and regional) Indigenous Health Services (IHS). The IHI is a separate but related measure under the Indigenous Chronic Disease Package.
- The measure is intended to benefit Aboriginal and Torres Strait Islander people of any age who present with an existing chronic disease or chronic disease risk factor, and in the opinion of the doctor:
 - a) would experience setbacks in the prevention or ongoing management of chronic disease if the person did not take the prescribed medicine; and
 - b) are unlikely to adhere to their medicines regimen without assistance through the Measure.

The eligibility for this measure may be reviewed over the implementation period.

- After checking a patient's eligibility, general practitioners working at IHS and at mainstream general practices participating in the IHI will seek the patient's consent to be registered to receive their medicines at reduced costs through the PBS co-payment measure.
- Once a patient is registered, prescribers at participating general practices or IHS will use their software to annotate the patient's PBS prescriptions to ensure patients receive their PBS medicines at a lower cost.
- When obtaining PBS medicines at their local pharmacy, eligible patients who would normally pay the full PBS co-payment (currently \$33.30 per item) will pay the concessional rate (currently \$5.40 per item). Those who would normally pay the concessional price will receive their PBS medicines without being required to pay a PBS co-payment. However, premiums for a small number of medicines will still need to be paid by the patient.

- Community pharmacists will be reimbursed for the proportion of the normal PBS co-payment that has not been paid by the patient.

How this will benefit Indigenous Australians

Increased access to the PBS will help improve the prevention and management of chronic disease for Aboriginal and Torres Strait Islander people. Around 70,000 people are expected to benefit by the end of 2012-13.

Who will implement the new approach

The Department of Health and Ageing is consulting key stakeholders to help design and implement this initiative and to ensure it takes account of the needs of Aboriginal and Torres Strait Islander people, and health care professionals.

The effectiveness of the new arrangements in improving access to PBS medicines will be assessed as part of the monitoring and evaluation of the Indigenous Chronic Disease Package.