



CommonwealthBank



Pharmacy Barometer

November 2019

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Background

UTS Pharmacy

UTS Pharmacy is an innovative school established in 2011 to address the emerging needs of the pharmacy profession. As the first course area within the UTS Graduate School of Health, it provides innovative, practice-based pharmacy education and high impact research that improves the quality use of medicine. The School is proud to offer an innovative, student-focused approach for highly motivated, career minded students. Over the last few years, it has successfully established itself as the program of choice for graduates who wish to have a career as pharmaceutical services providers and managers. UTS Pharmacy offers three Master coursework degrees, two leading to be eligible to register as a pharmacist; Master of Pharmacy and Master of Pharmacy (International) and the Master of Good Manufacturing Practice. The Graduate School is a leader in various areas of research including the design, evaluation and implementation of community pharmacy business and professional practice models. UTS Pharmacy is committed to producing career-ready graduates. Integrated problem-based learning, simulated environments and interdisciplinary workshops are used to help students apply the theory they learn and build their considerable skill set. A wide range of interdisciplinary electives give students the choice to specialise or diversify their skills to best suit their career needs. Committed to collaborative research that has a real impact on the pharmacy profession, our focus is on innovative practice-oriented research that improves the quality use of medicine and informs health policy.

IQVIA

IQVIA (NYSE:IQV) is a leading global provider of advanced analytics, technology solutions and contract research services to the life sciences industry. Powered by the IQVIA CORE™, IQVIA delivers unique and actionable insights at the intersection of large-scale analytics, transformative technology and extensive domain expertise, as well as execution capabilities. Formed through the merger of IMS Health and Quintiles, IQVIA has approximately 67,000 employees worldwide.

Learn more at www.iqvia.com

The Commonwealth Bank of Australia

The Commonwealth Bank of Australia (CommBank) takes a holistic view of Australia's health ecosystem, recognising the complex interrelationships between the broad range of providers, multiple funding streams and the regulatory framework under which it operates. CommBank views the Australian pharmacy industry as one of the critical segments of the overall health and primary care market, with an increasingly important role to play into the future. CommBank have a dedicated national healthcare team, with specialised bankers focused on pharmacy. The team provide expertise, industry-specific banking solutions, and insights that can support businesses innovation and growth within a changing market.

With continued fiscal pressure on the overall sector, it's more important than ever to both understand your customers, and work towards a differentiated and customised proposition to remain competitive. CommBank's strong capability in technology and data analytics supports organisations and market participants looking to capitalise on emerging opportunities presented by a digitally-driven health system. This evolving system, coupled with the Government's ongoing commitment to the industry - evidenced through measures put in place to expand the role of community pharmacy through the COVID-19 pandemic and most recently with the executed Seventh Community Pharmacy Agreement (7CPA) - should provide a strong platform for continued growth.

The growing landscape of community pharmacy in Australia

Community pharmacy plays a pivotal role in providing primary healthcare and delivering a range of services to the community. Professionally, within some pharmacy settings the role of the pharmacist has expanded to a more services-oriented position with changes in legislative requirements expanding the facilitation of vaccination services across some States and Territories. Streamlining of the General Practice Rural Incentives Program (GPRIP) and the Practice Nurse Incentive Program (PNIP) into a single Workforce Incentive Program (WIP) will provide financial incentives to support eligible general practices to engage non-dispensing pharmacists. Discussion continues around the implementation of an integrated role for pharmacists practising to their full scope and with discussions regarding the Seventh Community Pharmacy Agreement (7CPA) having commenced, the Pharmaceutical Society of Australia (PSA) has been named signatory for the first time. Increasingly medication safety has become a priority for the government with Medicine Safety being announced as the 10th National Health Priority Area, recognising the urgent need to ensure medicines improve the health of Australians and do not put them at risk of harm.

Two national reports generated by key industry bodies may have an interesting impact on the future of pharmacy practice. The PSA's report "Pharmacists in 2023" and The Pharmacy Guild of Australia's (PGA) project "Community Pharmacy 2025" propose plans for the future of pharmacy highlighting key actions that need to be enabled to unlock opportunity for pharmacists. These plans demonstrate the indispensable role pharmacists provide and their integral part in the Australian healthcare system, supporting the diversification of the pharmacists' role and their extended scope of practice.

A number of previous major reforms have had and will continue to have, an impact on the delivery, focus and funding of health in Australia. Government-led national health care, PBS reforms and retail trends have significantly affected the distribution, funding and provision of pharmaceutical products and services. Specific examples of such changes include:

- Expanded and Accelerated Price Disclosure (EAPD) price reductions
- Generic substitution
- Changing remuneration systems
- Discount pharmacy models
- Primary Health Networks (PHNs)
- Coordination and integration of primary care providers
- Wholesaler terms and conditions
- Discount pharmacy models
- Advanced practice
- Increased use of medications
- Online retailing
- Professional shift from product based to service based
- Patient self-management
- Ageing population
- Increased policies directed at preventative services
- Sharing of electronic health data
- 6th Community Pharmacy Agreement
- Biosimilars

The 6th Community Pharmacy Agreement effective from July 2015 has resulted in the move away from the reimbursement dependence on cost of medication, through essentially the deletion of the mark-up component and the increased funds available for services. The Agreement appears to have stabilised the community pharmacy industry with a continuing trend for most pharmacies to implement professional services. Budget 2017 saw the Government providing \$200 million "in recognition of lower than expected script volumes", and the distribution of \$600 million for new and expanded programs as follows:

- Dose Administration Aids (\$340 million)
- Staged Supply (\$80 million)
- Expansion of MedsCheck and Diabetes MedsCheck program (\$90 million)
- Home Medicines Reviews including follow up service in community pharmacy (\$60 million)
- Incorporating medication management programs within Health Care Homes (\$30 million)

The Government also continued to provide policy support for community pharmacy through a number of other initiatives such as “recognising community pharmacy’s role in primary health” within the PHNs and a commitment to the continuation of community pharmacy location rules “... beyond 6CPA”.

Business models in community pharmacy continue to differentiate, driven initially by the retail success of the discounters, and the recent appearance of new professional service models. The depth of knowledge and impact of these coming changes on and by individual pharmacy owners and employees is uncertain. Concurrently, the business model adopted by many pharmaceutical companies for acquiring loyalty, market share and sales through pure discounting mechanisms alone is changing. Accompanying all these changes there has been much debate, in the scientific literature, professional and trade journals and professional pharmacy and other stakeholder organisations, of the potential impact of these changes on the pharmacy industry as a whole.

An understanding of the perceived and the eventual impact of all these changes and their future effect on the professional and business strategy concerns many players including:

- Community pharmacy owners and practitioners
- Pharmaceutical companies and manufacturers (branded and generic)
- Pharmaceutical wholesalers
- Professional organisations
- Pharmacy educators and researchers
- State and federal governments
- Finance industry including banks, lending institutions and investors.

All these stakeholders will require accurate and timely feedback on how this \$18 billion industry is thinking and how it is likely to evolve.

The UTS Community Pharmacy Barometer™

UTS Pharmacy developed the Community Pharmacy Barometer in response to industry challenges and perceived gaps in knowledge about the impact these upcoming changes may have on community pharmacy businesses and professional practice.

The UTS Community Pharmacy Barometer™ is the first comprehensive research tool available to all the stakeholders in the Australian Pharmacy industry designed to track the confidence, perceptions and opinions of pharmacy owners and employees. On an annual basis the UTS Community Pharmacy Barometer™ tracks the perceptions of the viability of the pharmacy business, the profession and opinions of the impact of the coming changes on the current and future value of pharmacies as well as researching in depth a key topic at each wave.

The expert panel includes, UTS Graduate School of Health Head of Discipline, Pharmacy and Professor of Pharmacy Practice, Professor Kylie Williams, UTS Adjunct Professor John Montgomery, Warwick Plunkett, Pharmaceutical Society of Australia (PSA) Director, former PSA National President John Bell, Emeritus Professor Shalom (Charlie) Benrimoj and UTS senior lecturer Dr Victoria Garcia Cardenas.

Methodology and Analysis

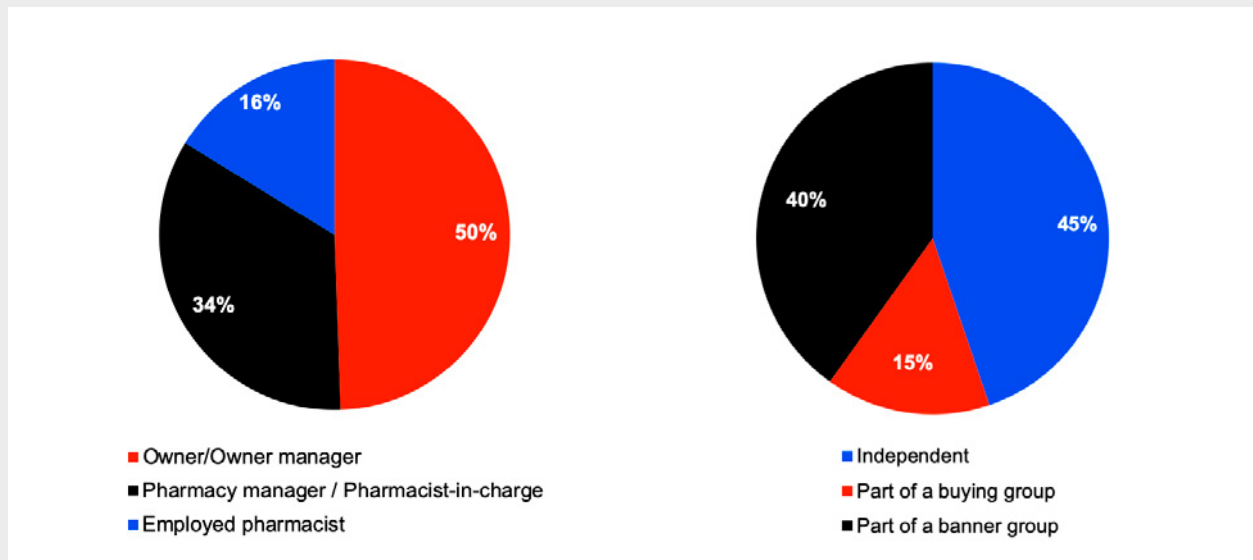
The questions were designed to assess the confidence of pharmacists in their business in the short (one year) and medium-term (three years). Since the inaugural study proceeding reports have continued to focus on the specific range of services offered within community pharmacy, the evolution of minor ailment service offerings, implications of the sixth Community Pharmacy Agreement (6CPA), pharmacist wages, pharmacist involvement with primary healthcare networks and the use of biosimilars in the community pharmacy environment. The eighth wave of the barometer completed in 2018 in addition to examining the effects of the 6CPA investigated the emerging role of community pharmacists as professional service providers through examination of collaboration with General Practitioners and pharmacists providing vaccination. In this the ninth wave of the barometer (2019), with discussion underway for the seventh

Community Pharmacy Agreement (7CPA), continuation of the effects of the Sixth Community Pharmacy agreement and interest in services to be funded under the 7CPA will be examined alongside the potential of an Australian Minor Ailments Scheme (AMAS), pharmacist prescribing and the implications of media representation of pharmacist and GP interaction.

The 2019 survey for UTS Community Pharmacy Barometer™ was created in collaboration - with IQVIA and the University of Technology Sydney pharmacy expert panel.

Data collection occurred in November 2019, with an invitation to participate in the online survey emailed to the pharmacists on the IQVIA online panel (a sample from the panel of 1,000 pharmacists that is nationally representative of the general community pharmacy population). Participants included those who identified themselves as working in community pharmacy (majority of the time), and were either an owner or owner-manager (50%), pharmacist-in-charge/pharmacy manager (34%) or employed pharmacist (16%). The questionnaire also captured the type of pharmacy in which the pharmacist worked (independent (45%), banner (40%) or buying group (15%)).

Figure 1: Type of Pharmacy and Role in the Pharmacy (n=364)



A sample of 364 pharmacists were surveyed in 2019 in order to have $\pm 5\%$ marginal error with 95% confidence interval, with the sample being representative of the Australian community pharmacy sector. Open-text questions were coded into themes that could communicate the main topics raised by the pharmacists. Tables were produced for all questions with the following groups: Type of pharmacist [Owner (combination of owner & owner-managers) vs. Employed (combination of pharmacist-in-charge & employed pharmacist)]; Age [three age categories] and Type of pharmacy [Independent vs. Group (combination of banner and buying groups)].

Certain questions were only offered to 'decision makers' (owner/owner-managers and pharmacist-in-charge/pharmacy manager n=305). The data were tested for statistically significant differences (z-tests for proportions and t-tests for means; both using a 95% confidence interval). Certain questions were analysed as cross-tabs, to investigate potential relationships and themes.

Table 1: State and Territory breakdown of Pharmacists (n=364)

State/Territory	N	%
NSW	131	37%
ACT	3	1%
VIC	86	24%
QLD	69	19%
SA	27	8%
WA	35	10%
TAS	7	2%
NT	0	0%
NET	358	100%

base n = 358; total n = 364; 6 not provided

UTS Community Pharmacy Barometer™

The UTS Community Pharmacy Barometer™ measure was derived using the following questions:

1. Do you believe the value of your pharmacy will increase, decrease or remain the same in the **next year**?
2. Do you believe the value of your pharmacy will increase, decrease or remain the same in the **next 3 years**?
3. On a scale of 1 to 10 where 1 is extremely pessimistic and 10 is extremely optimistic, how confident are you in the future viability of community-based pharmacy?

The first two questions were only asked of 'decision makers' (owner, owner-managers and pharmacist-in-charge/ pharmacy manager n=305), while the third was asked of all pharmacists (n=364). For the calculation of the Barometer measure, only those who answered all three questions were included (n=248).

For each of the first two questions above, responses were assigned the following values:

Increase = 2
Remain the Same = 1
Decrease = 0

The sum of the values was calculated for each question and the sum divided by the total number of pharmacists who selected one of the three options for that question (i.e. an option other than 'not sure').

For the third question responses were assigned the following values:

Optimistic (rating of 8-10) = 2
Neutral (rating of 4-7) = 1
Pessimistic (rating of 1-3) = 0

The first two questions provided insights into the 'value' pharmacists foresee for their pharmacy and the third gives an emotional insight into their confidence in the future. We used 'value' + 'emotional insight' = 'Pharmacy Barometer' as the basis for providing a 50% weighting to the two value questions and a 50% weighting to the emotion (pessimism - optimism scale) question. As the first question refers to 'next year' (more immediate) and the second to 'next three years' (further away, shadowed with uncertainty), it was decided to distribute the 50% weighting for 'value' as 35% for next year and 15% for three year timeframes. The UTS Community Pharmacy Barometer incorporates these three weighted scores.

