



medicare

Revised arrangements for the efficient funding of chemotherapy drugs



From 1 December 2011 new prescribing and dispensing arrangements for chemotherapy medicines administered by the Pharmaceutical Benefits Scheme (PBS) will take effect. If you supply chemotherapy medicines, these changes will affect you.

Quick reference guide for approved suppliers

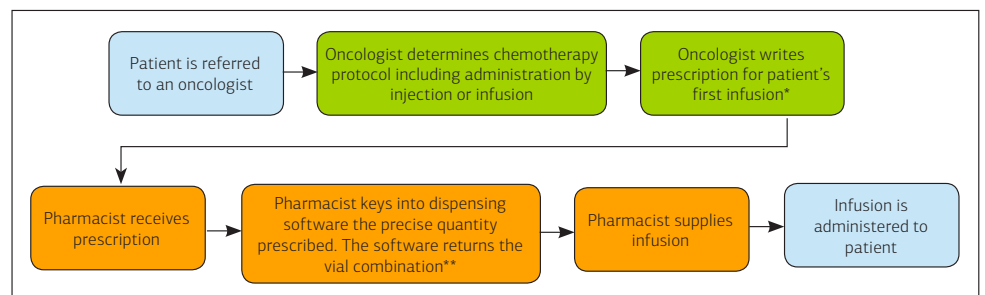
This document should be used as a guide only. Medicare recommends health professionals exercise their own skill and care with respect to its contents.

Why are the arrangements changing?

The changes will achieve greater efficiency in the use of chemotherapy medicines used to treat cancer and administered by injection or infusion, by:

- reducing waste and cost
 - prescribers will write dose specific prescriptions
 - pharmacists will be paid for the most cost efficient combination of vials which make up the required patient dose
- providing specific fees in recognition of the specialist nature of preparing injections/infusions.

Sequence of events



* One prescription will be required for each infusion, with an appropriate number of repeats permitted. The prescription directs the supply of a precise dose in milligrams or other appropriate unit of measure of medicine, generally calculated on the basis of the patient's body surface area.

** An algorithm integrated into dispensing software calculates the combination of vial sizes needed to make up the prescribed quantity into an infusion at the lowest cost.

What will change for pharmacists?

- Prescriptions will be written differently. For intravenous and injectable chemotherapy medicines, a prescriber must specify on the prescription the dose to be administered in milligrams per infusion/injection, not the number of vials, forms or strengths.
 - Separate prescriptions will be needed when loading and continuing doses are different.
 - Prescriptions will be for an amount of a specific medicine without reference to the form or strength of the medicine.
- Dispensing software will be upgraded to include an algorithm to calculate the most cost-efficient combination of vial sizes to make the required patient dose (one prescription) and the level of remuneration paid. The algorithm does not determine how the infusion/injection is prepared.
- Under the revised arrangements the Pharmaceutical Benefits Scheme (PBS) listings will be updated to include:
 - one item code per medicine (in most circumstances) with brands, forms and strengths listed underneath, and
 - the maximum amount, replacing maximum quantity, which refers to the upper limit in milligrams or other relevant unit of measure that can be prescribed.
- More items are available as Authority required (STREAMLINED) and a valid Authority required (STREAMLINED) code must be provided at the date of prescribing. Medicare will reject claims where the Authority required (STREAMLINED) code is not valid at the date of prescribing.

Supplying and dispensing

- You can dispense any subsidised brand or combination of brands.
- The most cost-efficient vial combination determined by the dispensing algorithm calculates the amount you will be paid.

Example

An oncologist prescribes 150mg of a medicine that is available in vial sizes of 80mg and 200mg. The most cost-efficient combination of vial sizes is calculated by determining the vial combination that costs the least. If the cheapest option is the 2 x 80mg vial option, then the pharmacist would be remunerated for two 80mg vials.

