

# Funding medicines for **paediatric cancers**

Te Pātaka Whaioranga – Pharmac is seeking feedback on rule 8.1b of the Pharmaceutical Schedule. This unique exception means any medicine used to treat cancer in a paediatric setting is automatically funded without a Pharmac assessment.

## **No changes to current medicine access**

This review only relates to the funding of new medicines. All paediatric cancer medicines currently used will continue to be funded by Pharmac.

## **About this document**

We have published a detailed consultation document that explores the specific issues we would like input on as part of this review.

Download the full discussion document at [pharmac.govt.nz/cancer](https://pharmac.govt.nz/cancer)

This summary provides an overview of the key points from the full consultation document. Find out how to make a submission below.

## **Review of rule 8.1b of the Pharmaceutical Schedule**

### **Why Pharmac is reviewing rule 8.1b**

Normally, all medicines go through a rigorous evaluation process before we decide whether to fund them. We make an exception for medicines to treat children with cancer – paediatric cancer medicines can be funded without any evaluation from Pharmac. This exception is known as rule 8.1b.

Rule 8.1b was set up when Pharmac took over funding decisions for cancer medicines from District Health Boards in 2005. We're looking at the rule now because concerns have been raised around its fairness when compared with other populations and conditions, as well as the growing costs of new paediatric cancer medicines.

We are not committing to making changes to rule 8.1b – it is too early in the process to know whether any change should occur. We need your help to understand the impact rule 8.1b has on paediatric cancer care in Aotearoa New Zealand.

## **The system of care for paediatric cancer treatment**

Paediatric cancer is a complex area of health care. In New Zealand, health outcomes for children with cancer have improved drastically over the last several decades. Access to medicines is important, but it is only one part of the picture.

There are two specialist treatment centres for paediatric cancers located in Auckland and Christchurch and a network of regional care centres. Innovative, research-based treatment, such as participation in clinical trials of new medicines, also plays an important role. We understand that, in some cases, rule 8.1b makes accessing the latest medicines for these purposes easier and faster.

## **The growing cost of new paediatric cancer medicines**

When rule 8.1b is used, health care providers make funding decisions about what treatments are clinically appropriate. Our data shows that the rule is often not used. In 2020, 93 percent of medicines used to treat children with cancer were already listed on the Pharmaceutical Schedule. That means only 7 percent of paediatric cancer medicines required rule 8.1b to be funded. Even so, this small proportion of cases accounted for half of the overall spend on all paediatric cancer medicines.

Expenditure on all paediatric cancer medicines currently accounts for less than 1 percent of the total budget for medicines and related products set by government. However, the cost of paediatric cancer medicines has been rising each year. New, expensive treatments are being developed some costing up to \$1 million for a single person.

## **Equity concerns and the impact on broader health outcomes**

While rule 8.1b has a number of benefits for paediatric cancer care, a critical issue to consider is whether it is equitable. For example, the same funding access to medicines does not apply to other children, people with rare disorders, adolescents and young adults with cancer, and others experiencing inequitable health outcomes.

We need to consider if there are good reasons why paediatric cancer medicines should be treated differently to everything else – that is, whether rule 8.1b is needed. We need to understand how it aligns with our purpose of delivering the best health outcomes for New Zealand. And we must consider how it meets with our commitment to te Tiriti o Waitangi and expectations under the Pae Ora (Healthy Futures) Act 2022.

## We welcome all feedback

This is a difficult topic but an important discussion to have. If you would like to make a submission, the full consultation document and online form have specific questions to guide your response. The questions relate to these key themes.

- The difference rule 8.1b is making to the lives of children with cancer, their family and whānau, and the people who are working hard to support them.
- How important rule 8.1b is to the overall system of care for children with cancer.
- Whether applying rule 8.1b to children with cancer is needed when considering other population groups.
- What impact the increasing cost and range of new paediatric cancer treatments could have on the budget for all pharmaceuticals.

Please don't feel limited to the questions we ask. There is an opportunity in the submission form to include anything else you think we need to know to inform the review.

Remember, this review only relates to the funding of new medicines for paediatric cancer. All paediatric cancer medicines currently used will continue to be available irrespective of any outcome of this review. Any options for change will be consulted on widely before being put in place. For now, rule 8.1b continues to apply as normal.

Make a submission using the online form at [pharmac.govt.nz/feedback](https://pharmac.govt.nz/feedback)



We encourage you to use the submission form so we have the best chance of capturing your views. You can also email your submissions to [consult@pharmac.govt.nz](mailto:consult@pharmac.govt.nz)



If you have any questions, you can call us on **0800 660 050** or email [enquiry@pharmac.govt.nz](mailto:enquiry@pharmac.govt.nz)