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Media release

'More permissive' system follows Exceptional Circumstances review

PHARMAC is moving to a more permissive and streamlined system for assessing people seeking medicines that aren't funded on the Pharmaceutical Schedule.

The PHARMAC Board has approved changes to the Exceptional Circumstances schemes which assess individual patients' applications for medicines that aren't otherwise funded. PHARMAC currently assesses over 2000 applications a year for the three Exceptional Circumstances schemes (Community, Cancer and Hospital). Changes follow a two-stage consultation process that began last year.

PHARMAC expects spending on the scheme to rise from the current \$4 million to around \$8 million in the first full year.

Under the new scheme, called Named Patient Pharmaceutical Assessment (NPPA), patients no longer need to have rare conditions to be considered for funding. And PHARMAC is creating a pathway to assess treatments more quickly for patients whose condition would significantly deteriorate or who would miss the opportunity for significant improvement during the usual time taken to assess a Pharmaceutical Schedule application.

Chief Executive Matthew Brougham says the outcome of PHARMAC's review follows feedback that the previous scheme was too restrictive.

"The new scheme is more permissive and more clearly describes PHARMAC's discretion to consider funding applications not meeting the letter of the scheme," he says.

"We expect that one of the results of the change will be that more conditions experienced by small groups of patients will be considered for funding. Rarity is no longer the key consideration in examining funding applications, instead we will focus on patients with unusual clinical circumstances, or those whose conditions are urgent and serious."

Other features of the NPPA include:

- PHARMAC will be able to fund some medicines through NPPA while they are under consideration for Schedule listing (unlike previously).
- Cancer and community treatments will be considered under the same scheme – likely to lead to more nationally consistent decisions
- Greater clarity and enhanced transparency for clinicians of what might be funded, because PHARMAC will publish the outcome of funding applications.

- Applications costing less than \$500 for Hospital Pharmaceuticals can be approved by eligible DHBs.

Matthew Brougham says it is important to remember that NPPA is not a “catch-all” scheme for patients to access all medicines not funded on the Pharmaceutical Schedule.

“PHARMAC will continue to make decisions on which applications meet the funding criteria,” he adds. “Funding for NPPA will continue to be drawn from the overall pharmaceutical budget. This is a limited amount of money, so careful decisions still have to be made.”

Matthew Brougham says the door remains open to considering funding applications for chronic long-term conditions that are treated with very high cost medicines.

“We will continue to treat these applications on a case-by-case basis and, as already occurs, where we consider the health gains from treatment justify the funding, and where funding is available they will be approved.”

PHARMAC will be working to communicate the changes to clinicians and clinical groups, and put systems in place to ensure the new process works before the 1 March 2012 implementation date.

People with current Exceptional Circumstances approvals will continue to be funded under their existing approval conditions after the change to the new scheme.

For more information, visit <http://www.pharmac.govt.nz/haveyoursay/ecreview>.

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