In 2019 we have also added questions regarding emerging issues which may affect community pharmacy both professionally and economically. These questions focus on the on the role and remuneration of community pharmacists, proposed remuneration for services in the 7CPA, the current interactions between pharmacists and general medical practitioners representatives in the media, implementation of an Australian Minor Ailments Scheme, pharmacist prescribing and use of biosimilar medications.

Satisfaction with 6CPA and proposed remuneration of services in 7CPA:

1. What is your level of satisfaction with the 6th CPA on an economic and professional level?

	Strongly Dissatisfied				Neutral					Strongly Satisfied
Economic level	1	2	3	4	5	6	7	8	9	10
Professional level	1	2	3	4	5	6	7	8	9	10

2. What remunerated professional services do you wish to see included in the 7th Community Pharmacy Agreement?

3. To what extent do you support a greater proportion of funds to be allocated to services in the 7th CPA compared to the 6th CPA?

Strongly not support	Not support	Not sure	Support	Strongly support
1	2	3	4	5

4. Please rank your preference for the service payment model that could be negotiated in the 7th CPA (rank from 1 to 4)

- Fee for service
- A practice allowance to cover all service provision
- A combination of fee for service and practice allowance to cover all service provision
- Other. Please specify _____

5. List the services you would prefer to see remunerated though either:

- The 7th Community Pharmacy Agreement (PBS): _____
- The Medicare Benefits Scheme (MBS): _____

Role and remuneration of community pharmacist:

6. Has the remuneration level of your pharmacist employee (or if you are an employee pharmacist) changed in the last year?

- Yes
- No
- Not sure
- Not applicable

7. What is the average hourly rate for your employee pharmacist?

- Less than \$30 per hour
- Between \$30 to \$40 per hour
- Between \$40 to \$50 per hour
- Between \$50 to \$60 per hour
- More than \$60 per hour, specify

8. Is the role of any employed pharmacist dedicated mainly to the provision of non-dispensing professional services?

- Yes
- No

9. What is the average hourly rate for employee pharmacists dedicated to the provision of non-dispensing professional services?

- Less than \$30 per hour
- Between \$30 to \$40 per hour
- Between \$40 to \$50 per hour
- Between \$50 to \$60 per hour
- More than \$60 per hour, specify

Current interactions between pharmacists and GPs representatives in the media:

10. What impact do you believe the current confrontation in the media between GP and Pharmacy organisations is having on our public image?

Extremely damaging					Neutral					Extremely beneficial
1	2	3	4	5	6	7	8	9	10	
1	2	3	4	5	6	7	8	9	10	

11. What impact do you believe the current confrontation in the media between GP and Pharmacy organisations is having on our public image?

- Yes
- No
- Unsure

12. Are you holding back on the provision and implementation of new professional services because of the consistent criticism from the medical profession?

- Yes
- No
- Unsure

Implementation of an Australian Minor Ailments Scheme (AMAS):

13. In your opinion, should funding for AMAS come from

- a. 7th CPA (fee for service)
- b. 7th CPA (Practice allowance)
- c. MBS (fee for service)
- d. Other. Please specify _____

14. Do you support the down-scheduling of some medications to treat minor ailments as part of an Australian Minor Ailments Scheme?

- Yes
- No
- Unsure

15. If yes, what schedule 4 medications should be down-scheduled to facilitate the implementation of an Australian Minor Ailments Scheme?

- Melatonin
- OCP
- Ondansetron
- Trimethoprim
- Nitrofurantoin
- Triptans
- Sildenafil
- Adapalene
- Other: Please specify _____

Pharmacist prescribing:

16. Do you support the concept of pharmacist prescribing?

- Yes. Please comment.....
- No. Please comment.....
- Unsure. Please comment.....

17. If yes, what types of prescribing would you support?

- Autonomous pharmacist prescribing (where a prescriber undertakes prescribing without the approval or supervision of another health professional).
- Prescribing under supervision (where a prescriber undertakes prescribing under the supervision of another authorised health professional).
- Prescribing via a structured prescribing arrangement (where a prescriber prescribes medicines under a guideline, protocol or standing order).

Please comment.....

Biosimilar medicines:

A biosimilar medicine is a highly similar version of a reference biological medicine. The reference biological medicine is the first brand to market. Biosimilar medicines are becoming approved for use in Australia and as such we are interested in your views about this group of medicines.

18. Level of confidence of substitution:

None						Neutral				High	
1	2	3	4	5	6	7	8	9	10		

19. Overall level of preparedness to dispense to new patients

None						Neutral				High	
1	2	3	4	5	6	7	8	9	10		

Members of the UTS Community Pharmacy Barometer Expert Panel



PROFESSOR KYLIE WILLIAMS

Head of discipline Pharmacy, Graduate School of Health & Professor of Pharmacy Practice

Professor Kylie Williams is the Head of Pharmacy and the Deputy Head of School in the Graduate School of Health at the University of Technology Sydney (UTS). She is a registered pharmacist with over 25 years of academic experience in teaching and research. Kylie leads a research team focused on development, implementation and evaluation of new models of pharmacy and health service delivery. In addition to her health service expertise, she has expertise in mixed methods research using both qualitative (focus groups, interviews) and quantitative research methods (questionnaires, pseudo-patient methodologies, actual use studies). She has published over 50 refereed papers, 9 major research reports and has co-authored over 90 conference presentations. Alongside her research expertise, Kylie is internationally recognised for her curriculum development. She has received a number of teaching grants and awards, has co-authored teaching-related peer-reviewed journal articles and two professional books, and has written over 80 educational articles for pharmacists.



JOHN MONTGOMERY

UTS Adjunct Professor

John Montgomery has 40 years' experience in the pharmaceutical industry including the US, UK, Australia and Japan. John was CEO of Alphapharm and Regional Director, Asia Pacific for Merck Generics, and then President, Mylan Asia Pacific from 1999 to 2010. Since then, John was General Manager of Pfizer Established Products for Australia and NZ and then Managing Director of STADA Pharmaceuticals Australia. He is currently a Board Director of Cymra Life Sciences. He spent 20 years with Warner Lambert in a variety of roles including Regional President Australia and NZ. He was Chairman of the Generic Medicines Industry Association (GMiA) for 5 years.



WARWICK PLUNKETT

Director and Past-President, Pharmaceutical Society of Australia

Warwick Plunkett is a director of the PSA, having served twice as National President. He is also proprietor and partner in Newport Pharmacy on Sydney's northern beaches, former CEO of Plunkett Pharmaceuticals and a consultant to a pharmaceutical company. As a director of PSA, Warwick has a day-to-day involvement in the broad scope of all matters involving pharmacists but on a personal level he lists his three main areas of interest as being community pharmacy, organisational pharmacy and the pharmaceutical industry. His major achievements include the establishment of the Self Care program, the Return of Unwanted Medicines project and the unification of PSA.



JOHN BELL

Specialist Practitioner/Teacher, UTS Graduate School of Health

John Bell is a member of the Global Pain Faculty and the Global Respiratory Infection Partnership, international multidisciplinary groups established to address the issues of pain management and antibiotic resistance respectively. John is an advisor to the PSA's Pharmacy Self Care Program and has a particular interest in health communications and public relations. He is a former National President of the PSA, President of the Commonwealth Pharmacists Association, Vice President of the International Pharmaceutical Federation (FIP) and is a Specialist Practitioner/Teacher in Primary Health Care at the Graduate School of Health, University of Technology, Sydney (UTS). John owns a community pharmacy in Sydney.



SHALOM (CHARLIE) BENRIMOJ

Emeritus professor and NSW Committee member Pharmaceutical Society of Australia

Professor Benrimoj was Head of the Graduate School of Health University of Technology Sydney 2011 to 2018). He was the Foundation Professor of Pharmacy Practice, Dean of the Faculty of Pharmacy and Pro-Vice Chancellor (Strategic Planning) University of Sydney. He is a visiting professor at the University of Granada and emeritus professor University of Sydney. He graduated with B. Pharm. (Hons) 1976, followed by completion of a Ph.D. 1980, University of Bradford, U.K. His research interests encompass the future of community pharmacy and professional cognitive pharmaceutical services from community pharmacy. These include the provision of drug information to consumers, clinical interventions, patient medication reviews, disease state management systems, Pharmacy and Pharmacist only medications, change management and international pharmacy practice. Research interests involve the clinical, economic and implementation aspects of cognitive pharmaceutical services from community pharmacy in current and emerging health care systems. He has published over 200 papers in refereed journals, 25 major research reports and presented and co-authored 200 conference presentations. He has co-authored a book "Community Pharmacy: Strategic Change Management" (2007). He was the Australian Pharmacist of the year in 2000. He was awarded the Andre Bedat 2010 by International Pharmacy Federation (FIP). He was elected a Fellow of three distinguished international and national societies in 2008 - Pharmaceutical Society of Australia, 2008 - Royal Pharmaceutical Society of Great Britain, 2007 - International Pharmacy Federation



DR VICTORIA GARCIA CARDENAS

Senior lecturer in Pharmacy Practice, UTS Graduate School of Health

Dr Victoria Garcia Cardenas (PhD, M Pharm, B Pharm) is a senior lecturer in pharmacy at the University of Technology Sydney (Australia). She is also a member of the Pharmaceutical Care Research Group at the University of Granada (Spain). Her teaching and research interests encompass medication adherence, the evaluation and implementation of professional services and practice change in community pharmacy. She has published over 40 papers in refereed journals and has presented and co-authored more than 50 conference presentations. Victoria is chair of the Pharmacy Practice Research SIG of the International Pharmaceutical Federation and an Associate Editor for Research in Social and Administrative Pharmacy.

Executive Summary

The UTS Community Pharmacy Barometer™ is an annual study to track the confidence and opinions of pharmacy owners and employees as well as investigate in depth a key current topic. The topics for this study were the proposed funding arrangements and services supported by the impending Seventh Community Pharmacy Agreement (7CPA), the expanding role and remuneration of pharmacists, an Australian Minor Ailments Scheme, expansion of pharmacists role to incorporate pharmacist prescribing, the relationship between pharmacists and GPs and biosimilar medications.

The 9th wave of the barometer was conducted in November 2019, with 364 pharmacist respondents drawn from the IQVIA panel.

Results were:

- **The UTS Pharmacy Barometer™ score was 109 out of 200** (a score of 100 represents neutral confidence) indicating community pharmacy confidence has risen, remaining high even as uncertainty ensues with the unknown outcomes of the 7CPA.
- The overall confidence has risen 10 points in the past year. Confidence continues to remain neutral but year on year confidence is rising, with wave 9 of the barometer resulting in the highest confidence seen yet at a score of 109. Pharmacists appear to have become accustomed to the economic and professional viability of the 6CPA with increasing confidence in what the future of community pharmacy holds. The pessimism highlighted in wave 3 and 4 (61.2 in Wave 3 and 68.9 in Wave 4) are long gone with increasing confidence being demonstrated from wave 6 onwards (85.9 in wave 6, 96.4 in wave 7, 99.0 in wave 8, 109 in wave 9).
- Pharmacists still largely remain neutral in their confidence regarding the future viability of community pharmacy, however, increasing optimism is reported. The largest shift is demonstrated by pharmacist managers/pharmacists-in-charge increasing from 5.4 out of 10 in wave 8 to 5.7 out of 10 in wave 9.
- The percentage of pharmacists that indicated they believe the value of their pharmacy in the next year will increase has risen, highlighting growth in the industry (25.2% in wave 9, up from 20.9% in wave 8 and 20.0% in wave 7), while the percentage of pharmacists who believe the value will remain the same has remained unchanged (43.3% in wave 9, 42.9% in wave 8). There is a continual decline year on year of pharmacists who believe the value of their pharmacy will decrease within twelve months (20.3% in wave 9, down from 26.9% in wave 8, and from 33.3% in wave 7), while those who are not sure has increased slightly to 11% (11.1% in wave 9, versus 9.3% in wave 8).
- Increasing economic optimism remains at three-year projections of value changes. It appears pharmacists are transitioning from projecting a decrease in value (22% in wave 9 down from 28.2% in wave 8) to either remaining the same (29.2% in wave 9 up from 26.2% in wave 8) or expecting an increase in value (31.8% in wave 9 up from 28.6% in wave 8). Those that were not sure remained the same (17% in wave 9, 16.9% in wave 8).
- Pharmacists appear to be content about the economic viability the 6CPA has brought.
- Future optimism remains high with the hopes of what the 7CPA holds both economically and professionally.
- The 25% of pharmacists who predicted their pharmacies would increase in value in the coming twelve months believed on average the value increase would be 15.6%, following similar trends from 2018 and 2017.
- In those that predicted an expected decrease in value in the next twelve months, the average expected loss was 15%.
- Pharmacists who indicated that the value of their pharmacy would increase in next three years, predicted a lower percentage increase of 16.5% returning to 2014 and 2015 predictions, most likely influenced by the unknown funding arrangements of the 7CPA. However, the expected decrease in value of pharmacies in three years by those that predicted their pharmacies would decrease in value is the lowest yet at -17.8%, a similar prediction to 2018 estimated value loss.
- Pharmacist satisfaction with the economic and professional viability of the 6CPA while still overwhelmingly neutral, demonstrated increasing satisfaction. Owner/owner managers were the most satisfied economically and professionally while pharmacist managers/ pharmacists-in-charge were the least satisfied economically and professionally.
- Strong support was demonstrated from all pharmacists' groups for greater funding within the 7CPA to be allocated to the provision of services. With over 70% of pharmacists indicating support or strong support.

