

30 October 2008

## **PTAC Terms of Reference**

We have recently completed a review of the PTAC Guidelines. The revised *Terms of Reference for the Pharmacology and Therapeutics Advisory Committee (PTAC) and PTAC Subcommittees, 2008 (PTAC ToR)* are attached for your information and are effective immediately.

We greatly appreciate the time and effort people put into making submissions, and the constructive nature of comments provided.

PHARMAC began reviewing the (then named) PTAC Guidelines in 2006. During the development of the Government's medicine strategy, some stakeholders expressed concern about PTAC's ability to provide PHARMAC with independent and objective advice in relation to medicines funding applications. Responding to submitters' concerns, *Medicines New Zealand* committed to PHARMAC consulting broadly on changes to PTAC's operational guidelines.

We published a consultation document, and invited stakeholders to provide written responses and/or meet with us to discuss their views. We received 23 submissions from a range of stakeholder groups and met with six of those groups. In addition, PTAC and the Ministry of Health provided feedback. All submissions were considered by the PHARMAC Board when making its decisions.

## **Changes to the Terms of Reference**

The PTAC ToR covers all aspects of PTAC's and subcommittees' functions and operations, including the relationship with PHARMAC; membership; remuneration; the responsibilities of members; and the process for reviewing funding applications.

Overall, the changes to PTAC's ToR are designed to provide more clarity about the Committee's role and functions, and to increase public confidence in its operations. While the review confirmed that existing arrangements already enabled PTAC to provide high quality objective advice to PHARMAC, it identified some opportunities for improvement and clarification.

The changes to the PTAC ToR are in three main areas:

1. **Increasing transparency** of PTAC and subcommittee considerations. We will achieve this by including more information on the Committees' activities. This additional information includes:
  - any consultation undertaken by PTAC;
  - any observers at PTAC meetings; and
  - when a PTAC member continues to act "in the public interest" despite a conflict of interest.

We will also be making available on our website:

- minutes relating to instances in which PTAC has deferred making a recommendation about the funding of a pharmaceutical (subject to any portions being withheld in accordance with the Official Information Act 1982); and
- minutes of PTAC subcommittee meetings (following review by PTAC).

**2. Clarifying the Committees' role, scope and functions** – specific changes include:

- PTAC membership can now include senior health professionals, such as public health physicians, pharmacists or nurses – not just medical practitioners. This change reflects that many types of health professionals, not just doctors, have an interest and expertise in prescription medicines;
- PTAC can now request that a subcommittee undertake a “rapid review”, in order to receive more timely specialised advice from a subcommittee; and
- better defining the makeup of subcommittees and the quorum for subcommittee meetings.

**3. Clarifying the relationship with PHARMAC** - specific changes include:

- an explicit statement that PTAC can provide PHARMAC with any and all information and views it considers desirable;
- clearer prescription of the roles of PHARMAC staff at PTAC meetings; and
- making consistent the circumstances in which the PTAC Chair and Board Chair can attend, respectively, the Board and PTAC meetings.

**Further information**

A summary of issues raised in consultation and PHARMAC's rationale for including or excluding changes proposed by stakeholders is available on PHARMAC's website (<http://www.pharmac.govt.nz/PTAC>). Full submissions were considered by the PHARMAC Board, and are available on request.

If you have any feedback or queries about the PTAC ToR, please contact Erin Murphy ([erin.murphy@pharmac.govt.nz](mailto:erin.murphy@pharmac.govt.nz)). If you would like further information about PTAC and PTAC Subcommittees, please contact Susan Haniel, Advisory Committee Manager ([susan.haniel@pharmac.govt.nz](mailto:susan.haniel@pharmac.govt.nz)).

Yours sincerely



**Matthew Brougham**  
Chief Executive