

Integrated Community Pharmacy Services Agreement National Annual Agreement Review 2023 Meeting 3, 25 July 2023

Statement

The third meeting of the 2023 Integrated Community Pharmacy Service Agreement (ICPSA) National Annual Agreement Review (NAAR) took place on Tuesday 25 July 2023 between Te Whatu Ora and the Pharmacy sector representatives. The meeting focussed on the response from the sector to the Te Whatu Ora draft offer presented in the last meeting.

A compelling argument was put at the meeting about the serious and distressing lack of attention being given to the cost pressures in the pharmacy sector. Pharmacy representatives feel that there is a high risk that pharmacies will close, and that the pharmacy workforce will not be able to sustain services.

A strong request was made to continue the independent reviews into unmet funding and cost pressures. Te Whatu Ora reiterated that the reviews, as agreed in 2020, cannot go ahead until the policy and system design work for the new health sector is undertaken. There is an undertaking in [Te Pae Tata \(Interim New Zealand Health Plan\) 2022](#) to negotiate a new community pharmacy services agreement. The issues of sustainable funding for pharmacies will be part of the debate. This will take place outside of NAAR. Te Whatu Ora acknowledged the disappointment felt by the representatives.

Further work had been completed, as requested at the last meeting, on the Case Mix Adjuster model, varying options of moving existing Additional Professional Advisory Services (APAS) into service lines, and the expenditure forecast. Progress had been made but participants wanted greater detail and clarity. To this end, a small workshop will take place to explore further analysis to bring back to NAAR.

There is no agreement yet about a move to a new contract period starting 1 July, but the financial benefit to the pharmacy sector of such a move was noted.

At the last scheduled meeting of NAAR on 21 August 2023, a final offer will be made and at that point it is hoped consensus can be reached on the substantive details of the offer. It was decided that an additional short meeting of NAAR may be needed earlier in August, once the further analysis is done to debate and resolve some of the details of the offer.
