

Patient Charges

Special Patient Contributions (SPCs)

Special Patient Contributions (SPCs) are applied where there is a disagreement between the manufacturer and the Government over the dispensed price for that benefit item. The Government subsidises the drug up to the price of the lowest-priced drug in the group. SPCs are normally paid by the consumer in addition to the relevant patient co-payments. However, the Government has ensured that patients will not be financially disadvantaged if they cannot take another drug which does not attract an SPC. Treating doctors can seek an authority from Medicare Australia to waive the SPC where there is no suitable alternative.

Brand Price Premiums

The Australian Government subsidises each brand to the same amount - up to the cost of the lowest-priced brand. If you choose a brand with a higher price, you pay the difference between the subsidised price and the higher-priced brand. This is called a 'brand premium' and is payable in addition to the patient co-payment. Brand price premiums cannot be counted towards the Safety Net threshold as they are not paid to the Government. Brand premiums are applied to PBS-listed medicines in situations where the pharmaceutical manufacturer and the Government cannot come to an agreement on the cost of the medicine.

Therapeutic Price Premiums

When there are two or more medicines (within a therapeutic group) on the PBS that have similar therapeutic effects, the Government provides a subsidy up to the cost of the least expensive medicine. If you are prescribed a higher-priced medicine within a therapeutic group, you will need to pay the difference between the subsidised price and the higher priced medicine. This is called a 'therapeutic premium'. This cost is in addition to the usual patient co-payment. Therapeutic price premiums cannot be counted towards the Safety Net threshold.