



17 June 2026

Hon Paula Bennett

Chair

Pharmac

PO Box 10254

Wellington 6143

Dear Paula

I want to acknowledge the work done by the Pharmac Board and staff to respond and implement my previous letters. It is clear that the organisation has done significant work to earn the respect of stakeholders and is more willing to look at new ways of operating. Examples of this include the 12-month reset programme, development of a four-year organisational improvement programme, Pharmac's new vision and strategy and the Consumer and Patient Working Group.

The Government is committed to policies that improving the lives of New Zealanders and addressing the healthcare challenges they face. Despite a difficult fiscal and economic environment, I believe Pharmac remains well-placed to deliver more medicines and medical technologies; improve the efficiency of the organisation; and continue to develop productive partnerships within the health sector.

This letter sets out my expectations to you as Chair of Pharmac for 2026/27. It seeks to build on what was contained in the 2025/26 letter. I intend to release this letter publicly.

Improving access to medicines and medical technology

I want the work to innovate and optimise Pharmac that has been undertaken to continue. This will ensure we are delivering the greatest value for the largest number of New Zealanders we can through improving access to new medicines and medical technologies. This is how we will drive better health outcomes and productivity.

I would like to see work continue on:

1. Evaluating and evolving the different roles Pharmac undertakes in relation to health technology assessment (HTA) and procurement to ensure they are fit-for-purpose and clear. This could include considering different advice and assessment pathways to improve timeliness.
2. Updating Pharmac's assessment methodologies and approach, including:
 - a. The wider fiscal impacts to the Government of funding medicines and medical devices, and how you consider societal impacts. This could include a review of the Factors for Consideration.
 - b. Embedding appropriate processes for ensuring that those living with a disease, their carers, and their family, can participate and provide input into the decision-making processes.
 - c. Completing a review of the Exceptional Circumstances Framework including improvements to the Named Patient Pharmaceutical Assessment (NPPA) process.
3. Working with the Ministry of Health, Health New Zealand and the Social Investment Agency to use Statistics NZ Integrated Data Infrastructure (IDI) to progress work on how to measure and monitor health services impact as well wider fiscal and societal impacts of Pharmac's funding decisions.
4. Pharmac making budget requests to me as its responsible Minister, in a manner which maintains independence but supports additional investment. This could include exploring with stakeholders different methods for funding medicines.

Building productive partnerships

Pharmac must have a culture that is professional and respects stakeholders. This is important to ensure positive, productive relationships which maintain public trust. Significant work has been done on this, and I want it to remain a focus.

I would like to see work continue on:

5. Prioritising improvements in the timeliness of assessment and decision-making. I expect you to continue working on the reporting of timelines and results publicly. This should include:
 - a. Clear timeline targets for the advice and assessment process.
 - b. Efforts to increase transparency through the timely publication of meeting and decision records.
6. Partnership and engagement work being strengthened to ensure all stakeholders understand what Pharmac does and how it works. This should include identifying opportunities for collaboration including:

- a. Continuing to use appropriate stakeholder advisory groups (e.g. the Supplier Advisory Panel).
 - b. Reviewing how the Pharmac Board receives consumer advice and the role of the Consumer Advisory Committee.
 - c. Continuing to support the implementation of the Rare Disorders Strategy.
 - d. Supporting government and non-government initiatives in relation to genomics, as required.
7. Partnering with government and non-government stakeholders, including the medicines and medical devices industries, to consider opportunities to improve horizon scanning, support funding and planning for emerging technologies, and ultimately deliver better health outcomes. This could include work to identify:
- a. Joint horizon scanning opportunities for industry to share their pipeline of upcoming medical technologies.
 - b. Opportunities for early engagement prior to submission to identify any evidential or implementation issues.

Continuous improvement of organisational culture and capability

I appreciate the work to date that Pharmac has done to renew its organisational culture and sharpen its strategic focus, ensuring it plays a more visible and constructive role across the wider health system. You have identified areas for improvement across Pharmac already and I agree with the broad approach. I also expect that Pharmac contributes to broader health system priorities by:

- 8. Investing in data and digital infrastructure to enhance core functions, and improve decision making, collaboration, efficiency and transparency. This includes for example:
 - a. Considering the use of artificial intelligence to support analytics, reporting, and decision support across core functions.
 - b. The delivery of a new modernised Pharmaceuticals Schedule technology solution which integrates with Health New Zealand and the wider health system IT infrastructure.
 - c. Supporting the Ministry of Health and Health New Zealand to re-establish reporting of health and disability system expenditure to the OECD.
- 9. Continuing to contribute to the Government's health priorities including:
 - a. The Government Policy Statement on Health 2024-2027.
 - b. National health targets.
 - c. New Zealand Health Plan and associated Pae Ora (Healthy Futures) strategies.
- 10. Giving effect to the Cabinet Circular (24) 5: *Needs-based Service Provision*, to meet the Government's expectations for how the targeting, commissioning and design of public services should be based on the needs of all New Zealanders.

11. Delivering on the letter of expectations from the Minister of Health and myself dated 22 September 2025 in relation to medical device evaluation and procurement.

I look forward to working with you as we continue to ensure New Zealanders get timely access to medicines and medical devices.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'D Seymour', with a stylized flourish at the end.

Hon David Seymour
Associate Minister of Health