



NEW ZEALAND MEDICAL ASSOCIATION

15 February 2010

Megan Simmons
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By email hchsmedicines@moh.govt.nz

Dear Megan

Review of Access to High-Cost, Highly Specialised Medicines in New Zealand

Thank you for the opportunity to comment on this review.

The NZMA is New Zealand's largest medical organisation and has a pan professional membership. We have around 4500 members who come from all areas of medicine including medical students, resident medical officers, general practitioners, and other specialists.

The NZMA aims to provide leadership of the medical profession, and promote:

- professional unity and values;
- the health of New Zealanders.

The key roles of the NZMA are to:

- provide advocacy on behalf of doctors and their patients;
- provide support and services to members and their practices;
- publish and maintain the Code of Ethics for the profession; and
- publish the New Zealand Medical Journal.

Overall we believe this report to be well balanced and makes a number of sensible recommendations. We do not intend to go through each recommendation but instead wish to make comments on the following matters;

- Funding and Access
- Transparency and national consistency
- Proposed role of Pharmac in regard to evaluation and purchase of other health based technologies

- Other possible solutions

Funding and Access

While the issues raised in the report are important we should not forget that funding levels dictate the approach to the purchase of all medicines (including high cost and highly specialised medicines) and therefore is an overriding factor in the equation.

Funding, however, should not be a complete stumbling block: Where a new drug or therapy has accepted proven advantages and access is only being prevented because Pharmac has chosen not to fund the drug/therapy, patients should be able to self fund and have publicly administration of the same. Potentially this would mean that those patients who are able to afford the new drug/therapy would have access to it and could in turn reduce demand on other funded drug/therapy alternatives they otherwise may have needed.

Transparency and National Consistency

We support the review's call for greater transparency of Pharmac processes, something that NZMA has lobbied for over a number of years. National consistency is also necessary. In particular there is something of a post code lottery for tertiary units being able to recommend or initiate high cost medicines that DHBs are either unable or unwilling to fund. This needs to be addressed.

Other Health Technologies

While we fully support the idea of centralising arrangements for purchasing of medical devices, we have some reservations about it being undertaken by Pharmac. In any event, clearly such a move will mean that there will be a need to invest in further – and diverse - expertise in order to take on this role. While the benefits of there being one bulk purchaser should be greater cost savings this may be more than offset by the need to employ further skilled expertise. Before a central purchasing agency was established we would like to make sure that such cost savings are likely to be achieved. This is particularly so if the negative result of a central purchasing agency undertaking this role meant that some health technologies are no longer available to DHBs.

Other possible solutions

Not considered in this document is the possibility of private sector engagement as a part of the solutions posed. We believe however that there are probably ways that the private sector can play a role in helping to fund high cost medicines and further consideration needs to be given to this matter.

Yours faithfully



Dr Peter Foley
Chair, NZMA