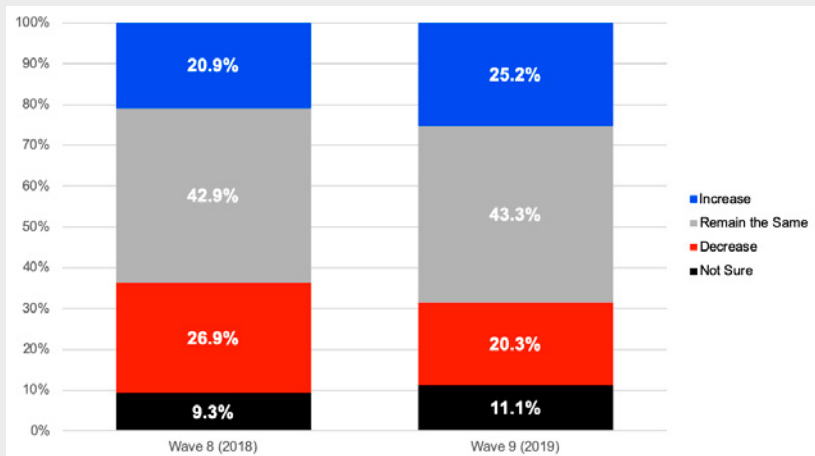
- Pharmacists continued to report changes in salary levels for 2019, with a greater proportion of pharmacists experiencing an increase in wages to between \$40-\$50/hour (39% in wave 9, up from 30% in wave 8) up from the \$30-\$40/hour wage bracket (56% in wave 9, down from 68% in wave 8). Additionally, those reaching the top hourly remuneration brackets continue to rise with 3% reporting remuneration between \$50-\$60/hour and 1% earning over \$60/hour.
- Pharmacists employed in positions mainly dedicated to the provision of professional services (15%) appeared to achieve higher hourly remuneration than employed pharmacists with 11% reported earning \$50-\$60/hour.
- Pharmacists are concerned about the impact the media confrontation between pharmacists and GPs is having on public perception of the profession and the potential negative implications on the 7CPA, with 35% reporting the impact of the confrontation in the media is damaging to the profession and 43% reporting it is likely to have a negative impact on the 7CPA.
- Pharmacists choice of model for the funding of an Australian Minor Ailment Scheme (AMAS) was divided, with 53% of pharmacists believing funding should be derived through the 7CPA (31% fee for service versus 22% practice allowance) and 46% of pharmacists indicating funding should be through the Medicare Benefits Schedule (MBS) (fee for service).
- The majority of pharmacists supported the down-scheduling of medications for an AMAS (76%). A range of medications were suggested as being appropriate for down-scheduling, including; oral contraceptives, hypertension management (ACE inhibitors, beta blockers, calcium channel blockers), asthma and COPD preventers (SABA, LABA, ICS), antibiotics and topical corticosteroids.
- 77% of pharmacists supported the expansion of pharmacists' scope of practice to incorporate pharmacist prescribing, highlighting that pharmacists are eager to put their skills and training to wider use. There was strong endorsement for prescribing via a structured prescribing arrangement (68%) and/or autonomous pharmacist prescribing (43%).
- Pharmacists' level of confidence and preparedness to deal with biosimilar medicines has increased. The level of confidence in biosimilar substitution was up 8% (34% in wave 9, versus 26% in wave 8) and the perceived level of preparedness to dispense biosimilars up 6% (35% in wave 9, versus 29% in wave 8). With the top ten highest cost Pharmaceutical Benefits Scheme medications being biologics, pharmacists are finally starting to recognise the importance in improving confidence in this area.

UTS Pharmacy Barometer 2019

Expected value of pharmacy

“Will the value of your pharmacy increase, decrease or remain the same at one year and three years from now?”

Figure 2: Expected value of pharmacy in the next year



* Note: Answered only by Owners, Owner managers, Pharmacy managers and Pharmacist-in-charge; wave 9: n=305, wave 8: n=301

Wave 9 of the UTS Community Pharmacy Barometer demonstrates a shift in the optimism of pharmacist decision makers with the belief that the value of their pharmacy will increase in the next twelve months. A quarter of pharmacists believe that the value of their pharmacy will increase in the next twelve months (25.2% in wave 9 up from 20.9% in wave 8) highlighting an overall movement in a positive direction. There was a corresponding 5% shift from wave 8 in those who think the value of their pharmacy will decrease in the next twelve months (20.3% in wave 9 down from 26.9% in wave 8) to those who believe the value of their pharmacy will increase in the next twelve months in wave 9.

The percentage that remain unsure has risen slightly to 11%, however this is not surprising given the future professional and economic viability of community pharmacy is yet to be established with negotiations currently underway for the 7CPA. Those that believe the value of their pharmacy will remain the same, has held stable at 43%.

Community pharmacy owners and managers appear to be more confident despite the uncertainty of the 7CPA. There is a growing sense of security in the viability of the profession, with one quarter of pharmacists projecting an increase in their financial situation in the following twelve months. Additionally, the percentage of pharmacists who believe the value of their pharmacy will decrease in the proceeding twelve months continues to lessen.

EXPERT COMMENTARY

“This is the largest positive shift in increase in value we have seen in the history of the barometer, demonstrating a lack of hesitancy and confidence in what’s to come out of the 7CPA.”

Charlie Benrimoj

“There appears to be a change in view of how pharmacies can move forward in a profitable way.”

Warwick Plunkett

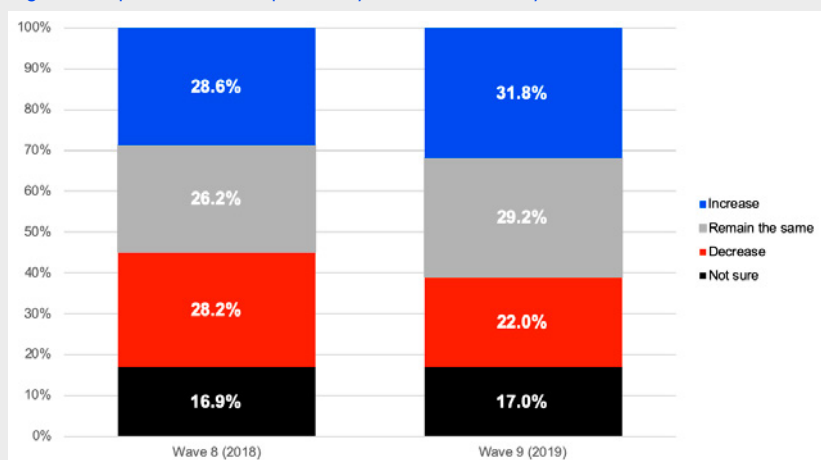
“The general sense of optimism is evident. The effects of price disclosure are plateauing; and pharmacists are demonstrating a greater acceptance of professional services, finding increasing value in their business.”

John Bell

“It is very positive to see this increased optimism in decision makers. Pharmacists seem to be implementing innovative business models effectively.”

Victoria Garcia Cardenas

Figure 3: Expected value of pharmacy in the next three years



* Note: Answered only by Owners, Owner managers, Pharmacy managers and Pharmacist-in-charge; wave 9: n=305, wave 8: n=301

Pharmacists' sense of confidence in the medium-term future based on a projected value change appears to be lower over three-year projections when compared with twelve months. Positively, the overall trend of an upwards shift in expected value increases or for value to remain the same over the next three years continues and strengthens from figures presented in wave 8. Increasing optimism is evident among pharmacists based on the upwards trend for a forecast increase in value when comparing previous waves (31% in wave 9 up from 28% in wave 8, 25% in wave

7 and 20% in wave 6) and substantially fewer forecasting decreases in value (22% in wave 9 down from 28% in wave 8, 31% in wave 7 and 37% in wave 6). The percentage of decision makers who believe the value of their pharmacy will decrease over the next three years has reached an all-time low (22%), with a clear shift from those who believe their value will decrease to now predicting it will either remain the same (29%) or increase in value (31%). An increase in those who believe the value of their pharmacy will remain the same over the next three years was demonstrated (29% in wave 9,

versus 26% in wave 8), while those who were unsure remained stable (17% in wave 9, 16% in wave 8).

Pharmacists appear to be more confident about the short-term future at twelve months than they are in the medium-term with three-year projections reporting greater uncertainty. They are comfortable with the terms of the 6CPA and potential value they can add to their business in the short term, however uncertainty surrounding the 7CPA, is reflected in medium term value estimations.

Table 2: Average changes in value expected in the next year

Responders who think the value will increase in the next year (n=77 in this wave)								
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19
Average increase	10.0%	17.0%	9.7%	13.1%	21.1%	15.9%	15.8%	15.6% *
Maximum								100% *
Minimum								2%
Responders who think the value will decrease in the next year (n=62 in this wave)								
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19
Average decrease	-17.0%	-20.0%	-17.7%	-14.8%	-17.7%	-16.0%	-14.4%	-15%
Maximum								-50%
Minimum								-3%

* Note, two outliers were removed, Median value = 10

Median value = 10

The predicted average value increase owner/owner managers are expecting to encounter over a twelve month period remains consistent over the last three waves of the barometer at 15% (15.6% in wave 9, 15.8% in wave 8 and 15.9% in wave 7). Higher fluctuation in the average value decrease is represented (-15% in wave 9 versus -14.4% in wave 8 and -16% in wave 7), however the number of pharmacists who believe the value

of their pharmacy will decrease over the next twelve months has reduced substantially (n=62 in wave 9, versus n=81 in wave 8 and n=100 in wave 7). Additionally, the number of pharmacists who expect to see an increase in value in the next twelve months has risen (n=77 in wave 9, versus n=63 wave 8 and n=60 wave 7). Interestingly, there appear to be a few pharmacists who have projected substantial growth in the next twelve

months with forecasts in excess of 250% resultant due to changes in their business model and/or demographic and population growth in their area.

The majority of owner/owner managers are predicting increases in the value of their business over the next twelve months, however, there appears to be a small group of pharmacies consistently projecting a decrease in value and are unfortunately struggling.

Table 3: Average changes in value expected in the next 3 years

Responders who think the value will increase in the next 3 years (n=97 in this wave)								
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19
Average increase	15.0%	17.0%	16.8%	16.1%	20.4%	17.5%	18.1%	16.5%*
Maximum								100% *
Minimum								2%

* Note, two outliers were removed, Median value = 10

Responders who think the value will decrease in the next 3 years (n=67 in this wave)								
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19
Average decrease	-20.0%	-24.0%	-23.8%	-18.1%	-18.7%	-19.1%	-18.0%	-17.8%
Maximum								-60%
Minimum								-1%

Median value = 10

Momentum has slowed on the expected value increase pharmacies are forecasting over the next three years, likely due to the unknown funding arrangements for the 7CPA. A third of pharmacists (n=97) are projecting an increase in value over the next three years, however the average value increase has decreased by 1.6% from wave 8 (16.5% in wave 9, down from 18.1% in wave 8 and 17.5% in wave 7).

Conversely, one fifth of pharmacists believe the value of their pharmacy will decrease by an average -17% over the next three years, representing the lowest average value decrease and proportion of pharmacists predicting a decrease across all waves of the barometer (n=67). The continued segregation between the optimists and the pessimists persists, with a welcomed shift in the growth of those looking to the future to implement new strategies to enhance and sustain business growth.

EXPERT COMMENTARY

“Just under a third of owners/ managers expecting an increase in the value of their business in the next three years, seems very cautious”

John Montgomery

“Pharmacists are still quite split in their expectations for an increase or decrease in the value of their businesses, as well as the size of this change, perhaps reflecting different models of practice.”

Kylie Williams

“When pharmacies are getting hit economically, they are getting hit hard and they appear to be unsure how to claw back from that.”

Charlie Benrimoj

“We are starting to see service provision outside the 6CPA and it appears to be leading to business growth.”

Victoria Garcia Cardenas

Pharmacists were asked to indicate the reasons for their predicted change in the value of their pharmacy in the next twelve months. The 2019 barometer responses included previously identified trends such as service offerings, population growth, competition and discounters.

Emerging reasons for value change were also reported including business management and efficiency, two months dispensing and changes to business models.

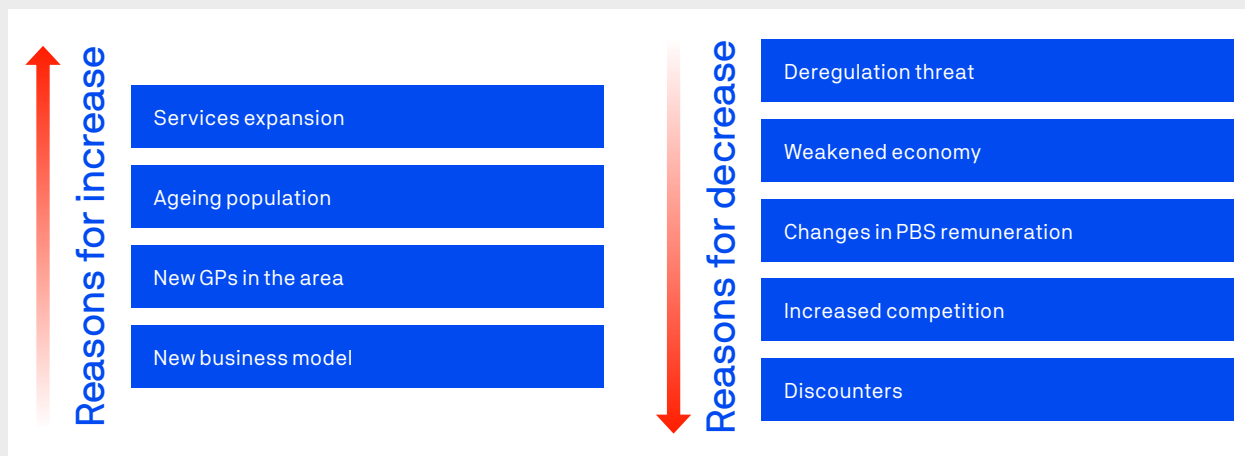
Figure 4: Reasons for predicted change in value in the next twelve months



Pharmacists were asked to indicate the reasons for their predicted change in the value of their pharmacy over the next three years, with predicted change in value responses in 2019 following similar trends to 2018. A suggested increase in value over the next three years was attributed year on year to

service provision expansion and growth (ageing population, population density, other healthcare providers in the area), while reasons for a decrease continue to focus on competition and the impact of discounters.

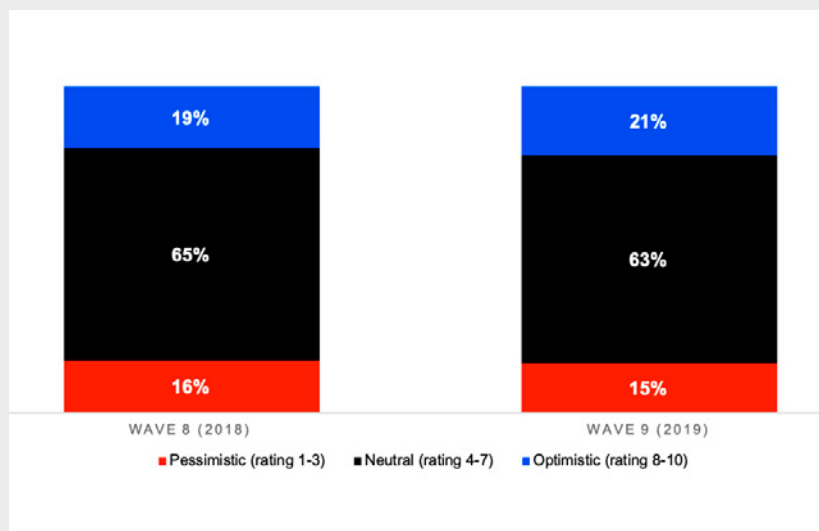
Figure 5: Reasons for predicted change in value in the next three years



Confidence in the future

“On a scale of 1 to 10 where 1 is extremely pessimistic and 10 is extremely optimistic, how confident are you in the future viability of community - based pharmacy?”

