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Committee Secretary
Senate Standing Committee on Community Affairs
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Submission to the Inquiry into the effectiveness of the special arrangements for the supply of Pharmaceutical Benefit Scheme (PBS) medicines to remote area Aboriginal Health Services.

The AMA has a strong history of involvement in advocating for significant and sustained improvements in the health and life expectancy of Aboriginal peoples and Torres Strait Islanders. The AMA is pleased to take the opportunity to provide this brief submission to the Senate Community Affairs Reference Committee Inquiry on the effectiveness of the special arrangements under section 100 of the *National Health Act 1953*. The AMA will comment on some of the Inquiry's Terms of Reference, as follows:

- (a) Aboriginal peoples and Torres Strait Islanders across Australia experience a range of barriers in accessing appropriate primary health care and affordable medications. The success of any arrangements for improving access to PBS medications will depend heavily on measures to improve the access of Aboriginal peoples and Torres Strait Islanders to high quality primary health care services, where diagnosis and treatment occur. The recently published AMA 2010-11 Indigenous Health Report Card – *Best Practice in Primary Health Care for Aboriginal peoples and Torres Strait Islanders* – outlines the barriers and the measures needed to improve access to health and medical care for Aboriginal peoples and Torres Strait Islanders, including in remote locations. The AMA encourages the Community Affairs Reference Committee to take note of these recommendations, and their threshold effect on medications access.

The AMA believes that the s100 arrangements, through making medications available without co-payment and at the point of prescription in Aboriginal Health Services, have made a worthwhile contribution to Aboriginal peoples' and Torres Strait Islanders' access to PBS medicines in remote Australia.

The s100 arrangements, however, may need further support in certain respects, as noted in the following.

- (b) (c) Adherence to pharmaceutical treatment and appropriate use of medications, will be enhanced when pharmaceuticals are dispensed at the point of prescription by the doctors, nurses or Aboriginal Health Workers who are most aware of patients' conditions and circumstances, and who are consequently best placed to explain and monitor patient usage. Maximising these advantages will depend heavily on the level of support, advice and

training provided to individual Aboriginal Health Services on quality use of medications and medications management, especially by the community pharmacists associated with those Aboriginal Health Services. The AMA is aware of reports that not all Aboriginal Health Services are receiving the support, advice and training required. The s100 Pharmacy Support Allowance, which has been increased significantly in successive Community Pharmacy Agreements, is designed to assist community pharmacists provide appropriate support to Aboriginal Health Services. It may be that the Allowance is not being used to greatest effect.

The AMA would encourage the Committee to consider the extent to which the Pharmacy Support Allowance is effective in encouraging community pharmacists to initiate and maintain active engagement with Aboriginal Health Services, particularly with regard to quality use of medicines.

The AMA would also strongly encourage the Committee to consider funding proposals by the National Aboriginal Community Controlled Health Organisation (NACCHO) for Aboriginal Health Services to employ full-time or seasonal pharmacists.

The Committee should consider the benefits of guidelines and standards for best practice in the quality use of medicines for Aboriginal Health Services operating under s100. Such standards and guidelines are an integral part of the QUMAX program (Quality Use of Medicines Maximised for Aboriginal and Torres Strait Islander peoples), which is currently funded by the Australian Government under the Community Pharmacy Agreement.

- (d) The AMA is aware of continuing concerns about handwritten labels on prescribed medicines in remote health services. The risks associated with illegibility are considerable, and can be eliminated through appropriate electronic labeling systems.

The AMA strongly encourages the Committee to recommend that health services that dispense medications be financially and technically supported to use electronic labeling systems.

- (f) Late last year, the AMA President led an AMA delegation on site visits to remote Aboriginal Health Services in the Northern Territory. One of the key learnings from those visits was the importance of Aboriginal Health Workers in providing linkages between medical services and the Aboriginal communities they serve. Aboriginal Health Workers play an active role in outreach, communication and monitoring of patients' attendance and compliance with treatment regimes.

The AMA encourages the Committee to recommend that Aboriginal Health Workers be fully supported in the training needs associated with their involvement in the s100 arrangements.