- Each type of approved supplier is allocated a dispensing rule identifier which determines the dispensing rules that apply. Dispensing rules specify the fees and mark-ups that are payable.
- A dose variation of up to 10 per cent from the original amount prescribed is allowed without needing a new prescription, if the prescriber authorises the change.
 - The dose dispensed cannot exceed the maximum amount listed on the Schedule of Pharmaceutical Benefits by more than 10 per cent.
 - Repeats cannot vary by more than 10 per cent. For example, if the patient dose on an original prescription is 100 mg and this is varied to 110mg without a new prescription, 110mg must be entered and dispensed.
 - A dose variation of greater than 10 per cent from the original amount prescribed is allowed by the supplier upon authorisation and will require a new prescription.
 - Medicare will compare the approved dose to the dose claimed and will reject the claim if the dose exceeds 10 per cent of the original prescription.
- Same day prescribing is allowable.
- Approved PBS prescriptions must be used for dispensing.
- Regulation 24 (original and repeat supplied at the one time) and Regulation 25 (four and 20 day rule) will not apply for medicines under this initiative.
- Patients will generally not pay more than they do under current arrangements—many will pay less. From 1 December 2011 one patient co-payment is applicable to original prescriptions and not the repeats.
 - Where loading and maintenance doses differ, two prescriptions will be needed and attract two patient co-payments.
 - Special patient contributions, therapeutic group premiums and brand price premiums will be applied to these items. Where an infusion consists of three vials that all attract premiums, the patient may be charged three premiums.

Sample prescriptions

Discharge location: 12345678 Ward/ clinic: 3W Discharge date: 01/12/11 Time: 3pm am/pm

Hospital prescription
General Hospital 585 Main Street
Melbourne City 3999
Phone: (03)91919199
Provider Number: 0000000X

UR number: 23456 Ward: 3 West
Name: Mr John Citizen
Address: 1 Station Street
Qld 4000 DoB: 01/01/90
Fill in or attach patient label

Print patient's name: Mr John Citizen

Drug name and form	Strength	Dose, route and frequency	Quantity	Rpts	Supply V/N	IT number if required	Approval
Fotemustine		Inject 180mg on day 1 week 1 day 1 week 2 day 1 week 3	180mg	2			3181
Cetuximab		Inject 300mg on day 1 week 1 day 1 week 5	300mg	1			Z1234AB

Drugs hypersensitivities: **DO NOT LEAVE BOX BLANK**

Prescriber's name: Dr John Smith Prescriber number: 4054565
Signature: *John Smith* Date: 01/12/11
Pager number: #123 Clinical unit:

I certify that I have received this medication and the information relating to any entitlement to free or concessional pharmaceutical benefits is not false or misleading.

Date of supply: Patient or agent's signature: Agent's address: 4882 (8/10)

PBS-RPBS authority prescription 00452123
Not valid unless authorised by delegate
Doctor's name
Doctor's practice address
Telephone number

Prescriber No. 4054565

Patient's Medicare no. 3 2 3 4 - 5 6 7 8 9 - 1 Patient's Ref no. 1
Patient's full name: Mr John Citizen
Patient's address: 1 Station Street
Suburb State Postcode 9999
Entitlement no. 1 2 3 4 5 6 7 8 9 1 2 3 4
Safety Net entitlement cardholder Concessional or dependant, RPBS beneficiary or Safety Net concession cardholder

Authorisation is requested for the following:
(Tick appropriate boxes)
PBS prescription from state manager, Medicare Australia
RPBS prescription from the authorised delegate of the Repatriation Commission
Brand substitution not permitted

Only one item per form
Fotemustine

Dosage directions: Inject 180mg on day 1 - week 1, day 1 - week 2, day 1 - week 3
Quantity: 180mg Prescriber's signature: *John Smith* Date: 01/12/11
No. of repeats: 2 Medicare Australia/DVA use: Quantity: 2 Repeats: 3181 (date approval)

I declare that I have received this medicine and the information relating to any entitlement to a pharmaceutical benefit is correct.
Patient's or agent's signature: Date of supply: / /
Agent's address: / /