Figure 6a: Pharmacists confidence in the future viability of community-based pharmacy

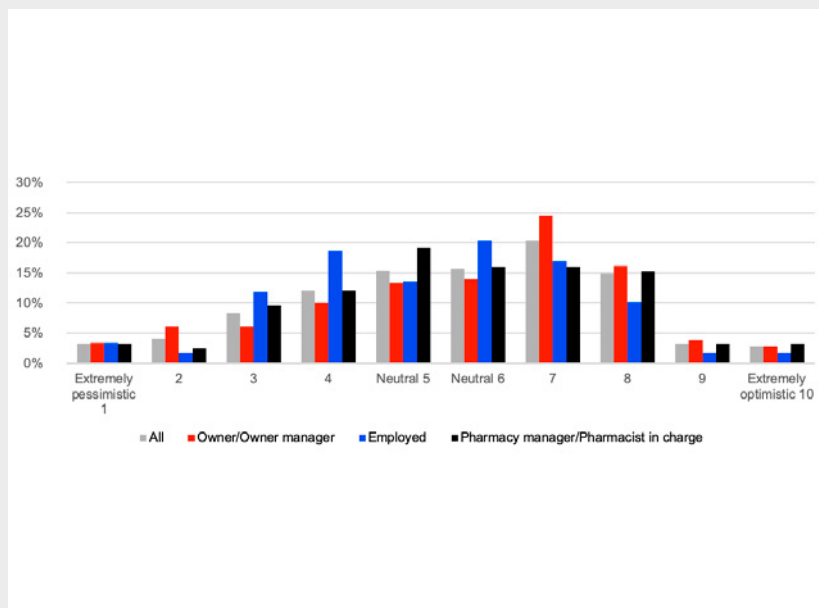


* wave 8: n=361, wave 9: n=364

The average confidence in community pharmacy is gradually rising, with a trend developing over time in the last 4 years for confidence to increase from a neutral or pessimistic position. Significantly pharmacists remain neutral in their opinion on the future viability of community pharmacy, with 63% of pharmacists scoring a rating between 4 and 7. A continued decrease in the percentage remaining neutral has been observed, declining from 70% in wave 7, 65% in wave 8 to reach a low of 63% in wave 9.

While although generally neutral, pharmacists are more optimistic about the future viability of community pharmacy demonstrated through the increasing trend over time, with optimistic scores between 8 and 10 increasing (21% in wave 9 up from 19% in wave 8 and 16% in wave 7). The major shift appears to be from those scoring a pessimistic rating between 1 and 3, down 1% in wave 9 (15% in wave 9 versus 16% in wave 8) and neutral rating between 4 and 7, down 2% in wave 9 (63% in wave 9 versus 65% in wave 8).

Figure 6b: Pharmacists confidence in the future viability of community-based pharmacy comparison by pharmacist type



* all: n=364, Owner/Owner manager: n=180, Pharmacy manager/Pharmacist in charge: n=125, employed pharmacist: n=59

EXPERT COMMENTARY

“Traditionally, community pharmacists are a pessimistic group, so even a small trend towards optimism is encouraging.”
John Bell

“The increase in the percentage expecting a higher pharmacy valuation in twelve months and three years, does not appear to be translating to greater confidence in the future viability of community pharmacy, possibly because pharmacy owners and managers are more bullish than employees.”
John Montgomery

“With less people who are unsure, it appears that uncertainty for pharmacists is slightly decreased.”
Kylie Williams

The trend identified in previous barometers is maintained with a neutral rating. Average neutral ratings continue to linger around 5.7 out of 10 in wave 9 down slightly from 5.8 in wave 8. Owner/owner managers remain the most optimistic about the viability of pharmacy, however less optimistic than displayed in wave 8 returning to wave 7 average values at 5.9 out of 10 (5.9 in wave 9 and 6.1 in wave 8). Surprisingly pharmacy managers and pharmacist-in-charge displayed the greatest growth in confidence about future viability of pharmacy rising from 5.4 in wave 8 to 5.7 in wave 9, once again overtaking employee pharmacists’ confidence which dropped to 5.8 out of 10 in wave 9.

Compared with wave 8 the overall optimism in the future viability of community pharmacy has lowered, potentially influenced by the looming announcement of the terms of the 7CPA. There appears to be a hesitancy and apprehension, but not in a dramatic manner, as to what the future of community pharmacy may hold.

Pharmacists remain overall neutral as they wait to see the professional and economic impact of the 7CPA.

Owner/owner managers while uncertain of the future continue to display an overall optimistic view. With almost one fifth of owner/owner managers (22%) having an optimistic view and one quarter on the upper end of neutrality (24%) it appears that the stability and outcomes associated with the 6CPA has given rise or done little to dampen their confidence in the future viability of community pharmacy.

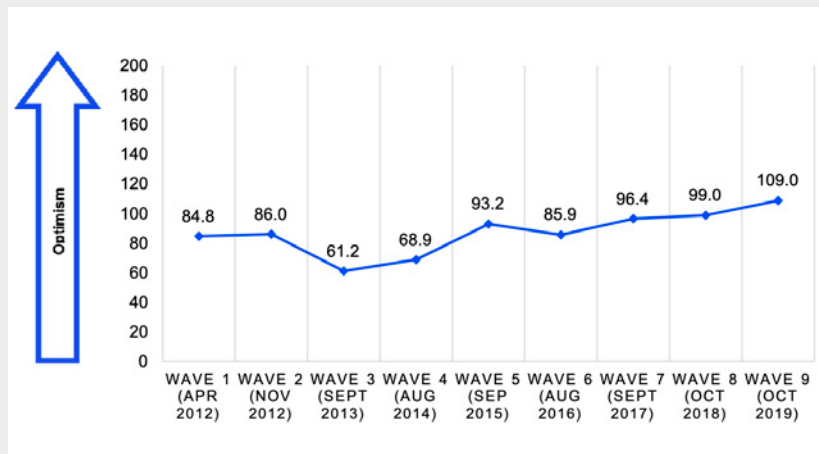
Employed pharmacists have demonstrated an increased satisfaction for their role expansion with the emerging environment of professional services within community pharmacy, however they are the most pessimistic about the viability of the profession (16.9%) across all pharmacist types. This may be attributed to the burden and delivery of these services falling within their role yet the associated revenue exciting the owners not being reflected in their remuneration.

Neutral confidence in the viability of community pharmacy persists across all pharmacist types, however emerging trends are evident when examining the range of neutrality across the three categories. Owner/owner managers appear to be at the upper end of neutral with 24% scoring 7 out of 10, while employed pharmacists and pharmacy managers/ pharmacist-in-charge appear to be more evenly spread across ratings 4, 5 and 6 out of 10. A small group of pharmacists remain pessimistic about the future viability of community pharmacy; however, the trend indicates that pharmacists while still overall neutral report increased optimism.

A shift towards a more optimistic view of the pharmacy environment may be attributed to the expansion of pharmacists’ scope of practice and growth of service provision.

UTS Community Pharmacy Barometer™

Figure 7: UTS Community Pharmacy Barometer Index



* Only those who answered all three Barometer questions were included (Barometer index wave 9: n =248)

The UTS Community Pharmacy Barometer continues to rise reaching a record high with a rating of 109 out of 200 in 2019. It is the first time in the history of the barometer with a rating over 100. A ten-point increase on the 2018 value (99 wave 8) highlights a

growth in the confidence of the industry despite a new pharmacy agreement under negotiation. It appears pharmacists are confident with the professional and economic outcomes of the 6CPA and are excited for what the 7CPA holds.

EXPERT COMMENTARY

“This increase demonstrates the value of the 6CPA in stabilising the industry from a revenue point of view.”

Warwick Plunkett

“The first time the barometer has ever exceeded 100 - appearing to be driven by the increased valuation of the owners, not necessarily by the confidence of the whole cohort.”

John Montgomery

“It’s interesting to see such an increase in optimism, even with a new CPA currently being negotiated. Pharmacists, particularly owners, must be confident in the outcomes from this negotiation.”

Kylie Williams

“The positive trend we have been observing during the past four years of the Pharmacy Barometer continues to rise. It probably indicates the value and long-term effects of the 6CPA.”

Victoria Garcia Cardenas

“An expectation that the next Community Pharmacy Agreement will maintain the stability of the last couple of years has probably increased confidence.”

John Bell

“Pharmacist confidence is rising; this is being driven by an increase confidence and certainty from pharmacy owners probably due to the success and stability brought about by the 6CPA and a hopefulness that will continue to occur in the 7CPA.”

Charlie Benrimoj

Seventh Community Pharmacy Agreement

Seventh Community Pharmacy Agreement

The viability of community pharmacy relies heavily on the Community Pharmacy Agreements, which have traditionally been negotiated every five years by the PGA and the Australian Government, Department of Health. Community pharmacy agreements are largely based around dispensing fees and administrative and handling fees. Mark up on the cost of the drug are no longer relevant. Increasingly there has been a shift of focus and funds being allocated to the provision and remuneration of professional pharmacy services, although the major source of funding is still associated with dispensing of Pharmaceutical Benefit Scheme (PBS) medications. Through the agreements the Australian Government recognises the important role that pharmacists and pharmacies play in our health system and is committed to supporting pharmacies across Australia in providing consumer access to the PBS and effective health services. As part of the sixth agreement \$1.26 billion was allocated over five years for community pharmacy programs. Although these allocations are subject to change with mutual agreement between the government and the PGA they include:

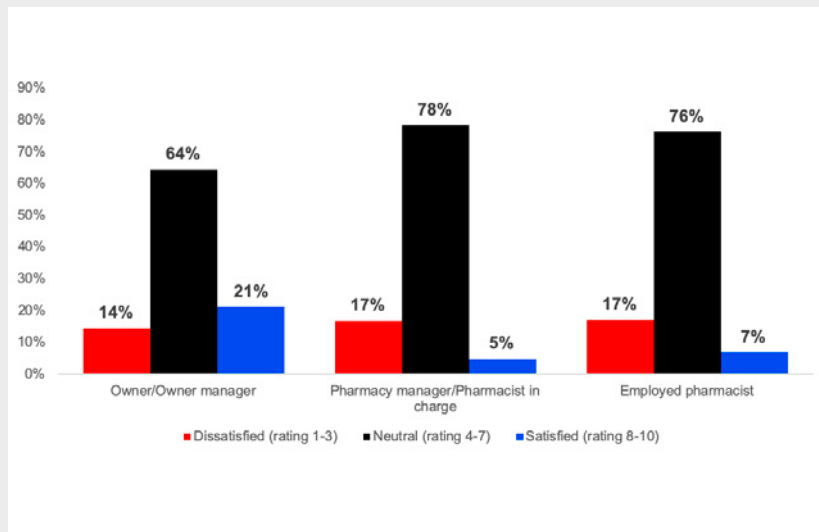
- \$613 million to support community pharmacy programs continuing from the 5CPA
 - Dose Administration Aids
 - Staged Supply
 - Clinical Interventions
 - Home Medicines Reviews
 - MedsCheck and Diabetes MedsCheck
- \$50 million to support the Pharmacy Trial Program (PTP)
 - Pharmacy diabetes screening
 - Indigenous medication review service
 - Reducing medicine induced deterioration and adverse reactions in aged care
 - Integrating practice pharmacists into Aboriginal Community controlled health services
 - Asthma management
 - Cardiovascular disease management
 - Chronic Pain MedsCheck
- \$600 million to support a range of new and/or expanded programs.

The current five-year, 6CPA is due to expire on 30th June 2020. Negotiations surrounding the 7CPA are underway, with the PSA being included as a co-signatory in the negotiations for the first time. To date, stakeholder advice has focused on how the 7CPA can achieve ongoing improvement to support affordability and increased access to the PBS medicines, underpinned by effective pharmacy services that achieve the best health outcomes for all Australians.

There is growing advocacy from pharmacy bodies for expansion of the pharmacist's role through implementation and utilisation of evidence-based services that complement their scope of practice. The trend in previous agreements suggest that allocation of funding for services and programs in the 7CPA will reflect and support such growth advocacy.

“What is your level of satisfaction with the 6CPA on an economic and professional level?”

Figure 8a: Economic satisfaction with 6CPA



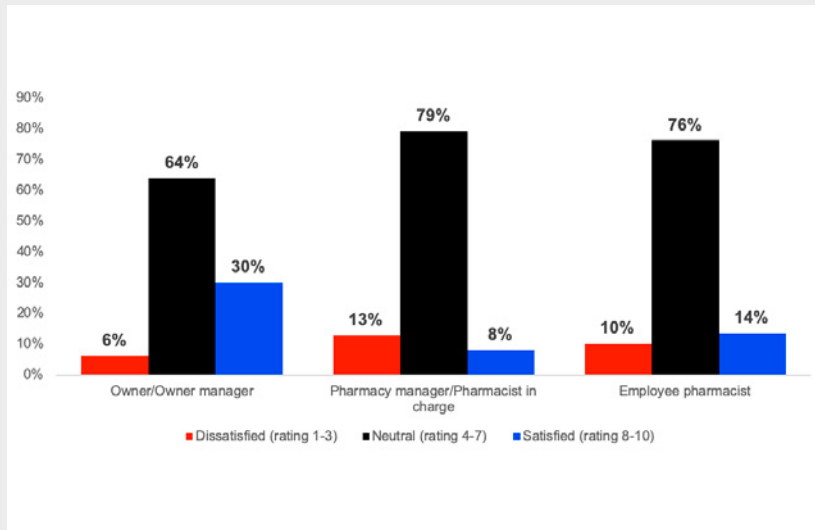
* all: n=364, Owner/Owner manager: n=180, Pharmacy manager/Pharmacist in charge: n=125, employed pharmacist: n=59

Average Owner/owner manager: 5.6; Pharmacy manager/pharmacist in charge: 5.5; Employed pharmacist: 5.5

Economic and professional satisfaction levels associated with the 6CPA continue to rise in wave 9 up from values represented in wave 7. Pharmacists are accustomed to the terms of the agreement and how it has helped to stabilise the community pharmacy environment through the increased provision and funding associated with pharmacy services. Interestingly twice as many pharmacy owner/owner managers reported a “satisfied” rating (8-10) compared with employed pharmacists and pharmacy manager/pharmacists-in-charge for both economic (21%) and professional (30%) satisfaction.

A gradual shift from pharmacists moving from dissatisfied to either neutral or satisfied rating is detected in the data. Pharmacy managers/pharmacists-in-charge have shown the least economic satisfaction with the 6CPA with 17% dissatisfied in wave 9, down from 19% in wave 7 and 5% satisfied in wave 9, down from 6% in wave 7. The major shift in employed pharmacists appeared to be from the dissatisfied (17% in wave 9, down from 23% in wave 7) to neutral (76% in wave 9, up from 72% in wave 7). While overall owner/owner managers satisfaction ratings of the 6CPA have intensified increasing from 15% in wave 7 to 21% in wave 9.

