

Integrated Community Pharmacy Services Agreement National Annual Agreement Review 2025 Meeting 1 March 27th 2025

Statement

The first meeting of the 2025 Integrated Community Pharmacy Service Agreement (ICPSA) National Annual Agreement Review (NAAR) took place on Thursday March 27th between Health New Zealand | Te Whatu Ora (Health NZ) and community pharmacy provider representatives.

Health NZ briefly discussed the very tight and difficult context for NAAR 2025, including the ongoing deficit in the health sector and the fiscal situation, with cuts to Health NZ staff challenging the completion of many programmes of work, including Health NZ is no longer able to meet its commitment to complete the sustainable funding model review by June. There is, as yet, no decision about price uplifts to the primary care and community sector.

Gaining further understanding on the various issues around reasonable cost pressure adjustments, parity for the pharmacy sector with other sectors such as general practice and aged care, and sustainable funding were an important part of the Pharmacy Guild's OIA request presented in September 2024 to Health NZ to which a reply was received in February 2025. The Guild are preparing a comprehensive response raising some fundamental concerns. The Guild noted their response will be provided to Health NZ by 4 April and Health NZ agreed to take the response into account prior to final decisions about the price uplift offer.

The Pharmacy provider representatives had provided a set of matters they wished to be pursued through NAAR 2025 and there was considerable agreement on the top priorities amongst the providers. These included: completion of the sustainable funding model review; ensuring reasonable cost pressure adjustments and full transparency on the rationale used by HNZ for the adjustments; reviewing the permitting of prescription surcharging; co-administration fees for all vaccinations and the potential update of the ICPSA.

Health NZ agreed to begin some analysis on potential changes to the ICPSA including incorporation of COVID Antiviral Service specification into the ICPSA and COVID vaccination into the ICPSA immunisation schedule. This will take into account initial feedback from the NAAR provider representatives and be presented at the next NAAR meeting before any decision is made.

The Ministry of Health will be invited to the next NAAR meeting to discuss potential for surcharging. The Ministry are scoping some work to consider co-payments and service-charges across the primary care sector prior to work on specific areas such as pharmacy.

Changes to prescription period of supply are also a matter for the MoH as policy and regulatory lead.

It was agreed that an update from the Expert Advisory Group (EAG) would be given at each NAAR meeting.

NAAR affirmed their intention to invite other relevant bodies as observers to NAAR from time to time as appropriate, as stated in the Terms of Reference. This is favoured rather than the automatic inclusion of observers at every meeting.

There are two more meetings booked for NAAR in April and May, with an additional meeting to be scheduled if needed in the light of any Budget 2025 decisions.