

**Response to Consultation on the Protocol for the appointment of members of PTAC  
Matters raised by the Breast Cancer Aotearoa Coalition (BCAC)**

17 April 2008

PTAC's statutory role is to give objective advice to Pharmac.

PTAC's Chair has stated that, "It's really important PTAC retains its independence so it can provide PHARMAC with robust advice" (Pharmac Annual Review 2007, P28). Therefore the committee being independent of Pharmac is a prerequisite so that their advice is independent (and also seen to be so). The appointment of the membership should therefore reflect such independence. Currently, the appointment protocol means committee membership is dependent on Pharmac rather than independent of Pharmac.

- PHARMAC prepares the position description and the selection criteria (6b), although there is no description of how these criteria are arrived at, how many people are involved in their development or whether anyone from the Ministry of Health, or any other interested or knowledgeable party, has any involvement.
- Candidates are then shortlisted, and the final selection made, by the Chair of PTAC and the Medical Director of Pharmac (9). It is surprising that the entire list of candidates is seen only by two people, (one of whom is a Pharmac employee), who also make the decisions on the shortlist and the preferred candidate on their own. The composition of this panel of two, which has such a strong say in the selection of candidates, raises questions about the ability of the appointee to give "full and frank advice" after appointment, given that those to whom s/he will be giving advice are those who essentially made their appointment in the first place.
- There is no provision for external expert medical input, which would presumably be invaluable in assessing candidates' skills and expertise in giving expert, objective advice on pharmaceuticals and their benefits.
- There is not even any provision for input from the Ministry of Health (whose Director General (D-G) is charged with making the final decision). The limited composition and small size of this panel is disturbing, given the amount of influence it can have over the selection of the final preferred candidate.
- The process then proceeds from this narrow base, through two sets of "rubberstamping" at which further candidates can be added to the list and the selection process revisited. The Board of PHARMAC are first presented with the preferred candidate and shortlist, as decided by the panel of two. At this point the Board can request that further candidates be considered (10). Similarly, when the

preferred candidate and shortlist are finally presented to the D-G of Health, s/he can request that further candidates be considered (12).

- Given that the Act requires appointments to PTAC to be made by the D-G of Health “in consultation with the Board of PHARMAC”, there is surprisingly little involvement of Ministry of Health personnel in the entire process.

The underlying principle should be that the PTAC members are appointed independently in order that their advice could be independent, objective and free and frank.

The Ministry of Health could have a greater role in appointments and due consideration should be given to independent medical groups appointing representatives to PTAC. (This seems to work well in Australia where PBAC is an independent body, which advises the Minister of Health. BCAC suggests those reviewing the PTAC appointment process examine and take into account the PBAC appointment protocols, which have been changed in recent years).

Another important issue would appear to be duration of any appointment. There should be a defined term and the appointees should be rotated off PTAC once they have reached this term to encourage new ideas and prevent entrenched views of a few members dominating the committee. The potential for 3 x 3 year terms on the committee, i.e. 9 years really seems too long, especially without a limit to the number of members who could be retained for 3 terms. This should be reduced, perhaps by capping at 2 terms. An alternative would be to make the terms 2 years in duration with a limit of 3 terms. As it stands there's just too much opportunity for the committee to become fixed in its ways and its thinking - there is a need for fresh blood and new minds to be brought in on a regular basis.

We are also concerned that the Member's performance is assessed only by the PHARMAC Board (22), and that a report on this is simply “made available” to the D-G of Health. This would seem to have the potential to inhibit the giving of “full and frank” independent advice on pharmaceuticals and their benefits. By its very nature, independent advice will not always be what the listener wants to hear. If that listener holds the sole power to assess the advisor's performance and to terminate the advisor's appointment (23), then this would seem to be a strong disincentive to the provision of independent advice.

We are also concerned that all current members of PTAC have been appointed by a process that is historically clearly not independent therefore are tainted by the process of their appointment. To ensure the committee as a whole can be seen as ‘independent’, a fresh start should be made. All current members should be released, and a new committee formed, using an independent process. Otherwise there is a danger that the review will produce no significant change.

A further procedural point we wish to raise, although not directly related to the appointment process, is that Pharmac staff (TGMs) write the PTAC minutes and this opens them to manipulation by Pharmac. Minutes should be recorded and written up by an independent PTAC secretariat in order to reflect the independent nature of the committee.



Elisabeth P.J. Burgess

Chairperson, Breast Cancer Aotearoa Coalition

## **Review of the PTAC Appointment Protocol: Meeting with Breast Cancer Aotearoa Coalition**

17 April 2008

**Attendees:** Libby Burgess and Louise Malone (Breast Cancer Aotearoa Coalition), Dilky Rasiah (PHARMAC), Erin Murphy (PHARMAC), Sheila Swan (Ministry of Health), Tanya Roth (Ministry of Health).

These notes follow-on and add to the submission made by BCAC. This submission is attached as “**Response to Consultation on the Protocol for the appointment of members of PTAC: Matters raised by the Breast Cancer Aotearoa Coalition (BCAC)**” BCAC note that their comments are focused on the existing protocol.

### ***Key points***

- The role of PTAC is crucial.

### ***Independence***

- Independence in this context refers to the nature of the advice, i.e. that it is free and frank, not the committee itself.
- To date there has not been good evidence that the advice given by PTAC is independent.
- PTAC’s advice needs to be independent and to be seen to be so.
- The way the committee is appointed is one of the ways this ‘independence’ can be achieved - this ensures that PTAC’s advice is their own and not reflecting a desired or predetermined outcome by the PHARMAC Board.
- Suggest consideration be given to the PBAC structure in Australia as it results in different outcomes compared to PTAC.
- Recommend an independent minute taker for PTAC - not a PHARMAC staff member. This would better reflect the independent voice of the committee.

### ***Protocol***

- Pharmac prepares the position description and selection criteria. The process to develop the criteria is not described, nor is there any reference as to who is involved and whether this includes Ministry of Health or other input.
- Suggest that the selection criteria for PTAC members be included as part of the Appointment Protocol rather than in the Guidelines as is currently the practice.
- Recommend inverting the current protocol, with the Ministry of Health taking the lead role. Under the current protocol it is hard to see how the Ministry of Health is involved, its input really only occurs at the end of the process.

- The interview panel should have at least three members, including representation from the Ministry of Health and possibly someone external to both Pharmac and the Ministry of Health such as a representative from the Medical Council, Council of Medical Colleges or University.

#### ***Duration of Appointment/Re-appointment***

- Retain the three year term, limit the number of subsequent term to a maximum of two or three terms - this will keep the committee fresh.
- Limited terms will lessen the effect of strong personalities which can dominate a committee.
- Recommend that the existing PTAC members stand down and reapply under the terms of the revised protocol. This would refresh PTAC and demonstrate that there is real commitment to a new way of working.

#### ***Performance assessment***

- The PHARMAC Board alone assess the performance of PTAC members - this has the potential to inhibit PTAC providing free and frank advice.
- There needs to be a clear description of the assessment criteria and what members' performance is being assessed against.
- The process to assess performance of PTAC members needs to be transparent, and have input from people external to PHARMAC.