Figure 8b: Professional satisfaction with 6CPA



* all: n=364, Owner/Owner manager: n=180, Pharmacy manager/Pharmacist in charge: n=125, employed pharmacist: n=59

Average Owner/owner manager: 6.1; Pharmacy manager/pharmacist in charge: 6.0; Employed pharmacist: 6.0

There was less dissatisfaction with the 6CPA from the professional perspective compared to economic perspective. Still, pharmacy managers/ pharmacists in charge appeared to demonstrate increasing dissatisfaction when compared with wave 7 values. 13% of pharmacy managers/pharmacists-in-charge were dissatisfied in wave 9 up from 10% in wave 7, while 8% were satisfied in wave 9, down from 10% in wave 7. This dissatisfaction can possibly be attributed to the burden of implementing and delivering services and the ensuing increased workload falling on pharmacy managers/ pharmacists-in-charge.

Contrastingly, owner/owner managers demonstrated significant professional satisfaction with the 6CPA, with a 10% increase in satisfaction demonstrated between wave 9 and wave 7. The vast majority of pharmacists across all three categories remain neutral in terms of their professional satisfaction with the 6CPA.

EXPERT COMMENTARY

“The difference in level of satisfaction across types of pharmacist is concerning, particularly between owners and pharmacists-in-charge. For the profession to move forward in a positive way this disparity needs to be addressed.”

John Bell

“How can the pharmacy business model be sustainable if the pharmacy managers/pharmacists in charge and the employee pharmacists have different views economically and professionally?”

Charlie Benrimoj

“Even with the disparity between owners and the others, the vast majority of pharmacists are on the fence regarding both economic and professional satisfaction with 6CPA.”

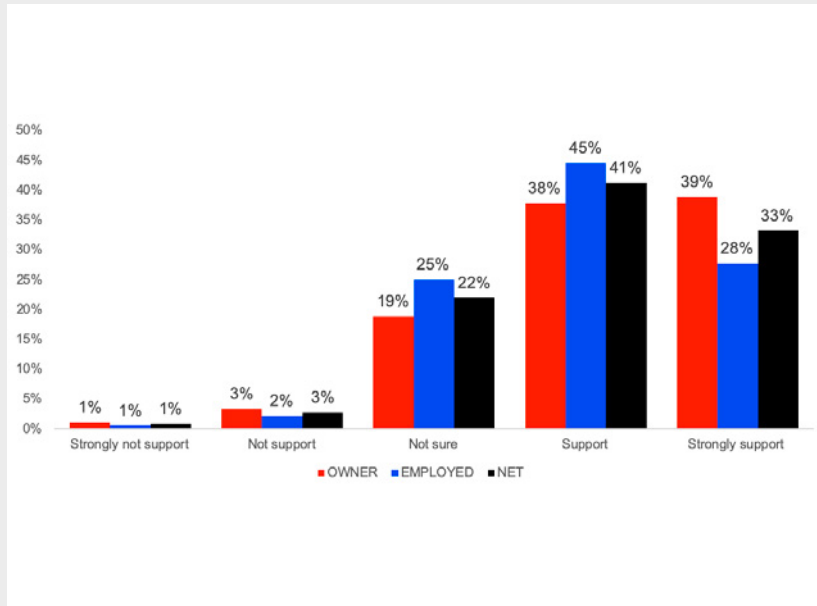
John Montgomery

“Owners are more satisfied economically and professionally.”

Warwick Plunkett

“To what extent do you support a greater proportion of funds to be allocated to services in the 7CPA compared to the 6CPA”

Figure 9: Support of services funding allocation in the 7CPA (n=364)



The majority of pharmacists of all types supported the greater allocation of funding in the 7CPA for the provision of pharmacy services. With pharmacists often being the first point of contact with the healthcare system for patients and the extensive study and training pharmacists undertake, it is not surprising that pharmacists feel they have more to offer to patients.

Over one third of owner and employed pharmacists reported support (38% by owners, 45% by employed pharmacists) or strong support (39% by owners, 28% by employed pharmacists) of a greater proportion of funding to be allocated to services under the 7CPA. One fifth of owners (19%) and one quarter of employed pharmacists (25%) remained unsure, while inconsequential numbers did not support (averaging 3%) or strongly not support (1%) the proposition for additional funding.

EXPERT COMMENTARY

“Three quarters of each group support or strongly support the funding of services in the 7CPA. This is a positive step forward for the profession.”

Kylie Williams

“The breadth of services that pharmacists believe they can provide has not been fully captured in the 6CPA, pharmacists are looking to the 7CPA for this.”

Warwick Plunkett

“Were seeing a shift in pharmacist thinking from a previous focus on remuneration from dispensing to now services-based models.”

Charlie Benrimoj

“Pharmacists are embracing the professional service model. Funds from other areas have dried up and they can see the potential that services hold for the future viability of community pharmacy.”

John Bell

“What remunerated professional services do you wish to see included in the 7CPA?”

Figure 10: Professional services pharmacists would like to see remunerated in the 7CPA



Pharmacists demonstrated support for increased provision and remuneration of services in the 7CPA, with the array of services they would like to see included in the funding arrangements varying significantly. This highlights the uncertainty surrounding what types of services could potentially be remunerated by CPA agreements. There is a vast range of services already being providing by pharmacists, however they would like them to be remunerated.

Role and remuneration of community pharmacists

Role and remuneration of community pharmacists

The complexity of the role of the pharmacist continues to evolve with the expanding needs of the Australian health care system. However, the pharmacy profession appears to have struggled to advocate for adequate funding to support expansion of the professional role and scope. At the same time many professional bodies and pharmacists believe that the remuneration level for Australian pharmacists fails to reflect their current skills, training, expertise and responsibility.

In July 2019, the Fair Work Commission recognised that the value of community pharmacists has increased since 1998 when it was last reviewed, ruling in favor of increasing the Award by 5%, plus another 10% for those undertaking Home Medication Reviews and Residential Medication Management Reviews^{1,2}.

The PSA's "Pharmacists in 2023: Roles and Remuneration" report identified that the average hourly pay rate for community pharmacists was well below that of professions with comparative levels of professional responsibility and training³. With the growing complexity of the role pharmacists play within the healthcare system new models and structures of remuneration must be developed. The PSA report advocates, that funding mechanisms need to recognise the value and quality of pharmacist care, regardless of practice setting suggesting incentivisation of achievement quality metrics, benchmarks and outcomes in addition to recognition of time and expertise dedicated to clinical care³.

The Community Pharmacists Employment and Remuneration Report produced by Professional Pharmacists Australia highlighted the following in relation to pharmacist remuneration⁴:

- Community pharmacists' rates of pay are consistently lower than hospital pharmacists
- Community pharmacists working in discount pharmacies report the lowest rates of pay
- Rate of decline of pharmacist pay has reversed with average growth between 0.4% and 2.5% reported depending on pharmacist classification
- Pharmacists covered by an enterprise bargaining agreement reported the highest rates of pay

With changes to payments through the PBS and funding allocation through the 6CPA including increased dispensing fees and funding of professional services, changes have emerged in the business models of community pharmacies. Two diversified models have developed; one focused on the provision of professional pharmacy services including medication reviews and vaccinations, and the other a retail model with a predominant focus on discounting health and other products.

Leading pharmacy bodies continue to voice their support for the evolution of the community pharmacy landscape and appropriate utilisation of pharmacists to provide more effective and efficient healthcare services to improve outcomes for consumers. The PSA's "Pharmacists in 2023"⁵ and the PGA's "Community Pharmacy 2025"⁶ both advocate for the enhanced role of the community pharmacist in providing evidence-based services that complement pharmacists current scope of practice. However, models of remuneration to support the ongoing delivery of professional services remain a concern with funding outside the 6CPA needing exploration and a hope that the 7CPA provides greater allocation of funding to services. Recognition of the need to ensure long term wage sustainability in pharmacy as the role of the community pharmacist diversifies is an overarching theme. With this context it is useful to explore the change salary and remuneration structures for community pharmacist employees.

1 Decision: FWCFB 7621: 4 yearly review of modern awards - Pharmacy Industry Award 2010. Fair Work Commission; 2018. [fwc.gov.au/documents/decisionsigned/html/2018fwcfb7621.htm](https://www.fwc.gov.au/documents/decisionsigned/html/2018fwcfb7621.htm)

2 Decision: FWCFB 3949: 4 yearly review of modern awards - Pharmacy Industry Award. Sydney: Fair Work Commission; 2019. [fwc.gov.au/documents/decisionsigned/html/2019fwcfb3949.htm](https://www.fwc.gov.au/documents/decisionsigned/html/2019fwcfb3949.htm)

3 Pharmaceutical Society of Australia 2019. *Pharmacists in 2023: Roles and Remuneration*. Canberra: PSA

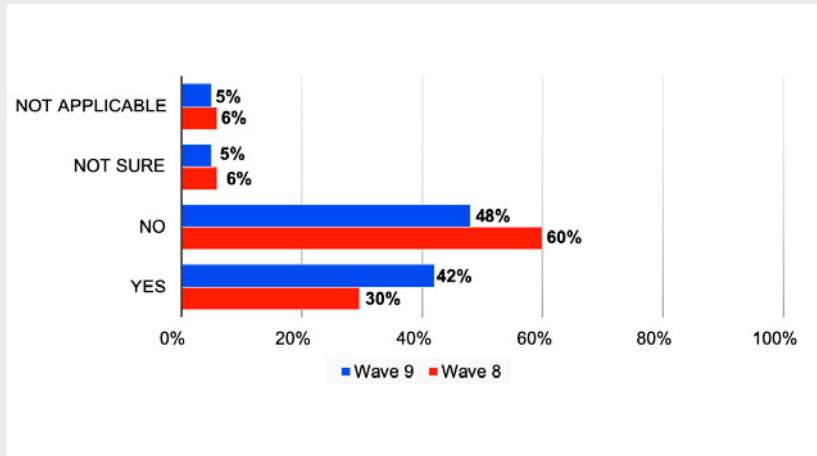
4 Professional Pharmacists Australia. 2018. *Community Pharmacists Employment Remuneration Report*.

5 Pharmaceutical Society of Australia 2019. *Pharmacists in 2023: For patients, for our profession, for Australia's health system*. Canberra: PSA.

6 The Pharmacy Guild of Australia. 2018. *Community Pharmacy 2025*. Canberra

“Has the remuneration level of your pharmacist employee (or if you are an employed pharmacist) changed in the last year?”

Figure 11a: Changes in pharmacist remuneration level in the last year

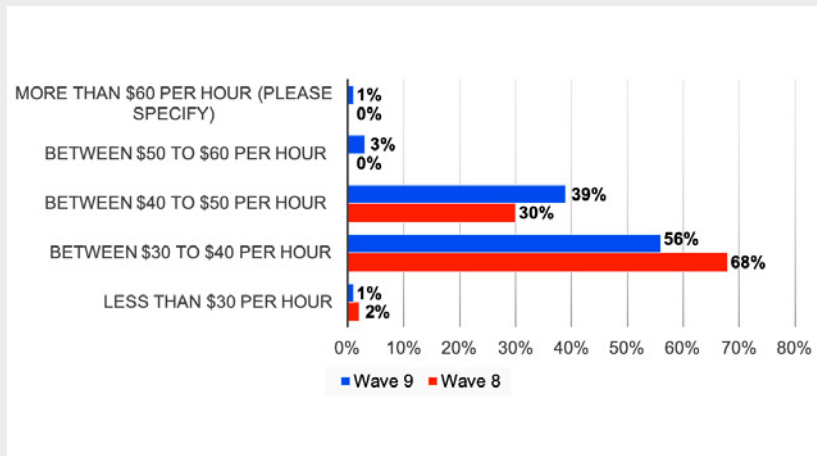


* wave 8: n=361, wave 9: n= 364

Over the past three years there has been a trend of increasing pharmacist remuneration levels, with those whose remuneration level changed and those who did not change now almost on par in wave 9. Forty two percent of respondents indicated that their level of remuneration had changed in the previous twelve months, increasing 12% on wave 8 values.

The percentage of pharmacists whose remuneration level did not change decreased from 60% in wave 8 to 48% in wave 9, with a 21% overall decrease over the past three years. The level of non-applicable responses remained similar at 5%, possibly associated with sole traders. It appears that the ongoing lobbying by peak pharmacy bodies and diversification of pharmacist roles is positively impacting pharmacist wages.

Figure 11b: Hourly rate of remuneration of employee pharmacists



* wave 8: n=178, wave 9: n= 180

Owners/owner managers who indicated yes, no or not sure (n=180) to the question ‘has the remuneration level of your pharmacist employee (or if you are an employed pharmacist) changed in the last year?’ were asked to specify the average hourly rate for employee pharmacists. A greater proportion of pharmacists are earning between \$40 to \$50 per hour compared with previous barometers (n=70 in wave 9, n=53 in wave 8). The upper end of remuneration is also growing with 3% of pharmacists reporting wages between \$50 to \$60 per hour and 1% earning over \$60 per hour.

Over 50% of pharmacists report earning between \$30 to \$40 per hour, with an ongoing trend in average hourly wage increase demonstrated over the past three years. 1% of pharmacists report earning less than \$30 per hour. The wage tribunal by the Fair Work Commission in 2019 and the push from media and pharmacy industry to better support pharmacists through increased remuneration appears to have had a positive effect on wage increases for pharmacists.

EXPERT COMMENTARY

“Pharmacists are starting to feel that their efforts are now more adequately reflected in their remuneration.”

Victoria Garcia Cardenas

“There are also other contributing factors to the rise in pay; also attributed to increasing difficulty to find pharmacists to work in rural and remote areas and a number of graduates having left the profession due to previously low wages.”

Warwick Plunkett

“There’s still room for improvement at the top end but we are heading in the right direction.”

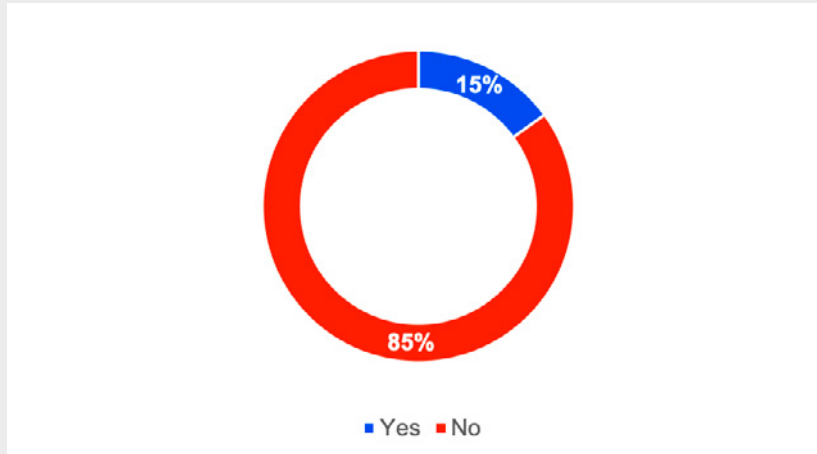
Charlie Benrimoj

“Refreshingly an upwards wage movement is gaining momentum, community pharmacy is bucking the trend of stagnant wage growth compared with other industries.”

