

Australia slashes prescription drug prices

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Singapore: Bringing in much needed relief for millions of consumers, the Australian government announced that is reducing the price of 1,100 medicine brands listed on the Pharmaceutical Benefits Scheme. As a result, the price paid by millions of Australians for prescription medicines will be reduced, from the start of April. The list of subsidized medications include drugs for high cholesterol, Parkinson's disease, depression, breast cancer, eczema and psoriasis.

The Pharma Letter reported that the government had spent over A\$10 billion (\$7.65 billion) on the scheme in the 12 months to June 2016. The three drugs with the highest cost to government were Harvoni (ledipasvir and sofosbuvir), at a cost of A\$358 million, Humira (adalimumab), costing A\$335 million, and Lucentis (ranibizumab), which cost A\$217.8 million.

Highlighting the high price of medicines, a recently published the Grattan Institute report stated that Australians paid almost four times more than the best international prices for a range of prescription drugs, and nearly 6 per cent of patients delay or forgo necessary medication due to cost.

The government has also announced a number of new treatments and indications that will be added to the list, including Adcetris (brentuximab vedotin) for Hodgkin lymphoma and Enstilar (calcipotriol and betamethasone dipropionate) for psoriasis.

Health Minister Greg Hunt said the savings for patients would be "considerable".

"These reductions are expected to save Australian families \$135 million over the next four years and will also deliver estimated savings to taxpayers of \$455 million," Mr Hunt said.

"Part of our rock solid commitment to Medicare is ensuring people have access to medicine when they need it. We are delivering on this commitment."

Australian Medical Association President Michael Gannon said it was vital to reduce the cost of medicines to ensure those struggling with cost of living pressures didn't skip filling prescriptions.