29 July 2013

Department of Health and Ageing
Chemotherapy Review
MDP 901
GPO Box 9848
Canberra ACT 2601

Attention – Submissions Officer,

Review of funding arrangements for chemotherapy services:

Thank you for the opportunity to respond to this Review.

CanSpeak’s (formally Cancer Voices Australia) involvement in this matter commenced in 2009 when the government proposed changes to the supply of chemotherapy drugs that would have had serious implications for patient access, patient safety and patient costs. Our concerns then and remain so to this date are –

1. Patient Safety
2. Operator Safety
3. Public Safety and
4. Quality Assurance

These matters are outlined in our Position Statement attached which we submit for consideration of the Review Panel.

Should you wish to discuss the matter further, please contact me via email – jni@bigpond.net.au or telephone 02 9569 5447.

Yours sincerely

John Stubbs
Executive Officer
POSITION STATEMENT

CHEMOTHERAPY SUPPLY ISSUE
April 2013

BACKGROUND

In 2008/2009 the government proposed changes to the supply of chemotherapy drugs that would have had serious implications for patient access, patient safety and patient costs. After an extensive campaign that involved a large number of stakeholders ranging from oncology pharmacists, medical oncologists and patient groups, the matter was settled, or so we thought! Large savings were delivered to the government from by the adoption of: more efficient use of the differing vial sizes for drugs; improved authorisation procedures; adoption of the patients drug chart rather than prescriptions written as the reimbursement basis; and agreement to price disclosure in return for appropriate reimbursement for preparation of infusions. All of these have been implemented except for the latter. Savings so far to government are of the order of $230M per annum in a cancer drugs budget of $1.4B.

Preparation Issues

The preparation of a cancer drug for infusion is a complex process: far more complicated than, for example, the preparation of penicillin for infusion.

The issues are:

- **Patient Safety.** Patients have to be protected from microbiological contamination to a much higher degree than for other infusions, as most patients on chemotherapy are immune compromised. They also have to be protected from cross contamination with other drugs as many of these drugs produce allergic responses.

- **Operator Safety.** These drugs are cytotoxic - they kill cells. They do it by interfering with the DNA replication processes of cells so they are also mutagenic, carcinogenic in their own right and teratogenic - they will harm developing embryo’s. It is a bit like radiation, as patients we get lethal doses from machines in massive bunkers. Staff have to be protected from receiving constant low doses

- **Public Safety.** In the event of an accident or spill the facilities in which these are prepared have to be able to be contained so that there is no exposure to staff or public.

- **Quality Assurance.** There has to be process in place to ensure that patients get the right drug, in the right dose, at the right time. Mistakes in this area usually end up being lethal. Considering that each patient’s drug regime is likely to alter on a daily basis following review by the medical oncologist, and in many cases the drugs have a short shelf life when made up, we are dealing with complex procedures.
So these drugs are prepared in 100% containment cabinets, housed in multiple pressure controlled clean rooms. One drug for one patient is handled in the cabinet at any one time and the cabinet has to be cleaned between each drug for each patient. The facilities in which these drugs are prepared have to be approved by the Therapeutic Drugs Administration and regularly inspected by the TGA. This is not something that can be done in any hospital pharmacy or High Street Chemist.

Reimbursement

The reimbursement from the Pharmaceutical Benefits Scheme (PBS) is based on the cost of preparing a drug such as penicillin for infusion. It takes no account of the highly specialised processes and costs of preparing cancer drugs for infusion.

Until recently there was a process of cross subsidy in place at the local level that meant that pharmacy costs were covered. The price the PBS paid for a drug was negotiated with the company that marketed the drug. This price was then fixed. When a drug came off patent and the market price was paid locally, the reimbursement was still based on the PBS agreed price. So older drugs, off patent, cross-subsidised the cost of preparing newer drugs on patent.

This was definitely a non-transparent, an inefficient way of ensuring a viable delivery of cancer drugs to patients.