John Bell

“Is the role of any employed pharmacist dedicated mainly to the provision of non-dispensing professional services?”

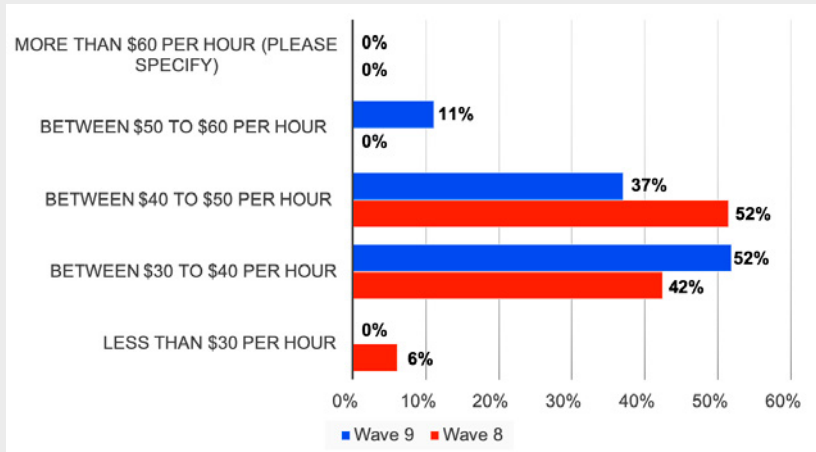
Figure 12a: Role of any employed pharmacist dedicated mainly to the provision of professional services (n=180)



Similar to wave 8 findings, most owner/owner managers indicated that they did not employ a pharmacist dedicated mainly to the provision of professional services (n=153 in wave 9, versus n=144 in wave 8). With the current funding arrangements and many pharmacies still determining how best to deliver services efficiently and profitably it appears that is not economically feasible nor is there a sufficient range of services to be delivered at this stage to have a pharmacist mainly dedicated to this role.

A small percentage (15%) have been able to increase their service provision such that a pharmacist dedicated to this role is warranted (15% in wave 9, versus 19% in wave 8). Decreases between wave 8 and wave 9 values may be attributed to the service caps on Home Medication Reviews, Residential Medication Management Reviews, MedsCheck and Diabetes MedsCheck services.

Figure 12b: Average hourly rate of service provider



* wave 8: n=178, wave 9: n= 180

Those owners who indicated that they did employ a professional services pharmacist (n=27) were asked to indicate the level of salary attributed to the service deliverer. Few pharmacists providing professional services received higher levels of remuneration when compared with other pharmacists, with 11% receiving an average hourly rate between \$50 to \$60 per hour (n=2). The majority of pharmacy service providers average hourly rates of pay remained on par with employed pharmacists averaging between \$30

to \$40 per hour (52% in wave 9, up from 42% in wave 8). Additionally, 37% of professional services pharmacists received \$40 to \$50 per hour down from 52% in wave 8 (n=9 in wave 9, n=17 in wave 8). Owner/owner managers who employ professional services pharmacists appear to be financially remunerating at similar levels of remuneration when compared to other pharmacists and only a few professional services pharmacists are reaching the top tier of average hourly wage.

EXPERT COMMENTARY

“We need to see greater wage growth at that upper end to support ongoing service provision.”

Charlie Benrimoj

“In most pharmacies the pharmacists are multi-tasking; that’s not surprising. This will change as more and better remunerated services are delivered.”

John Bell

“Pharmacy owners and managers should move to integrate models that reward service providers.”

Victoria Garcia Cardenas

Pharmacists and General Practitioners confrontation in the media

Pharmacists and General Practitioner confrontation in the media

Despite negative encounters between some pharmacy and medical organisations, pharmacists and general practitioners at a local level have a history of working collaboratively to improve the health care outcomes of the Australian population. As pharmacists advocate to widen their scope of practice, tension between the peak pharmacy and general practice bodies has increased. While the importance of each professional's work in maintaining the health of Australians has not diminished, the changing roles have created debate.

Increasingly, the Australian Medical Association (AMA) has expressed concern over the expansion of the pharmacist's role questioning the competency of pharmacists to deliver services such as vaccination and prescribing with their current levels of training and qualification^{7,8}. The AMA has further questioned the ability of community pharmacies to differentiate their retail business model from a healthcare services model, highlighting a conflict of interest as a major concern. The Royal College of General Practitioners (RACGP) has expressed similar views. Chair of the RACGP board, Associate Professor Charlotte Hespe has said, "I'm fully supportive of the

role of pharmacy in primary care, and fully acknowledge the vital role they [pharmacists] can play in medication management. But we need to strongly understand the need to stay in our scope of practice"⁹. With a recent submission to the Pharmacy Board of Australia regarding pharmacist prescribing highlighting strong opposition stating "The RACGP does not support the expansion of pharmacists' scope of practice beyond their core function of medicine advice and dispensing, into prescribing. The provision of medical services by health professionals lacking the necessary medical training or registration is an inappropriate and unsustainable solution to address the health needs of Australians"¹⁰.

Conversely, peak pharmacy bodies the PSA and PGA strongly support the expansion of the pharmacist's role, emphasising that the expertise of the pharmacist is currently underutilised^{11,12}. Through increased accessibility and utilisation of pharmacists to their full potential, increased health outcomes for the Australian population and cost savings to the healthcare system have been reported^{13,14}. PSA National President Associate Professor Chris Freeman believes that "our healthcare system will benefit from improvements

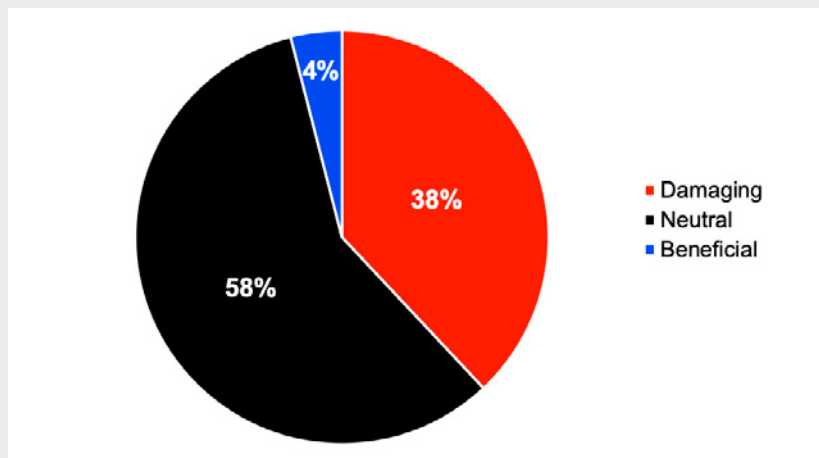
to patients' health and wellbeing through the better use of pharmacists' knowledge and expertise" highlighting older Australians as a particularly vulnerable population where pharmacists role expansion can make a significant impact to health outcomes¹⁵. Additionally, the PGA has released a policy paper "Community pharmacies: Part of the Solution" outlining the unique position pharmacists are in to relieve stress and strains on the health system if they are able to operate to their full scope of practice¹⁶.

In this part of the Barometer we report on pharmacists' perceptions of the media coverage surrounding the differing views of opinions between pharmacists and general practitioners relating to the expansion of the pharmacist's role.

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- 7 Australian Medical Association. 2016. Bigger risk, no reward, in expanding pharmacist scope. *Australian Medicine*.
 - 8 ABC Radio Melbourne. 2019. Transcript-Dr Bartone- Pharmacist scope of practice. Melbourne.
 - 9 Hendrie, D. 2019. What's behind the recent tensions between pharmacy and general practice? *newsGP*
 - 10 Royal Australian College of General Practitioners. 2019. RACGP submission to the Pharmacy Board of Australia-Pharmacist Prescribing.
 - 11 Pharmaceutical Society of Australia 2019. *Pharmacists in 2023: For patients, for our profession, for Australia's health system*. Canberra: PSA.
 - 12 The Pharmacy Guild of Australia. 2018. *Community Pharmacy 2025*. Canberra
 - 13 Canadian Pharmacists Association. 2017. Expanding role of community pharmacists could save Canada's health care system up to \$25.7 billion. Canada
 - 14 Dalton, K. and Byrne, S. 2017. Role of the pharmacist in reducing healthcare costs: current insights. *Integrated Pharmacy Research and Practice*. 6, pp.37-46. doi.org/10.2147/IPRP.S108047
 - 15 Pharmaceutical Society of Australia. 2020. *Patients to benefit with funding to expand pharmacist's role*. Canberra. PSA.
 - 16 The Pharmacy Guild of Australia. 2019. *Community Pharmacies: Part of the Solution*. Canberra

“What impact do you believe the current confrontation in the media between GP and Pharmacy organisations is having on our public image?”

Figure 13: Relationship with main prescribing GP (n=364)



In the 2018 Barometer we reported on the working relationship between pharmacists and their main prescribing GP, with an overwhelmingly positive response demonstrated with the number of pharmacists reporting a “very good” relationship doubling in the past few years to 57% and another 34% indicating a “good” relationship. In the 2019 Barometer pharmacists have reported concerns about the negative portrayal of this relationship in the media with 38% of pharmacists in wave 9 indicating that it is damaging the public image of pharmacists (n=138).

However, the majority of pharmacists remained neutral (58%) on the implications. A small group of pharmacists reported experiencing benefits from the increased media coverage (n=14), possibly due to resultant increases in communication between the two professions.

Pharmacists continue to report good working relationships with their local GP. It is in the interest of the healthcare system and patients that the two professionals are able to locally coexist collegially and collaboratively to improve health outcomes. As pharmacists move into new roles such as GP pharmacists this becomes ever more important.

EXPERT COMMENTARY

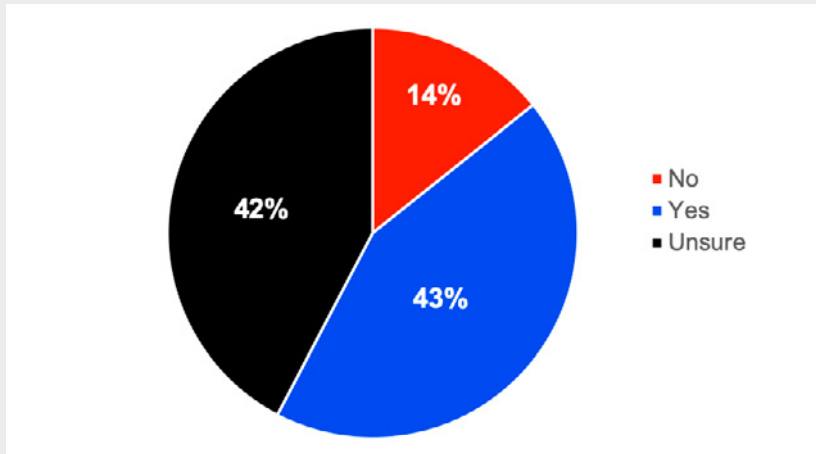
“At the local level most pharmacists and GPs work well collaboratively.”
John Bell

“The turf wars at a political level will have some impact but on the ground pharmacist and GPs keep on working collaboratively for the benefit of all patients.”
Charlie Benrimoj

“I assumed that more pharmacists would have seen the portrayal as more damaging than this, it appears not with business as usual persisting.”
Kylie Williams

“Do you believe this confrontation is likely to have a negative impact on the 7th Community Pharmacy Agreement outcome?”

Figure 14: Negative impact of confrontation on the 7CPA (n=364)

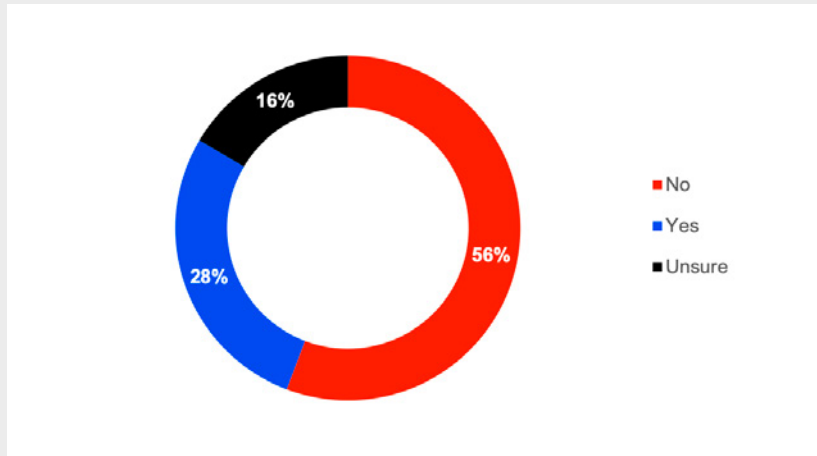


When pharmacists were asked as to whether they believed the confrontation in the media between pharmacists and GPs was likely to have a negative impact on 7CPA negotiations there was a fairly even distribution between those believing that it would negatively impact (43%) and those who were unsure (42%).

Obviously, pharmacists are separating local impacts with the more political national level impacts. It is possible that those pharmacists who have good working relationships with their local GPs and are already expanding their business model to include service delivery, remain confident and optimistic about what the 7CPA holds economically and professionally.

“Are you holding back on the provision and implementation of new professional services because of the consistent criticism from the medical profession?”

Figure 15: Impact on the implementation of new professional services (n=364)



EXPERT COMMENTARY

“Most pharmacists do not appear to be threatened by the criticism, but some are concerned and are holding back on services”

John Montgomery

“That this significant minority of pharmacists feels constrained to offer professional services probably reflects local issues that require resolution.”

John Bell

Despite ongoing criticism from the medical profession pharmacists are forging forward with the implementation, delivery and expansion of the professional services they offer within community pharmacy. A majority of responders were continuing to implement new professional services with 56% responding ‘no’ when asked are you holding back on the provision and implementation of new professional services because of the consistent criticism from the medical profession. However, about a third (28%) of pharmacists were being affected and restraining their service provision and implementation. A further 16% were unsure.

The provision of professional services within community pharmacy is starting to become part of normal practice. Pharmacists understand the value add that professional services provide to their business economically and professionally and are supportive that this expansion of their role falls within their scope of practice, allowing them to better address the health care needs of their patients.

