

The Pharmac Board

C/- Paula Bennett, Chair

Pharmac

PO Box 10254

The Terrace

Wellington 6143

24 February 2024

Dear Paula and members of the Pharmac Board.

The 2024 Consumer workshops:

Thank you for initiating the two November 2024 consumer workshops facilitated by Dame Kerry Prendergast. These provided real value as an opportunity to express our collective experience of Pharmac. We nevertheless wish, as undersigned participants in those workshops, to convey to the Pharmac Board our concerns about and ambitions for the report as follows.

A changing scope

The invitation to the workshops stated the purpose was *“to discuss how Pharmac can improve the way it assesses and makes medicine funding decisions”*, with a shared goal of *“ensuring New Zealanders have the medicines they need, when they’re needed, so that people can live healthy, fulfilling lives with their families and communities”*.

Workshop participants made many practical suggestions on how processes could be improved to make them faster, more patient-focused, collaborative and transparent, and to achieve greatly improved medicines access in keeping with international standards.

Noting that we’ve only seen a consultation draft rather than Dame Kerry’s final report, we’re now inferring that these intentions have been replaced with a reframed purpose of resetting the relationship between consumers and Pharmac.

If this is the case it would be profoundly disappointing. Nevertheless, if the Prendergast report results in:

- those seeking access to medicine (groups, individuals and other representatives) experiencing empathy from Pharmac staff for the anguish they suffer when life-improving, life-saving or life-extending medicines are not available to them;

- Pharmac staff genuinely valuing the expertise that comes with lived experience of illnesses and conditions;
- And Pharmac participating in genuine engagement;

then this will be significant progress. We very much hope that these things will be achieved along with a deeper reform that will transform the Pharmac model to achieve optimal health outcomes for all New Zealanders.

Based on the content of the consultation draft we are concerned that the final report will not go far enough, and that it will fail to acknowledge that the root cause of the strained relationship with consumers is the years of chronic underinvestment in medicines. Without meaningful legislative and budgetary reform to address this, progress will remain limited and trust will continue to be compromised.

A more ambitious vision

We acknowledge the many worthy recommendations of the Prendergast report and urge that these be implemented with urgency. However, if the Pharmac Board genuinely wishes to reset the relationship between consumers and Pharmac it will additionally be an active and authentic advocate for significant, sustained increases to the medicines budget that will lift New Zealand's medicines expenditure from the bottom of the OECD league tables.

It will also be an active and authentic advocate for legislative changes to Pharmac's statutory objectives to require Pharmac, when constructing budgets and making medicines expenditure and investment decisions, to consider the overall economic and other benefits to people, society and the wider health system, rather than merely purchasing pharmaceuticals within the funding provided. Pharmac's objectives should be refocused on actively securing timely access to modern medicines to achieve optimal health and wellbeing for New Zealand patients.

If the Pharmac Board were to embrace the need to advocate for increases to the medicines budget, and for legislative change, this would go a long way to addressing the workshops' original aim of ensuring New Zealanders have the medicines they need, when they're needed, so that people can live healthy, fulfilling lives, contributing to their workplaces, families and communities.

An important public conversation

We note that the review draft is permanently embargoed and cannot be shared with anyone who didn't attend the workshops. We certainly hope that this will not also be the case for the final report, which we have not yet received. Given the long-standing history of Pharmac selectively using insights from consultation processes, delaying or limiting access to the final report would further erode trust. We recommend that it be released as a public document to the workshop participants at the earliest opportunity. Public release will ensure it remains a resource providing valuable insights as well as a template for reform of New Zealand's Health Technology Assessment systems and processes for future Boards and Governments.

Yours sincerely,

James McGoram



Chris Tse



Barbara Horne



Libby Burgess



Andrew Baker



Theresa Kidd-Foley



Liam Willis



Joanna Turner



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Dr Fiona Imlach



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