

## **Minutes of the PHARMAC Consumer Advisory Committee (CAC) meeting Friday 12 June 2020**

The meeting was held on Level 9, 40 Mercer St, Wellington from 9 am.

### **Present**

David Lui	Chair
Lisa Lawrence	CAC member
Adrienne von Tunzelmann	CAC member
Key Frost	CAC member
Tuiloma Lina Samu	CAC member

### **In attendance**

Sarah Fitt (Chief Executive)  
Janet Mackay (Manager, Implementation Programmes)  
Chloe Dimock, Team Leader, Procurement – for item 7 only  
Trish Elise, EA to Senior Leadership – for minute taking from item 4 onwards

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### **1. Welcome and open discussion - Committee only**

### **2. Matters arising**

- Interests Register
- Action Points
- Grapevine
- Correspondence

### **Chair's Report / Board meeting report back (Committee only)**

#### Consumer Engagement

The current environment in New Zealand has come to realise that consumer engagement is not just something that is nice to have but it is an essential component of health quality and safety. The HQSC has championed this in New Zealand and the DHB uptake has increased over the last few years with the implementation of Consumer Councils.

CAC plays an important role in this space for PHARMAC. CAC has untapped potential for PHARMAC to utilise in its future work such as in the equity, communication with communities, funding decisions. The current work in strengthening our relationship with

PHARMAC is vital to ensure CAC is in a strong position to perform its functions to its full potential.

#### Report back from May Board meeting

Board values and invites CAC contribution. Board has approved appointment of Jan White as the board member assigned as conduit between board and CAC. This is a positive action to strengthen and improve the relationship between board and CAC as well as providing support to CAC.

Recent independent review into the lamotrigine brand change has highlighted how CAC involvement could improve decisions and outcomes for PHARMAC. Equity work is another significant piece of work where CAC could make an important contribution. PHARMAC through CEO and staff have indicated its desire to increase its utilisation of CAC in its work.

### **3. CAC and PHARMAC relationship matters / future working together**

The CAC and PHARMAC staff discussed recent relationship matters to bring about healing and moving forward together in a progressive and constructive way.

Members of the committee considered changes in staff within PHARMAC had impacted on the understanding of the role of the committee, as well as resourcing and secretariat support of the committee.

The committee expressed their desire to have a connection with each other between meetings to maintain a relationship. They also recommended PHARMAC investigate a 'file-sharing' system where documents could be shared with the committee between meetings as appropriate.

The committee considered the Terms of Reference (ToR) of the committee as a key document for defining the relationship between the committee and PHARMAC. The committee expressed their keenness to contribute actively to the ToR review and committed to being strongly involved for the completion of the review by 1 August 2020.

The CAC recommended:

- PHARMAC embed Te Tiriti o Waitangi, reigniting the mahi of Te Roopu Āwhina Māori with Kaumatua Bill Kua leading that for the organisation with meaningful commitment.
- Training for PHARMAC staff to build cultural, relationship and conflict management competency.

***ACTION:*** PHARMAC to provide a proposed timeline for revising the ToR which will be shared with the committee by 26 June 2020.

### **4. CAC review – next steps and actions**

The CAC prepared a paper, comparing proposals from the CAC Review report (completed in 2019), actions proposed in an update provided to the PHARMAC Board in May 2020 and further recommendations from the committee. The CAC saw a need to align these with committee-related actions in PHARMAC's consumer engagement workplan. We proposed these be aligned, and systematically worked through including what should

happen ahead of new members joining the CAC, and having them start and move ahead on a strong foundation.

PHARMAC staff committed to developing an annual agenda for the committee. This agenda would align PHARMAC's Board reporting and workplans for PHARMAC's strategic priorities so that input from the CAC can be sought at appropriate and meaningful times. This would also support greater clarity for members of the committee on the topics that will be discussed in advance.

**ACTION:** PHARMAC staff to develop an annual agenda to share with the committee at their July or August 2020 meeting.

## 5. Induction of new CAC members and transition of Chair / Deputy Chair

The committee were provided with a paper that outlined the proposed induction activities for new members, and proposed activities to support the transition of the Deputy Chair to the Chair role. Feedback from the committee was sought on these proposed activities.

PHARMAC also sought members feedback on what kind of refresher activities could be useful for long term members.

Members considered that Lisa as new Chair should attend the orientation and induction for the new members.

### *Transition for new Chair*

Lisa sought more information on the induction process for the current Chair of the committee, David. David advised that he had not had a formal induction into the role as Chair. David had attended a PHARMAC Board meeting alongside the previous CAC Chair, and recommended Lisa do the same, before Lisa then became the CAC Board observer.

The committee considered what was most important for a successful transition to Chair was unanimous support from the committee, which Lisa has. The committee encouraged Lisa to bring her own approach to the role of the Chair and to be herself.

Adrienne noted that her role as Deputy Chair finishes in 2021 and she saw herself in a caretaker role. This would give time for someone to emerge as an appropriate Deputy Chair from the new committee members.

The committee recommended there be a proactive succession plan for Chair and Deputy Chair positions.

Lisa advised that she wanted a position description for the role of Chair as it would be useful to know the expectations. PHARMAC staff noted that the responsibilities for the Chair are directly mentioned in the Terms of Reference but are likely better as a separate position description. This could occur as part of the ToR review. It would also be important to be clear with Lisa on her preferred methods of communication e.g. email, phone etc, so that there was effective communication.

### *Induction of new committee members*

Jan White, as Board-CAC liaison is keen to attend the induction of new members.

