



# National Medicines Policy

Australia should have the fastest, most efficient, and safest medicines system in the world.

Australians deserve a world-class healthcare system that includes fast and efficient access to new medicines.

## The medicines sector in Australia.

17

OUT OF 20 OECD COUNTRIES

for the **total number** of reimbursed new pharmaceutical innovative medicines, including biological medicines.<sup>1</sup>

13

OUT OF 20 OECD COUNTRIES

for the **proportion** of registered first-in-class medicines which have been reimbursed (53%).<sup>1</sup>

13

OUT OF 20 OECD COUNTRIES

for **time to achieve reimbursement** from registration.<sup>1</sup>

391

Roughly the number of days it takes Australia to achieve reimbursement for new medicines, which is 4 times longer than Japan (101 days) and Germany (121 days).<sup>2</sup>

33

The number of medicines currently not on the Pharmaceutical Benefits Scheme (PBS) that have been reimbursed in at least one other comparable OECD country.<sup>2</sup>

## More needs to be done to accelerate Australia's reimbursement process.



### Clear vision:

A clear vision will help government assess aspects of the medicine system that sit under the NMP, such as health technology assessment.

### Clear objectives:

A clearly stated objective will ensure all partners including government, industry, and patients:

- know what the policy is seeking to achieve; and
- collaboratively work towards that outcome.

## Measuring progress and regular reporting are essential for an effective NMP.

To realise the objectives of an updated NMP it will be important that **regular monitoring and reporting takes place** so partners can assess progress and identify areas for improvement.

Specific metrics and outcomes will tell us if the NMP is effective in meeting its stated objective.

### NMP metrics should include:

- 1** The time it takes from registration with the Therapeutic Goods Administration (TGA) to PBS listing, with a target of 90 days.
- 2** The proportion of PBAC submissions for new medicines that receive a first-time approval and listing within 3 months.
- 3** Regular quantitative and qualitative feedback from consumers and clinicians to assess whether a real difference is being made.
- 4** Australia's 'access to medicines' ranking (compared to OECD countries), with a goal of being within top three.

### Annual reporting:

-  An NMP Annual Report should be produced and tabled in Parliament each year, providing data against key metrics.

## Health policies with a strong vision and measurement frameworks, like the National Preventive Health Strategy 2021-2030, should be used as the basis for a modern NMP.



Australia is set to face significant challenges over the next forty-years – from an **ageing population** and **increasing health costs** to **slower than average** productivity and economic growth.<sup>3</sup>

**Medicines** can help government meet many of these challenges by **reducing pressures** on the public hospital system<sup>4</sup>, allowing people to return to work, and bolstering the superannuation<sup>5</sup> and taxation systems.

Recognising the broader value of medicines in the medicines review process will allow government to **look more holistically** at health and economic challenges and more readily identify how medicines can play a role in addressing them.

The NMP is twenty-years old – **it's time it was updated** to reflect the evolution in medicines and ensure we have a world-leading policy framework in place.

## About the NMP<sup>6</sup>

The NMP was established in 1999 and provides an **overarching policy framework for the medicines sector in Australia** with a focus on four key objectives:

- 01** timely access to the medicines that Australians need, at a cost that individuals and the community can afford
- 02** medicines meeting appropriate standards of quality, safety, and efficacy
- 03** quality use of medicines
- 04** maintaining a responsible and viable medicines industry.<sup>6</sup>

Over the past two decades, medicines have changed and so have patient and consumer expectations. This year is the first time in more than 20 years the NMP will be reviewed.

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AU-NON-00467. First issued October 2021.



**1.** COMPARE 5. Comparison of Access and Reimbursement Environments 2019. Medicines Australia. **2.** Medicines Matter: Australia's Access to Medicines 2014-2019. Medicines Australia. **3.** 2021 Intergenerational Report. Australia Over the Next 40 Years. Commonwealth of Australia 2021 ISBN 978-1-925832-37-2 **4.** Measuring the Impact of Pharmaceutical Innovation in Australia. Medicines Australia. 1998-2018. Medicines Australia. **5.** Our Health Our Wealth, The Impact of Ill Health on Retirement Savings in Australia. The McKell Institute. 2018. **6.** The Department of Health. National Medicines Policy. <https://www1.health.gov.au/internet/main/publishing.nsf/content/national+medicines+policy-1> Accessed September 2021.