Australian Minor Ailment Scheme and Pharmacist Prescribing

Australian Minor Ailment Scheme

Internationally, there have been health services policy changes to support the evolution of integrated care. The objective of integrated care is to deliver effective and efficient primary health care that enables a sustainable and cost-effective health system. As medication experts, community pharmacists provide accessible health care services to the Australian population and present an opportunity to increase the efficiency of health care delivery by the inclusion of services such as minor ailments care. Traditionally community pharmacists have been the major channel for consumer self-care in the area of minor ailments and a source of nonprescription medications.

The potential of community pharmacists to manage minor ailments and alleviate health system pressures within the Australian health landscape has been recognised¹⁷. Minor ailments have been defined as “conditions that are self-limiting, with symptoms easily recognised and described by the patient and falling within the scope of pharmacist’s knowledge and training to treat¹⁸.”

A recent report conducted by the University of Technology Sydney evaluating an integrated approach by community pharmacists and general medical practitioners in providing an Australian Minor Ailments Scheme (AMAS) proposed three funding models: 1. Fee for consultation, 2. Banded capitation fee model and 3. Hybrid capitation with fee for consultation model, and made five recommendations¹⁹:

- Implement a national AMAS system in Australia
- Implement a national self-care strategy in Australia
- Establish a funding model to reflect the quality, time and complexity of community pharmacist care
- Promote a systems approach to improving quality use of nonprescription medicines and medication safety in Australia
- National public awareness campaign for the appropriate level of care.

In the “Pharmacists in 2023” discussion paper produced by the Pharmaceutical Society of Australia, a strong focus on optimising public health and prevention was centered around the implementation of an AMAS. Drawing on international evidence from the UK, Canada, Scotland and New Zealand it was speculated that the development and implementation of an AMAS in Australia utilising the existing network of community pharmacies would improve the accessibility of care and meet Australian consumer needs²⁰.

17 Blenkinsopp A, Tann J, Evans A, Grime J. Opportunity or threat? General practitioner perceptions of pharmacist prescribing. *International Journal of Pharmacy Practice*. 2008;16(1):29-34

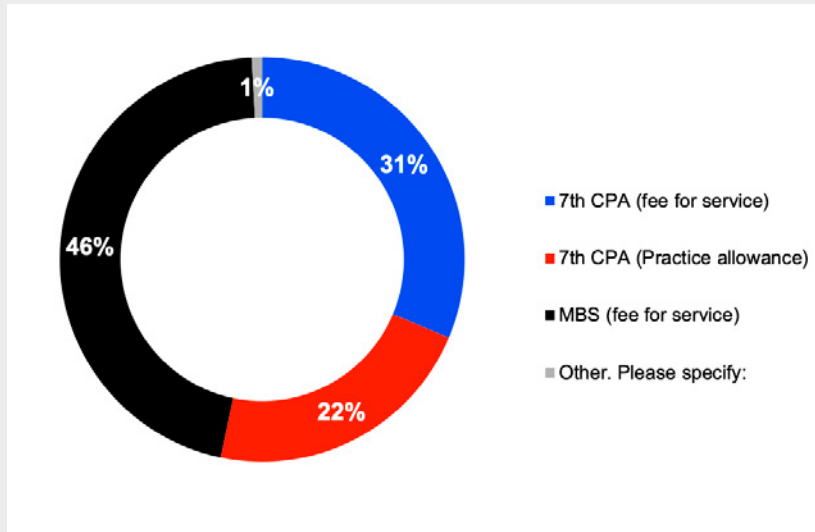
18 Aly M, Benrimoj SI. Review: Enhancing primary health care: the case for an Australian minor ailment scheme. University of Technology Sydney; 2015

19 University of Technology Sydney, Graduate School of Health. 2019. *An Australian Minor Ailments Scheme- Evaluation of an integrated approach by community pharmacists and general medical practitioners*. Sydney, Australia.

20 Pharmaceutical Society of Australia 2018. *Pharmacists in 2023: A Discussion Paper*. Canberra: PSA.

“Where should the funding for Australian Minor Ailment Scheme come from?”

Figure 16: Funding model for AMAS (n=364)



EXPERT COMMENTARY

“There is strong support for being paid for AMAS, but uncertainty about where funding should come from.”

Warwick Plunkett

“Currently some pharmacists do not see what they are doing as a service but rather a transaction, we need to work on structuring our processes and remuneration sources differently.”

John Bell

“Pharmacists do not see the likelihood of the consumer paying and are looking for remuneration elsewhere.”

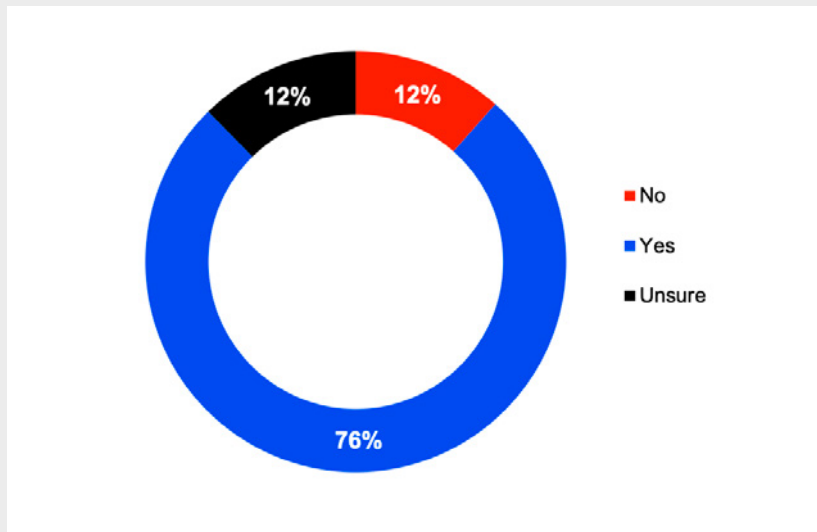
Kylie Williams

Approximately 50% of pharmacists indicated that the funding for AMAS should be provided through 7CPA funding allocation with a division between fee for service (31%, n= 112) and a practice allowance (22%, n=80). An additional 46% of pharmacists (n= 167) demonstrated support for funding to be available through MBS fee for service payments. Both the PSA and PGA have voiced their support for pharmacists to be included in the list of eligible health professionals to access MBS items for medication management service and have raised concerns with the current arrangements that reduce pharmacist access to funds specific to their role and activities within the health system.

As outlined in the AMAS report produced in 2019, regardless of the funding model, it is imperative that pharmacist remuneration for an AMAS service focuses on the higher level of care pharmacists are providing and reflects the quality and value the service provides to improve patient health outcomes. The model of remuneration should have the objective of increasing patient accessibility to medications and health care and support the integration of community pharmacists into primary care.

“Do you support the down-scheduling of some medications to treat minor ailments as part of an Australian Minor Ailments Scheme?”

Figure 17: Down-scheduling of medications for AMAS (n=364)



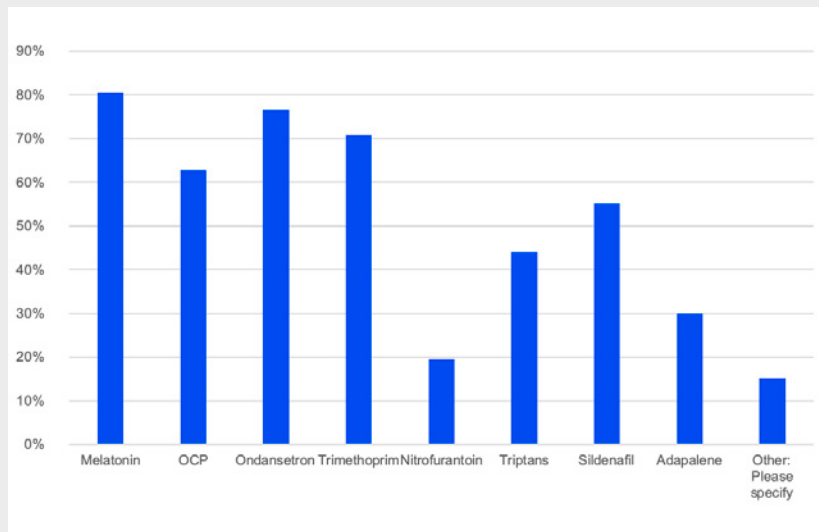
The Government recently directed the Therapeutic Goods Administration (TGA) to propose a new schedule for more medicines to be available over the counter in a move to increase access to medications²¹. The effect has been that a new schedule has been created between Schedule 4 (prescription only) and Schedule 3 (pharmacy only), classified Schedule 3 Appendix M (Schedule 3M). Schedule 3M medications would include those that have previously required a prescription by a medical practitioner but would now be available to be dispensed by a pharmacist with specific controls in place that help to ensure appropriate use.

In this section of the Barometer, pharmacists were asked about their support of the down-scheduling of some medications. Given pharmacists are medicines experts who currently make clinical diagnoses and recommendations for the utilisation of over-the-counter medications or referral to GPs with recommendations for effective treatment there is little surprise that there was great support for more medications to be down-scheduled with 76% of pharmacists (n=276) indicating 'yes'. The remainder of pharmacists were split evenly between being 'unsure' or not supporting the notion at 12%.

21 Australian Government Department of Health; Therapeutic Goods Administration. 2019. *Consultation: Proposed criteria for Appendix M of the Poisons Standard to support rescheduling of substances from Schedule 4 (Prescription only) to Schedule 3 (Pharmacist only)*. Canberra.

“What schedule 4 medications should be down-scheduled to facilitate the implementation of an Australian Minor Ailment Scheme?”

Figure 18: What S4 medications should be down-scheduled in an AMAS (n=277)



* Based on the total number of responses. Participants could select more than one option (melatonin: n=223 OCP: n=174, Ondansetron: n= 212, Trimethoprim: n=196, Nitrofurantoin: n=54, Triptans: n=122, Sildenafil: n=153, Adapalene: n=83, Other: n=52)

When asked specifically about what S4 medications they would like to see down-scheduled, pharmacists remained conservative in their recommendations. From a list of medications identified by the PSA²², the medications pharmacists chose that they felt they could adequately manage within their scope of practice included melatonin (81%) used to improve sleep

quality and morning alertness in patients with poor quality of sleep, anti-emetics such as ondansetron (77%), antibiotics to treat urinary tract infections such as trimethoprim (71%), the oral contraceptive pill (63%) and medications to treat impotence in men such as sildenafil (55%). Pharmacists were able to select more than one response.

22 Australian Government Department of Health; Therapeutic Goods Administration. 2018. *Suggested priority substances for re-scheduling from S4 to S3 from the Pharmaceutical Society of Australia*. Canberra

When respondents selected 'other' (n= 37) they were asked to indicate what 'other' medications they believed should be down-scheduled. The following medications were identified.

Figure 19: What 'other' medications should be down-scheduled? (n = 37)

Antibiotics	Codeine-containing analgesia
Topical corticosteroids	Corticosteroids with anti-infectives
HMG-CoA reductastase inhibitors	Inhaled corticosteroids
ACE inhibitors	Short acting beta agonists
Beta blockers	Topical antibacterials
Calcium channel blockers	Long acting beta agonists
Antiemetics	Varenicline

EXPERT COMMENTARY

“Goes to show pharmacists remain responsible in their selections of what they consider appropriately within their scope of practice.”

Charlie Benrimoj

“Surprisingly conservative, pharmacists realise that any down-scheduling is going to result in a degree of education for ensuring appropriate supply.”

Warwick Plunkett

“It appears that modified pharmacist-only regulations have given pharmacists greater confidence in managing and monitoring a wider range of previously prescription-only medicines.”

John Bell

“Pharmacists appear to be quite cautious about medications that might be down-scheduled for provision in an AMAS.”

Kylie Williams

Pharmacist Prescribing

The extension of the pharmacist's role has resulted in growing examination of the potential models for pharmacist prescribing within Australia. In 2015, the Pharmacy Board of Australia (PBA) set out to consider the implications for the public if States and Territories were to authorise pharmacists to prescribe. The PGA and PSA strongly support pharmacist prescribing. Three models of non-medical prescribing were considered²³:

1. Prescribing via a structured prescribing arrangement- this model would need an established diagnosis by an appropriately trained healthcare professional, usually a medical practitioner. Protocols would need to be developed collaboratively and define clearly the roles of each member of the team, with clear referral responsibilities and pathways.
2. Prescribing under supervision- prescribers would have limited authority to prescribe medicines within their scope of practice under the supervision of another authorised health professional. The prescriber would be aware of their role in the healthcare team, ensuring appropriate communication between team members including the person taking the medicine. Pharmacists prescribing under supervision would implement an agreed clinical management plan that was patient-specific

3. Autonomous prescribing- pharmacist prescribers would be responsible and accountable for patient assessment and clinical management decisions including prescribing. Prescribers would prescribe within their scope of practice without the supervision or approval of another health professional.

Key findings from the PBA discussion paper identified¹³:

- A strong support for pharmacists to prescribe in a range of practice settings (e.g. hospitals and community) under two of the models; prescribing under a structured arrangement and prescribing under supervision.
- Expansion of continued dispensing arrangements and emergency supply provisions may be additional avenues to explore to increase safe access to medicines.
- Pharmacist prescribing may be required to operate differently depending on the practice setting and geographical location.
- Mixed views about autonomous prescribing.

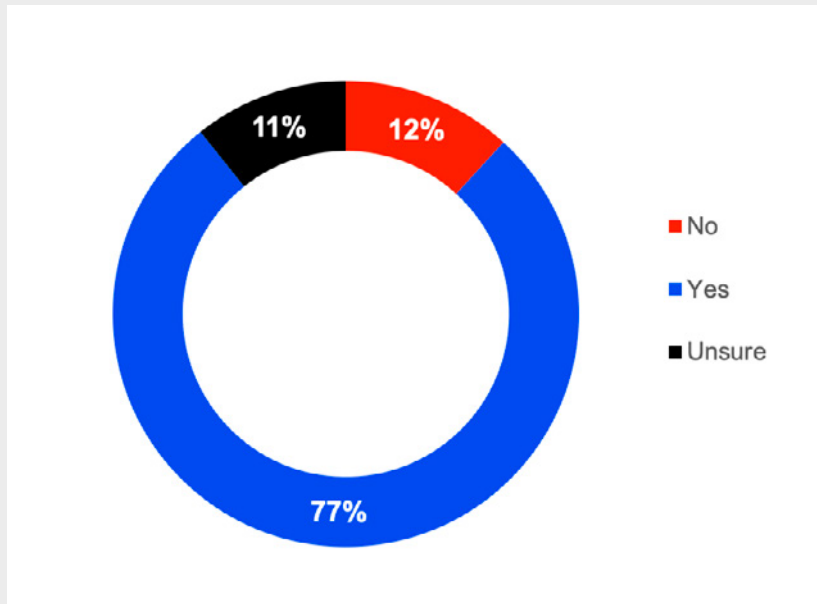
The PSA has welcomed the recommendations of the Pharmacy Board outlining that the core principles that must underpin pharmacist prescribing include:

- the safety and wellbeing of the patient, patients are supported to receive patient-centred care in a timely manner,
- pharmacist prescribers have professional accountability and responsibility to patients and the healthcare team,
- pharmacist prescribers work as a collaborative member of the healthcare team and there must be a separation of prescribing and dispensing functions.