The committee were provided with the agenda from the last induction session (in 2016) as a proposed draft of the induction for new members. Members considered it would be important to include a session could be held on PHARMAC's strategy, and also include a session on the Pacific Responsiveness Strategy. The whakapapa of the name Te Pātaka Whaioranga should also be shared with new CAC members.

Committee members recommended communications training as a session they had found useful during their induction.

Members noted their own inductions to the committee included their partners/spouses being invited to the powhiri. Members considered this an important way of honouring both the new member, but also their family/whānau.

Adrienne reflected on a stakeholder engagement forum held when she was a member of the Board and the positive experience of that, commenting that having stakeholder gatherings in future should be considered.

David considered that there is potential for CAC to be able to distribute messages and in some way be the friends and allies of PHARMAC. It was identified that sometimes communications from PHARMAC are risk averse, and this has led to missed opportunities. CAC members are generally well known in their sectors and it would be advantageous to equip them with information they can communicate. They are proud of their involvement with PHARMAC and they can share information through their networks.

David noted that there are times when PHARMAC team members come to the regions where CAC members live. He asked that if there is an opportunity, it would be beneficial for CAC members to be informed, so that they can be there as appropriate. In the past it has worked well to 'piggyback' on other events that may be being held in the regions and this might increase consumer participation.

Adrienne noted previous feedback from the Consumer Voices work about how 'representative' the CAC is. It was considered that PHARMAC don't need to engage in every place in the country but thought should be put into the best ways and places for consumer engagement to occur.

## **6. Consumer engagement workplan for PHARMAC**

The committee's feedback was sought on a draft paper that was going to the June meeting of the PHARMAC Board about consumer engagement. The purpose of the paper is to close off the consumer voices work and action plan from 2018 and aligning the consumer engagement activities within PHARMAC's strategic priorities.

The committee were also informed that the PTAC Terms of Reference are currently being reviewed. The draft Terms of Reference are going to the June Board meeting and after this there will be public consultation on the draft. A major change to the ToR is the provision for consumer involved in PTAC. PHARMAC staff will ensure the CAC have an opportunity to feed-back on the consultation of these ToR so that their views can be considered and included in the final version of the ToR.

PHARMAC staff also indicated they are working on the recommendations from the lamotrigine review and how these can be incorporated into the work plan.

The committee noted work on the website and social media. The committee expressed a desire to contribute and provide comments on the website refresh. This included appropriate positioning of information about the CAC on the website. The committee also recommended that PHARMAC use more 'active' language about seeking consumer views and incorporating that into their work, rather than just using the work 'input'.

The CAC expressed their keenness to contribute actively to PHARMAC's consumer consultation work, in particular the what and how of consulting with consumer groups.

***ACTION: PHARMAC staff to provide a brief summary of the current meeting to members on Monday 15 June for their review and inclusion in the Board paper. Completed – thanks for a quick review turnaround by committee members.***

## **7. Consultation on procurement approach (verbal update – added on day)**

Chloe Dimock explained a consultation to be released shortly that PHARMAC wanted the CAC to be aware of. The team is looking at how PHARMAC approaches procurement and ways it can make changes about sourcing medicines, and later devices, giving greater attention to individuals rather than being an overarching population decision.

Chloe provided a brief summary of how the Annual Tender process works. The consultation is about a potential change in contractual terms of items awarded in the annual tender to allow more flexibility so that individuals can remain on their previous brand (if there is a change to the supplier awarded sole-supply). The supply would move from 'sole-supply' to 'principal supply status' with some allowance, which is likely to be 5%. A consultation will be released in early July and will be sent to CAC to share with their networks and for them to provide feedback on should they wish.

The current consultation will focus on changes that can be made to contracts to allow us to make decisions for individuals to have a funded treatment where the sole supply product is not suitable for a patient/user. There is a broader project looking at whether value can be gained outside of the costs and savings of products in the Annual Tender, for example:

- if there's a suitability feature of a product that gives a patient or user a better experience, then it should be considered in the process;
- efficiency gains may be in wider sector through choice of product; and,
- sustainability, including environmental sustainability.

The committee was enthusiastic about the principle and indicated they will be keen to provide feedback on the consultation when it is released. Members also suggested networks that the consultation could be shared with, including the nationwide disability group and kuia consumer group. The CAC indicated that if PHARMAC is wanting to run hui or workshops, that members would be able to assist in pulling those together.

The next draft Tender will be released at the end of July/early August and it is anticipated that the feedback from the consultation will be incorporated into the Tender.

## **8. Next meeting dates – confirmation and next steps**

It was proposed by PHARMAC staff that the next CAC meeting, scheduled as a videoconference for Friday 10 July remain as a videoconference, but that the Friday 14 August meeting, currently scheduled as a videoconference, would become a face-to-face meeting. This meeting could become both an induction for the new CAC members and handover from the current committee. Jan White would also be available to attend.

Members strongly recommended a face-to-face full day CAC hui in July to progress work quickly on reviewing and resetting the CAC Terms of Reference by 1 August 2020. PHARMAC indicated this could be considered. The proposed timeframe and approach for revising the CAC ToR would provide an indication of the timeframe and work required and whether a full-day face-to-face meeting was needed and/or could be resourced appropriately.

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David indicated that interview times for new members were scheduled. It was noted that if the current shortlisted Pacific candidate was not a suitable potential member, that we could initiate a separate recruitment process for a Pacific candidate quickly after that. Member of the committee indicated they would be able to share widely with their networks if this was advertised again.

***ACTION:*** PHARMAC to check with members on their availability for a face-to-face meeting on Friday 14 August.

David thanked Sarah Fitt for her time, and that his and the committee's thoughts were with Alison. He noted that headway had been made with healing and now in a better space.

*Meeting closed 3.35 pm*