Privacy note: The information recorded on this form, including your Medicare, Concession and/or Department of Veterans' Affairs numbers will be used to assess your entitlement to benefits under the Pharmaceutical Benefits Scheme and Repatriation Pharmaceutical Benefits Scheme and to determine payments due to pharmacists. With your consent the pharmacist or doctor may share your Medicare number for use on future prescriptions. The collection of this information is authorised by the National Health Act 1992 and may be disclosed to the Department of Health and Ageing, Department of Veterans' Affairs or as authorised or required by law. This information may also be disclosed to doctors and pharmacists. 4306L 10/09

Changes for public hospitals

Public hospital implementation of the revised arrangements will be phased as updated prescribing and dispensing software becomes available. These interim arrangements are expected to be in place until 31 March 2012.

- During this time or until a public hospital moves to the revised arrangements, prescribing and dispensing under the existing Chemotherapy Pharmaceutical Access Program (CPAP) arrangements can continue.
- Dispensing from medication charts will continue where supply is within the public hospital.
- Public hospitals can supply prescriptions to be dispensed by community pharmacies. All appropriate conditions relating to supply outside of a public hospital will apply, such as appropriate authority approvals and paper prescriptions and should be written under the revised arrangements (i.e. in milligrams).

Changes for community pharmacies and private hospitals

- Authorisation requirements will not change under the revised arrangements. Medicines that require an Authority will continue to require an Authority, however more medicines will have their authorities streamlined.
- If a community pharmacy receives a prescription written in a public hospital after 1 December 2011, under the existing CPAP arrangements (due to the phased implementation of the revised arrangements in that public hospital) you will need to contact the prescriber to rewrite the prescription in the new format.

How will remuneration change?

New dispensing fees for injectable and infusible chemotherapy items will be introduced that recognise the specialist nature of chemotherapy preparation. These are in addition to the ready prepared dispensing fee of \$6.42, are paid per infusion and include:

- preparation fee (\$40.00)
- distribution fee (\$24.00), which replaces the wholesale mark-up, and
- diluent fee (\$4.75).

Applicable fees per approved supplier type (all medicines except trastuzumab (Herceptin®))

Fee	s90 Community Pharmacy (incl s92 approved practitioners)	s94 Approved Public Hospital Authority	s94 Approved Private Hospital Authority
Distribution fee	✓	X	✓
Diluent fee	✓	X	✓
Preparation fee	✓	✓	✓
Ready prepared dispensing fee	✓	X	✓

Applicable fees per approved supplier type (trastuzumab (Herceptin®) only where it is prescribed for HER2 positive early stage breast cancer)

Fee	s90 Community Pharmacy (incl s92 approved practitioners)	Public Hospitals	s94 Approved Private Hospital Authority
Distribution fee	✓	X	X
Diluent fee	✓	X	✓
Preparation fee	✓	✓	✓
Ready prepared dispensing fee	✓	X	✓

Note: infusions with more than a single eligible medicine will attract multiple fees (preparation fee, dispensing fee, diluent fee and distribution fee) where eligible.

- The fees will start on 1 December 2011 and will be indexed annually from 1 July 2012.
- The Premium Free Dispensing Incentive (PFDI) is payable to eligible pharmacists for supply of an original prescription where the algorithm selects at least one 'a' flagged, premium-free brand.

Note: PFDI is not applicable for medicines supplied in public hospitals.

- Public hospitals that are authorised to supply PBS-subsidised chemotherapy medicines will be eligible for the \$40.00 preparation fee only.

Will there be a transition period?

Until 31 March 2012, prescriptions written before 1 December 2011 can be supplied under pre revised arrangements conditions to ensure patients continued access to chemotherapy medicines.

For more information

For help with the revised arrangements go to medicare.gov.au then **For health professionals > PBS > Revised arrangements for the efficient funding of chemotherapy drugs**

For more information on public hospital implementation of the revised arrangements go to pbs.gov.au

Call **132 290***

* Call charges apply.