



Media Release

Senator Mathias Cormann

Shadow Parliamentary Secretary for Health Administration

09/0806/M

8 June 2009

Rudd Government not across impact of chemotherapy funding cut!

The Rudd government's lack of understanding of how a \$100 million budget cut to chemotherapy treatment will hurt cancer patients is frightening Shadow Parliamentary Secretary for Health Administration Mathias Cormann said.

"We have quizzed the government about the impact of this measure in Senate Estimates since October last year," Senator Cormann said.

"Departmental officials had no idea then how they would implement the measure pointing to the starting date of 1 July 2009 as being still 'a way off'," he said.

"They still have no idea of how to go about it, because things just don't add up.

"The government has only just started to consult with patient groups and relevant health care professionals over the past few weeks.

"Given the outcry from health professionals, patient groups and the increasing media interest, the government has now been forced to defer implementation until 1 September.

The measure is benignly described in the budget as 'more efficient arrangements for the payment of benefits for chemotherapy drugs'.

"However, in practice it is nothing more and nothing less than a \$100 million budget cut to crucial chemotherapy treatment which will end up hurting patients," Senator Cormann said.

The accusation levelled by the Rudd Government is that there is too much 'wastage' in the system, wastage which the government no longer wants to fund.

Rudd government frontbencher Jan McLucas, who until the week-end had responsibility for the Therapeutic Goods Act (TGA), defined what the government meant by 'wastage'. After sustained questioning in Senate Estimates, Senator McLucas accused health care professionals of discarding whole unopened vials of expensive drugs.

"That suggestion is an outrageous and inaccurate slur against health care professionals across Australia and completely without foundation," Senator Cormann said.

"What does happen is that different people, with different body weights, require different dosages of a particular chemotherapy drug," he said.

"At times a portion of an opened vial will be left unused.

"Because of the characteristics of the drug and firm TGA requirements, that unused portion of the drug has to be discarded and will not be able to be used for anybody else.

“The Rudd government now no longer wants to fund that unused portion of a vial containing chemotherapy drugs which has already been opened for use by a cancer patient who does not require all of it.

“The problem is that, unless there is a change in vial sizes, no change of government funding arrangements will be able to remove that inefficiency and somebody will have to pay for the government’s \$100 million budget cut.

“Having asked the question why the government didn’t push the big pharmaceutical companies to adapt their vial sizes, the answer was that was too hard.

“With 2% of the global population, I was told, we didn’t have enough leverage to force those companies to do so.

“Surely the physiology of Australian cancer patients is not that much different from that of cancer patients in Europe and the US.

“Why would we not take a joint approach with Europe and the US pushing for more appropriate vial sizes, to help minimise ‘waste’?

“This week during Senate Estimates there was no answer to that question.

“The bottom line is that based on the government’s current approach, if they won’t pay for the portion of the drug that has to be discarded, somebody else will have to. That will be either the patient or the pharmacist.

The government has now said that they will protect the patient by legislating against any increase in out-of-pocket costs.

“So that means it will be the pharmacist who will have to cover the cost, which has been estimated at \$600 per dose per patient,” Senator Cormann said.

“The problem is, how many pharmacists will continue to provide this important service at a loss?

“If pharmacists no longer provide the service, because they can’t afford to, what will happen to all those patients who will be forced to present at public hospitals across Australia?

“The Labor State Government in Victoria has already come out swinging, accusing the Rudd Government of a \$4.5 million cost shift onto them.

“The Rudd government should seriously reconsider its approach to this.

“This is clearly yet another health budget measure where the government didn’t do it homework properly.

“The whole budget cut is based on the wrong premise, that there is significant avoidable waste in the way the drug is administered in Australia. The reality is there is not.

“The current ‘wastage’ is a function of the vial sizes and the different physiological requirements of different cancer patients.

“It is high time the Rudd government got its head around that fact, instead of persisting with a measure that will end up hurting vulnerable cancer patients” Senator Cormann said.

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