The PGA does not see the viability of prescribing under a structured prescribing arrangement or under supervision due to the lack of flexibility and reliance on another health care professional. The Guild finds autonomous prescribing as the only feasible option for improving medicines access and management.

“Do you support the concept of pharmacists prescribing?”

Figure 20: Support of pharmacists prescribing (n=364)



EXPERT COMMENTARY

“There is confusion still around the protocols for pharmacist prescribing but it is reassuring to see the vast majority of pharmacists support it being within their scope of practice.”

Warwick Plunkett

“The vast majority support pharmacists prescribing. Clearly this is a concept that requires further elaboration and discussion.”

John Bell

“Huge support for pharmacist prescribing – unsurprising given it’s implementation in other countries.”

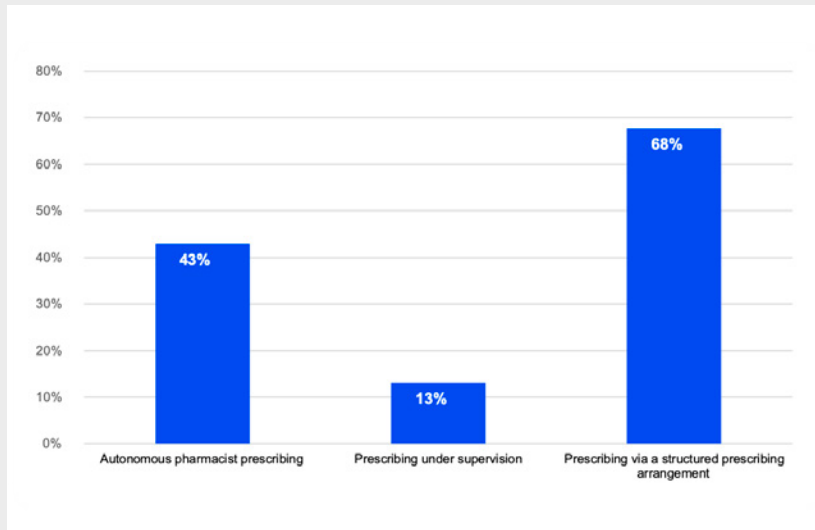
John Montgomery

This section reviews pharmacists’ opinions on the expansion of their role to include prescribing. Prescribing by pharmacists is an established component of practice in countries including New Zealand, the United Kingdom, Canada and the United States of America, with evidence indicating that prescribing by pharmacists is clinically appropriate and safe, and with patients experiencing improved

access to medications and positive health outcomes. When asked “do you support the concept of pharmacists prescribing?”, the majority of Australian respondents indicated a strong desire to include prescribing in their scope of practice (77%, n= 280). The remainder of pharmacists were ‘unsure’ (11%) or did not approve of pharmacist prescribing (12%).

“What types of prescribing would you support?”

Figure 21: Types of pharmacist prescribing supported (n=280)



* Participants could select more than one option. Autonomous prescribing: n=121, Prescribing under supervision: n=37, Prescribing via a structured arrangement: n=191

EXPERT COMMENTARY

“Pharmacists prescribing would bring new models of collaborative practice and further integration of pharmacists into the health care system.”

Victoria Garcia Cardenas

“It’s great that pharmacists are keen to take this new role. Perhaps we will end up with a multi-level model of prescribing.”

Kylie Williams

The majority of pharmacists indicated that they would feel comfortable prescribing under a structured prescribing arrangement (68%), that is a model where an established diagnosis by an appropriately trained healthcare professional takes place and protocols and guidelines exist to facilitate the prescribing of medicines. A similar sentiment was reported in the PSA survey of pharmacists, interns and students that identified 56% of respondents planned to prescribe under a structured prescribing arrangement as soon as it was implemented.

Autonomous prescribing, that is where a prescriber undertakes prescribing without the approval or supervision of another health professional was the next most supported model with 43% of pharmacists who support prescribing supporting this model.

The least supported model was prescribing under supervision, where a prescriber undertakes prescribing under the supervision of another authorised health professional (13%).

Overall, it is evident that pharmacists are eager to increase their scope of practice to incorporate pharmacist prescribing, with international literature identifying that pharmacists are equipped and well placed to do so. However debate over the best model remains.

Biosimilars

Biosimilar medicines

A biosimilar medicine is a highly similar version of a reference biological medicine. The reference biological medicine is the first brand to market²⁴.

Biological medicines, including biosimilars, are used to treat serious diseases such as rheumatoid arthritis, inflammatory bowel diseases such as ulcerative colitis and Crohn's disease, cancer, diabetes, multiple sclerosis, kidney disease and severe psoriasis, and for treating infertility. The introduction of biosimilar medicines encourages competition in the Australian market leading to a reduction in the cost of medicines, and savings to the health care system. These lower prices improve affordability of, and access to new treatments for seriously ill patients.

Biosimilar medications are specifically designed to be as similar as possible to the reference biological medicine. There are minor differences because:

- the cells and biological processes used to manufacture any biological or biosimilar medicine are always variable
- the structure of the molecules is very complex, which makes them hard to fully describe
- the biosimilar manufacturing process may not exactly match the original process.

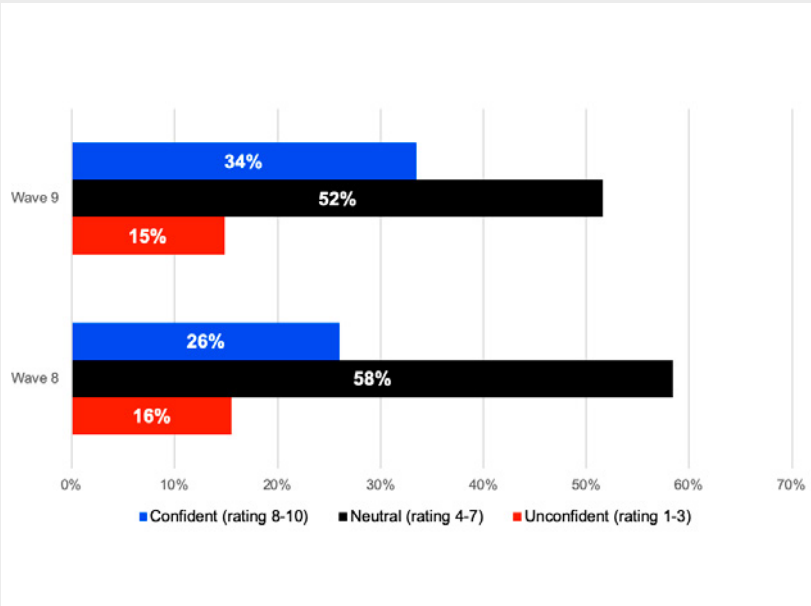
These minor differences do not affect the safety, effectiveness or quality of the biosimilar medicine. Biosimilar medicines have been used for over 10 years and are now available in over 60 countries. The medicines have been assessed to have no clinically meaningful differences and are therapeutically equivalent to traditional medications. In 2019, eight of the top ten most expensive drugs for the Pharmaceutical Benefits Scheme (PBS) were biological medicines costing the government over \$1.87 billion²⁵. The introduction of biosimilars is expected to deliver significant savings, improve competition and increase access for patients.

24 Australian Government Department of Health. 2017. *Biosimilar Awareness Initiative*, health.gov.au/internet/main/publishing.nsf/Content/biosimilar-awareness-initiative

25 Australian Government Department of Health, The Pharmaceutical Benefits Scheme. 2019. *PBS Expenditure and Prescriptions Report 1 July 2018 to 30 June 2019*. Canberra.

“What is your level of confidence of substitution?”

Figure 22: Level of confidence on biosimilar substitution (n=364)



EXPERT COMMENTARY

“Good to see this moving in the right direction, however at about a third expressing a good level of confidence, still has a long way to go”

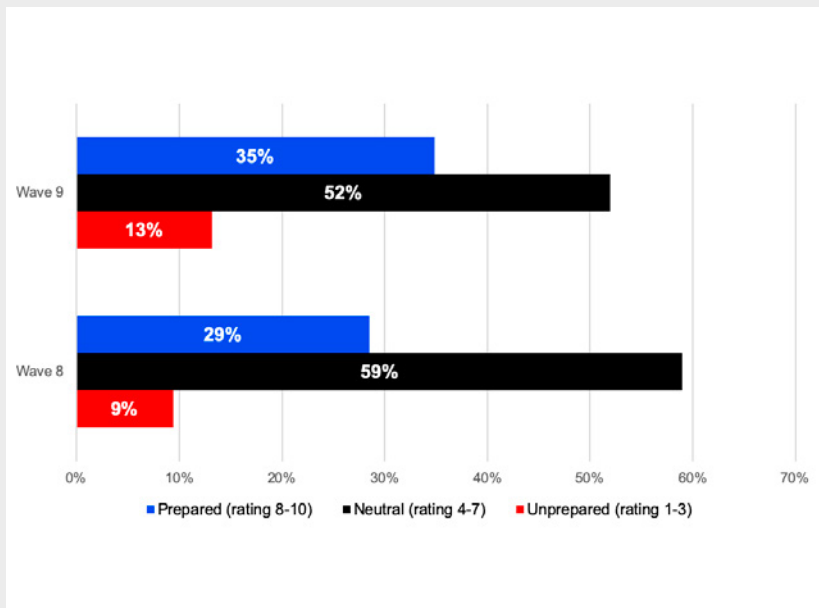
John Montgomery

There appears to be a slight upwards movement in pharmacists' confidence level on biosimilar substitution. With greater use of these medications, it is increasingly important that pharmacists have the confidence to ensure appropriate substitution of biosimilars to ensure cost savings to the Australian health budget. Up 8% on wave 8 findings, pharmacists are increasingly displaying growing confidence in the substitution of biosimilars (34% in wave 9).

Sixty seven percent of pharmacists remain neutral (52%) or lacking confidence (15%) in substituting biosimilars. As the Australian biosimilar market continues to grow exponentially, effective substitution is vital to help curb the rising PBS expenditure, however pharmacists need to have the confidence to ensure this substitution is occurring and have the ability to provide appropriate information to their customers.

“What is your overall level of preparedness to dispense to new patients?”

Figure 23: Level of perceived preparedness to dispense biosimilars (n=364)



EXPERT COMMENTARY

“Given sixty five percent still feel neutral or unprepared, this is a huge barrier to uptake of biosimilars. Stakeholders need to think through what else can be done to better equip pharmacists”
John Montgomery

The percentage of pharmacists who felt prepared in dispensing biosimilars increased by 6% while those unprepared increased by 4%. The majority of pharmacists displayed an overall neutrality towards biosimilar dispensing (52% in wave 9, versus 59% in wave 8, and 52% in wave 7). There is a strong suggestion that those who display confidence in substituting biosimilars (34%) are also prepared to dispense biosimilar to new patients (35%).

The main educational focus needs to be on pharmacists who lack the confidence and feel unprepared as biosimilars are quickly entering the market. Unless pharmacists are able to effectively support this entry and substitution the Australian healthcare budget will ultimately suffer.

Conclusion

The 9th UTS Pharmacy Barometer of November 2019 shows that:

- **The UTS Pharmacy Barometer was 109**, the highest in the history of the barometer; continuing to demonstrate steady year on year rises in confidence for the last 4 years.
- Increasing optimism and confidence in the future of community pharmacy exists despite the unknown outcomes of the Seventh Community Pharmacy Agreement.
- Pharmacist remuneration levels continue to slowly rise.
- Concern over the confrontation between pharmacists and GPs in the media is warranted, however pharmacists are not letting this impact their local interactions with colleagues.
- Greater provision of funding within the 7CPA to support the expansion of services is necessary.
- Excitement and support for the expansion of pharmacists' roles through AMAS initiatives and pharmacist prescribing was highlighted with mixed opinions about the most appropriate funding and regulatory models.
- Increasing confidence and preparedness in the provision of biosimilars was demonstrated.

Positivity surrounding the future viability of community pharmacy has never been higher with wave 9 of the 2019 UTS Community Pharmacy Barometer, demonstrating growing optimism and confidence. Upwards shifts in those predicting value changes over twelve months and three years to an increase in value display positive signs for the future.

Overall pharmacists appear economically and professionally satisfied with the 6CPA. Despite negotiations currently underway for the 7CPA, pharmacists are displaying limited hesitancy and instead are eagerly awaiting the terms of the agreement to be announced. Strong advocacy for increased funding for the provision of services is demonstrated as many pharmacists adopt or change their business model to enhance service provision as they now see it as a viable revenue stream.

Pharmacist remuneration levels continue to rise, with pharmacists dedicated mainly to the provision of professional services achieving higher average hourly rates than employed pharmacists. Owner/owner managers

are acknowledging the value add these roles provide and appropriately remunerating in return. An increase in the existence of these pharmacist roles is required if owner/owner managers are to successfully adopt a service-oriented business model.

Uncertainty regarding the most appropriate funding model to support an Australian Minor Ailments Scheme was apparent, with strong support demonstrated for funding allocation through the 7CPA or funding through the MBS. Despite this, pharmacists feel well equipped to deliver quality services to enhance primary health care and work in collaborative health care teams. Expansion of pharmacists' role to include pharmacist prescribing is another avenue supported to facilitate increased access to medications and improved health outcomes for the Australian population.

As biosimilar medications continue to be introduced into the market and biologics extensively contribute to PBS expenditure, it is promising to see pharmacists are displaying an increase in confidence and preparedness when dealing with biosimilar medicines.

Contacts

Professor Kylie Williams
Professor of Pharmacy Practice
Head of Discipline Pharmacy,
Graduate School of Health

University of Technology Sydney,
Australia

E: Kylie.Williams@uts.edu.au
W: pharmacy.uts.edu.au



Report written by Rachelle L Cutler

Rachelle Cutler (B.MedSci, B.Bus, M.Pharm, PhD, MPS) is a registered pharmacist and Lecturer in the Discipline of Pharmacy at the University of Technology Sydney, Australia. She has a PhD in health economics and pharmacy practice research where she explored the economic impact of medication non-adherence and the financial effect this has on national and international healthcare systems. She has expertise in a variety of areas including implementation science, change management, medication adherence, health economics and service design and feasibility. Dr Cutler has principally been involved in developing, teaching and coordinating therapeutic, professional practice and clinical placement courses for pharmacy students at the University of Technology Sydney, Australia. She has published in a number of leading refereed journals, collaborated on a range of industry reports and holds experience supervising masters and doctoral research degree candidates.

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