- (h) The AMA is aware of anomalies related to geographic eligibility for the s100 arrangements. Patients of Aboriginal Health Services which are not in remote areas, but which are very difficult to reach because of very limited transport options, have as much difficulty obtaining medicines as patients in some remote areas. If the services in question are Aboriginal community-controlled ones, they are eligible for the QUMAX program. But not if they are not Aboriginal community-controlled. These services in remote areas are eligible

for the Closing the Gap – PBS Co-payment Measure, but only if they join up to the Indigenous Health Incentive Practice Incentive Program (PIP). We have outlined an approach to these anomalies in (i) below.

- (i) The AMA recognizes that the subject matter of the current Inquiry is the s100 arrangements, which are specific to remote areas. However, many of the barriers to access also apply in non-remote areas, including urban areas where the majority of Aboriginal people and Torres Strait Islanders live, and who carry a very significant burden of poor health. Affordability is an issue, as is difficulty in demonstrating eligibility, along with cultural issues in visiting pharmacies.

As noted, Aboriginal community-controlled services in these other areas are eligible for the QUMAX program, but not Aboriginal Health Services which are not Aboriginal community-controlled. Aboriginal peoples and Torres Strait Islanders visit mainstream private general practices as well as Aboriginal community controlled services. The Closing the Gap – PBS Co-payment Measure provides PBS co-payment relief for Aboriginal and Torres Strait Islander patients of general practices and Aboriginal Health Services in urban and rural settings. However, with regard to Aboriginal and Torres Strait Islander patients who might visit mainstream private general practices, there are limitations in the effectiveness of the PBS Co-payment Measure. These are as follows:

- only those patients are eligible who have chronic diseases or who are judged by their practitioner to be at risk of chronic disease;
- the prescribed medication is for the prevention or management of chronic conditions;
- patients of mainstream general practices will be eligible for the PBS Co-payment Measure if the general practice participates in the COAG Indigenous Practice Incentive Program. Participating practices are limited in number, and potential patients are unlikely to know which practices actually participate;
- non-concessional patients still have to pay a co-payment, even though most Aboriginal people and Torres Strait Islanders who are not concession card holders may still have very limited incomes, and may consequently opt not to purchase necessary medicines;
- patients still have to pay other charges such as brand premiums; and
- awareness of concessional status among Aboriginal and Torres Strait Islander peoples is likely to be poor.

To these extents, the Closing the Gap PBS Co-payment Measure does not have the same impact, even though some of the same access issues apply in both geographical areas. The AMA is also aware of deficiencies in awareness of the Closing the Gap PBS Co-payment Measure among practices that may be eligible.

It is true that QUMAX is available to Aboriginal community controlled health services in urban areas. However, in major cities in 2008, there were an estimated 6,719 Aboriginal people and Torres Strait Islanders to every Aboriginal and Torres Strait Islander primary health care service (including Aboriginal community controlled services).¹ Aboriginal

¹ *Best Practice in Primary Health Care for Aboriginal peoples and Torres Strait Islanders* AMA Aboriginal and Torres Strait Islander Health Report Card 2010-11.

community-controlled services are currently unlikely to meet the potential need for accessible medicines among urban Aboriginal and Torres Strait Islander populations.

Opportunities should be strengthened for Aboriginal peoples and Torres Strait Islanders to better access affordable medicines when they visit private general practices and Aboriginal and Torres Strait Islander primary care services, which are not community controlled.

As a way of addressing the noted gaps in coverage relating to non-remote areas, and the limitations of the Closing the Gap Co-payment Measure, the AMA recommends that the government amends section 100 of the *National Health Act 1953* to:

- extend the s100 arrangements to all Aboriginal and Torres Strait Islander primary health care services in non-remote areas; and
- extend the s100 arrangements to mainstream general practices which have a demonstrable Aboriginal and Torres Strait Islander patient population.

The s100 arrangements should also be adjusted to take account of the observations made earlier in this submission, particularly in relation to processes for ensuring quality use of medicines among Aboriginal peoples and Torres Strait Islanders.

If you require any further information on this submission, please feel free to contact Dr Maurice Rickard, Manager of AMA Indigenous health policy, at mrickard@ama.com.au, or on 02 6270 5449.

Yours sincerely

A handwritten signature in black ink that reads "Steve Hambleton". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Dr Steve Hambleton
President