Price Disclosure

Part of the changes implemented in the last decade was price disclosure. This means that when a drug comes of patent and generic forms of the drug become available, the government each year sets a price for a drug, based on the average market price of the drug. **This is a good thing supported by all parties.** However, it does mean that, a cancer drug, off-patent, can no longer cross subsidise the preparation of other drugs.

Delivery of Chemotherapy in Australia

Nationally private hospitals and standalone oncology clinics provide 60% of Chemotherapy services. The private sector is responsible for 60% of chemotherapy services nationally, but there is considerable variation across states reflecting the differing funding models used. There is a higher percentage of cancer infusion sourced from the private sector in rural and regional areas than in metropolitan areas.
Chemotherapy Separations (same day) by State

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<th>VIC</th>
<th>QLD</th>
<th>WA</th>
<th>SA*</th>
<th>TAS</th>
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Source AIHW, Australian Hospital Statistics 2010-11, Tables S8.9 and 8.10
* SA Cancer Services advise that public hospital data is not reflected in AIHW data

THE 2012/2013 CHEMOTHERAPY SUPPLY CAMPAIGN

This is not about the price of docetaxel, paclitaxel or any other drug. There are still members of the government, media and some uninformed consumers who believe that it is. It is about ensuring a viable and transparent system of delivery of a cancer drug from the pharmacy to the patient in a way that does not compromise:

- Patient Access
- Patient Safety
- Patient Cost

At present pharmacies supplying cancer drugs for infusion are losing about $100 per infusion. That is either being passed onto hospitals, for those that outsource their chemotherapy supply, or absorbed into hospital budgets for those that do their own. It is affecting public and private hospitals alike. On average across Australia, 13,000 infusions are prepared each week.

In November 2012 it was thought that some hospitals would stop supplying chemotherapy. This has not yet happened. What is happening is that hospitals are beginning to not offer treatment for ‘chemotherapy intensive’ cancer such as leukaemia and lymphoma - that is they are ‘cherry picking’ which disease they can afford to treat. Other hospitals are cutting back on ancillary services - supportive care - to cover the cost of chemotherapy.

As yet we have not had the situation that occurred in the US, where 47 patients died as a result of cutting corners on the preparation of infusions of cancer drugs.

So CanSpeak has been working with over thirty other groups of oncology pharmacists, oncologists, cancer foundations and community groups, to ensure that the government addresses the final point of the 2008/9 agreement to ensure a viable system of supplying chemotherapy to patients in a manner that ensure continued access, high quality assurance and safety, with no extra cost implications for patients.

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Progress so far?

Negotiations have been continuing over the past four months, very much in a spirit of good will (although that may have changed recently). On Wednesday 20 March a ‘crisis in chemotherapy’ meeting was held in Parliament House, Canberra attended by representatives of the over thirty organisations. This was co-chaired by the Acting Chair of CanSpeak. This meeting was attended by the Deputy Secretary of the Department of Health and Ageing. It was addressed by Senator Xenaphon who has initiated the Senate Enquiry this week, and a communiqué from that meeting was be released at the end of March. Unlike 2008/9 the minister has refused to meet with representatives of the group and recent actions of her office have destroyed much of the goodwill built up over the past four months.

Negotiations are continuing, CanSpeak is privy to these and it is hoped that there will be a successful outcome to the benefit of people affected by cancer.

The cost of rectifying this situation is of the order of $60M in a chemotherapy budget of $1.4B and with savings of $230M per annum being delivered as a result of agreements made in 2009.

Our Organisation

We are a national network of consumers and consumer organisations representing the views and perspectives of a broad range of people and the community affected by cancer. This network of peak member organisations provides greater capacity to work independently, and together, to influence policy, research and health services to improve outcomes for people affected by cancer.

With members in all states of Australia we are able to access a wide range of consumers and access their views on issues of concern.

CanSpeak promotes the issues of people affected by cancer at a local and national level by working collaboratively with health service organisations, government, nongovernment and charitable organisations for better outcomes and improved health services.

25 March 2013