Chemo Enquiry Submission – Anonymous 26th of July 2013

There are three points to be made about the funding arrangements for chemotherapy services that are potentially too politically damaging for an industry insider to be known to have submitted to the review. Therefore this submission is anonymous.

If the pharmacists are to be believed, funding for the preparation of sterile chemotherapy infusions in a safe manner is underfunded. The funding needs to come from somewhere.

Here are some ideas as to where funds may come from;

1. Reduced Payments to Specialist Doctors

MBBS items 13915, 13918, 13921, 13924 are all items where the doctor receives a fee that is disproportionate to the amount of doctor time taken to provide the service. Typically the majority of these fees go directly to the doctor and do not fund any element of patient care that is largely delivered on the doctor’s behalf by nursing staff.

It would be interesting to see whether a moderate reduction in these fees to allow for an adequate fee to be paid for the preparation of the infusions would be sufficient to solve the “chemotherapy crisis”.

2. Section 94 Pharmacies – dispensing medicines for use at a location other than the hospital.

The NATIONAL HEALTH ACT 1953 - SECT 94 (1) states “Upon application by a hospital authority, the Minister may, in the Minister’s discretion but subject to subsection (5), approve a hospital authority for the purpose of its supplying pharmaceutical benefits to patients receiving treatment in or at the hospital of which it is the governing body or proprietor.”

The key phrase here is “in or at the hospital”. Many section 94 pharmacies, whether they are involved in oncology service provision or not, owned by private companies, publicly listed companies, or not-for-profit entities/churches show flagrant disregard to this currently unenforced regulation in that they knowingly supply pharmaceutical benefits to patients for use after discharge from the hospital. I would expect the quantum of dollars that have been over claimed by section 94 pharmacies in the previous 6 years would be sufficient to solve the “chemotherapy crisis”.

3. Section 94 Pharmacies - Conflict of Interest due to Doctor Ownership of Pharmacies

Some private oncology services in Australia are serviced by a section 94 pharmacy which is partially owned by the treating oncologists. These doctors derive a commercial benefit from not only the consultation and treatment of the patient but also the dispensing of the drugs they prescribe. Therein is an obvious conflict of interest that is likely to result in overprescribing and overtreatment of patients by unscrupulous doctors.

An audit of the prescribing patterns of doctors who own shares in section 94 pharmacies would be very likely to show very different treatment patterns to doctors who were not conflicted. Perhaps there is a mechanism to eliminate these conflicts and the savings derived from altering this prescriber behaviour could be sufficient to solve the “chemotherapy crisis”.