



Photo: Bill Frazzetto

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Drug lobby driving PBS changes, says expert

Amendments to the Pharmaceutical Benefits Scheme were introduced to in the federal parliament yesterday that will change the way brand name and generic medicines are priced.

The amendments put brand name drugs and generic medicines into separate categories and alter the way they are costed.

The move has been criticised by an Australian medico-legal expert at the Australian National University.

Dr Thomas Faunce says the change has been driven by Medicines Australia. He says the amendment undermines the group's own policy of improving access to affordable quality medicines for all.

"Reference pricing, a core component of the PBS cost-effectiveness process, will no longer operate between (the categories) to moderate the prices of new patented drugs that can't prove that they are better than existing products," he said.

"A new, readily contestable, ill-defined concept of 'interchangeability' is being made part of expert recommendations on cost-effectiveness."

"It is an agenda driven by the drug manufacturers lobby group, Medicines Australia, and its associates in the US pharmaceutical industry to obtain higher prices in Australia for branded, patented medicines," he said.

Dr Faunce will argue in a paper to be delivered to a health conference in Melbourne on Monday that the amendments should be rejected.