

PHARMAC

Pharmaceutical Management Agency

Media release

PHARMAC welcomes increased budget for 2006 year

PHARMAC Chief Executive Wayne McNee has welcomed the approval of an increase in government pharmaceutical funding for the 2006 financial year.

The Minister of Health has today announced that the pharmaceutical budget for 2005-06 will be \$582.86 million, a 3.2 percent increase on the 2005 budget figure. This includes \$3 million of funding as part of the cancer control strategy.

The figure announced today is an increase on that included in the three-year funding path, to take into account the impact of government policies such as the rollout of low-cost PHOs, and the increased cost of new medicines.

Wayne McNee says the increased budget will give PHARMAC further scope for spending on more new medicines for New Zealand patients.

“Over the past two years it has been pleasing to be able to focus on subsidising over 20 new medicines and widening access to others, and the increase in the budget means this spending can continue,” Wayne McNee says. “This is good news for patients, for PHARMAC and for the pharmaceutical industry in New Zealand.”

New medicines funded in the past year include ezetimibe for raised cholesterol; tiotropium for chronic obstructive pulmonary disease; fentanyl for chronic pain and a combination HIV/AIDS medicine, Kaletra. Access was also widened to medicines including letrozole for breast cancer; candesartan for blood pressure management; olanzapine for mental illness; and pegylated interferon for hepatitis B.

This list has continued to grow in the current financial year with PHARMAC already announcing decisions relating to the pain relievers oxycodone and gabapentin, and breast cancer drugs.

“This increase in funding will make it possible to fund more subsidised medicines for New Zealanders. It is essential that we have ongoing increases in expenditure in order to meet the health needs of New Zealanders,” Wayne McNee says. “We are continuing to work with DHBs to finalise our funding path for future years, in order that we can continue to plan effectively for the future.”

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