



Making your health dollar travel further

Health care costs sometimes occur at the most unexpected times; and with the medicines which might be prescribed, we don't always anticipate what the cost might be and make appropriate allowance in our budget.

For those of us required to take medicines regularly - perhaps for a chronic condition like arthritis, asthma, depression, diabetes, epilepsy or heart disease - the costs might seem a burden, even at the best of times.

As well, each year on 1 January there is an increase in the cost of Pharmaceutical Benefit Scheme (PBS) prescriptions. In fact, the total cost of the prescription item may not have increased; it's actually the so-called patient co-payment which increases – generally in line with the CPI (consumer price index).

Nevertheless, successive Australian governments have maintained policies which have ensured we have access to prescription medicines, proven to be both safe and effective, at the best possible price. And there are ways we can reduce the personal cost of our medicines even further.

At the maximum of now \$32.90 per item, the PBS still offers us pretty good value for money. Some medicines actually cost many hundreds (occasionally even thousands) of dollars more than the co-payment. The full cost of PBS medicines is now printed on the dispensed label, so an indication of the real cost of each medicine is there for us all to see.

And \$32.90 is the maximum you should have to pay. Many medicines cost less than this; and if you have a concession card issued by Centrelink (Department of Social Security) or the Department of Veterans Affairs, the maximum amount payable is \$5.30 per prescription item.

It is now well known that some brands of medicines cost more than others and the government subsidises up to the cost of only the lowest-priced brand. A doctor or pharmacist can give more advice about this brand price premium and how to avoid any extra charge. At your request the pharmacist can often substitute a less expensive brand. Remember all medicines in Australia are required to meet the Therapeutic Goods Administration's high standards of quality, safety and effectiveness. The standards are exactly the same for the less expensive and the more expensive brands.

In any event, another way of curbing the cost of prescription medicines is for you to keep a record of spending on PBS prescriptions on a Prescription Record Form (PRF). If you have all or most of your prescriptions dispensed at the same pharmacy, the pharmacist will be able to keep a computer record of these transactions. You can use the PRF to keep a record of items occasionally dispensed elsewhere. Your regular pharmacist can then add items to the computer list.

When you have a record of spending \$1264.90 on PBS medicines for yourself and your dependents in a calendar year, the cost of all subsequent items during the year comes back to \$5.30 each. This is called the PBS Safety Net. It gives reasonable financial protection for patients and their families if they require a large number of medicines.

For concession card holders, the Safety Net threshold is \$318.00 – equivalent to 60 items at \$5.30 each – after which there is no charge for any PBS item, provided one of the lowest-priced brands is dispensed.

The Government has also introduced a modification to the Safety Net procedures. It's called the "20 day rule". This means that, for certain medicines, if you need a repeat dispensing within 20 days of the previous supply, the cost may not count towards your Safety Net contributions; or if you've already reached your Safety Net level, you may have to pay the pre-Safety Net co-payment amount.

The aim of this regulation is to reduce medicine wastage as a result of hoarding or inappropriate use. Your pharmacist can provide you with a brochure with more information about the 20 day rule.

If you want some more advice about the savings you can make with the PBS Safety Net and by choosing the less expensive brands of PBS medicines, ask for the *Help with Medicine Costs* Fact Card at your local Self Care Pharmacy. Call 1300 369 772 for the nearest location or check out the pharmacy-finder at the Pharmaceutical Society website: www.psa.org.au