

June 2019



PHARMAC Change Decision

**Creation of a
Pharmaceutical Assessment Team**

I N T R O D U C T I O N

This document outlines decisions on a proposal to create a new team within the Operations Directorate called the Pharmaceutical Assessment team.

The *Change Proposal* issued in May 2019 expressed the view that the efficient and timely assessment of new pharmaceutical applications had been impacted by the lack of clarity around overall accountability for this work. It was mooted that this lack of clarity was particularly impacted by the range of people involved, in different teams and with differing reporting lines. Several ways were identified that clarity could be achieved:

1. a business process review to document agreed processes, procedures, roles, responsibilities, accountabilities;
2. stronger leadership and expectation-setting regarding deliverables and outcomes and organisation measurement tools to measure whether we are meeting timeliness goals; and/or
3. structural change.

Structural change was proposed, taking advantage of several role vacancies, noting that the new Pharmaceutical Assessment team would be expected to:

- (a) undertake a business process review to progress document and improve processes, procedures, roles, responsibilities, accountabilities; and
- (b) provide stronger leadership and set clear expectations about deliverables and outcomes and develop organisation measurement tools relating to timeliness goals.

24 separate responses were received, 16 from individuals and eight from teams or groups of people. We thank everyone for the significant time and effort put into considering the proposal and thinking about how it might impact both them as individuals and the organisation as a whole.

A summary of submissions may be published at a later date, but we felt the decision should be issued as soon as possible in order to give certainty to affected parties.

H I G H L E V E L S U M M A R Y O F F E E D B A C K

The feedback was carefully considered and was sorted into themes. The following list of themes is arranged in rank order by the number of comments raised in relations to each:

- Questions or concerns about responsibilities of different impacted roles or groups (S/TGMs, HEs, FAAs, MDs, PTAC & SCs)
- Feedback that a reduction in the number of TGMs or HEs would not achieve the goals of the proposal
- Significant support for the high-level structural change aspects of the proposal, although two submissions were unsupportive of any structural change
- Support for the rationale for change - faster, clearer, simpler – with some questions about whether the proposal would deliver those goals
- A range of differing views about workload impacts for S/TGMs, HEs, FAAs, the Medical Directorate and the new team
- Concerns about, and suggestions for, improvements to the proposal to ensure development opportunities and career progression for impacted staff
- A range of differing views on the proposed changes to PTAC Secretary/Clinical Advice Coordinator roles

- General support for the proposed team name and a range of differing views on the proposed job titles
- Concerns about the impact on the Medical Directorate and potential impacts of the proposal on PHARMAC's reputation as a clinically-focussed organisation
- Support for clear accountabilities for supporting PHARMConnect
- Some alternative suggestions around structure and processes
- A range of differing views on the proposed approach to accountability for PTAC/SC papers/minutes
- Significant concerns raised about the current workload impacts on staff within the Operations Directorate due to current approaches to media, communications and OIA queries
- Views expressed about the location of seating for the proposed new team
- A few concerns raised about the approach taken to the development and communication of the proposal to affected staff
- Some concerns about operational details (not related to individual roles and responsibilities)
- Discussion of impacts for the future, i.e. devices
- Some issues raised about prioritisation and CUA assessment processes
- Suggestions for improvements to strengthen the equity and Treaty of Waitangi lenses for pharmaceutical assessment

DECISION

While underlying my concerns about lack of clarity for overall accountability for pharmaceutical assessment and undocumented processes, procedures, roles and responsibilities remain, having carefully considered the substantive and thoughtful feedback, **I have decided not to progress with the proposal at this time.**

In addition to the feedback received to the consultation, other factors in making this decision include:

- the improvements in timeliness of Subcommittee and PTAC minutes
- positive developments in processes and agenda management for PTAC
- ideas and improved approaches for engagement with clinical advisors
- changes in leadership that will be achieved via recruitment for the:
 - Medical Director
 - Deputy Medical Director – Primary Care
 - Manager, Health Economics
- potential future impacts to headcount in HE, FAA, TGM roles if approaches to a parallel assessment for Cancer medicines or an early access to Cancer medicine fund progress.

I have also decided to **approve recruitment to the current vacant positions of Manager, Health Economics, TGM and HE.**

It is expected that the Medical Directorate, Pharmaceutical Funding (particularly STGM/TGMs and FAAs) and Health Economics teams will work together to document and agree processes and procedures (including timelines and deliverables), roles, responsibilities and accountabilities with respect to the assessment of pharmaceutical funding applications.

I want to highlight that, although we are not proceeding with the proposal, the consultation process has been extremely useful. True consultation is about gathering opinion and feedback, carefully considering it along with all the other information available to you and then determining if what you are thinking about is the right approach to take.

Again, I want to thank everyone for the significant time and effort put into considering the proposal and preparing their feedback.

Feedback and other developments since the proposal was first developed have highlighted some other ways to manage the efficient and timely assessment of new pharmaceutical applications which I look forward to staff progressing. We do, however, plan to revisit the proposal in the future.



Sarah Fitt
Chief Executive

21 June 2019