



CommonwealthBank



IQVIA

# Pharmacy Barometer

2020

# Contents

Background	1
The growing landscape of community pharmacy in Australia	2
Methodology and Analysis	4
UTS Community Pharmacy Barometer™	6
Expert Panel	10
Executive Summary	12
UTS Pharmacy Barometer 2020	14
Seventh Community Pharmacy Agreement	24
Role and remuneration of community pharmacists	30
COVID 19	40
Biosimilars	48
Conclusion	52
Contacts	53

# Background

## UTS Pharmacy

UTS Pharmacy is an innovative school established in 2011 to address the emerging needs of the pharmacy profession. As the first course area within the UTS Graduate School of Health, it provides innovative, practice-based pharmacy education and high impact research that improves the quality use of medicine. The School is proud to offer an innovative, student-focused approach for highly motivated, career minded students. Over the last few years, it has successfully established itself as the program of choice for graduates who wish to have a career as pharmaceutical services providers and managers. UTS: Pharmacy offers three Master coursework degrees, two leading to be eligible to register as a pharmacist; Master of Pharmacy and Master of Pharmacy (International) and the Master of Good Manufacturing Practice. In 2020 UTS: Pharmacy introduced the Graduate Certificate in Advanced Pharmacy Practice, enabling registered pharmacists to develop the skills and knowledge for work as general practice pharmacists, in the aged care sector and/or as members of multidisciplinary primary care teams.

The Graduate School is a leader in various areas of research including the design, evaluation and implementation of community pharmacy business and professional practice models. UTS Pharmacy is committed to producing career-ready graduates. Integrated problem-based learning, simulated environments and interdisciplinary workshops are used to help students apply the theory they learn and build their considerable skill set. A wide range of interdisciplinary electives give students the choice to specialise or diversify their skills to best suit their career needs. Committed to collaborative research that has a real impact on the pharmacy profession, our focus is on innovative practice-oriented research that improves the quality use of medicine and informs health policy.

## IQVIA

IQVIA (NYSE:IQV) is a leading global provider of advanced analytics, technology solutions and clinical research services to the life sciences industry. Powered by the IQVIA CORE™, IQVIA delivers unique and actionable insights at the intersection of large-scale analytics, transformative technology and extensive domain expertise, as well as execution capabilities. Formed through the merger of IMS Health and Quintiles, IQVIA has approximately 68,000 employees worldwide.

Learn more at [www.iqvia.com](http://www.iqvia.com)

## The Commonwealth Bank of Australia

CommBank takes a holistic view of Australia's health ecosystem and the complex inter-relationships which exist between the broad range of providers, multiple funding streams and the regulatory framework under which it operates. CommBank recognises that pharmacies form a critical part of the overall health and primary care market. We have a dedicated team of expert national healthcare bankers who provide industry specific banking solutions to help pharmacies drive operational and financial efficiencies.

Through data driven insights, CommBank supports our pharmacy clients in identifying and capitalizing on the emerging trends and opportunities presented by an increasingly digitally-driven health system. Our focus on innovation and technology solutions enables us to support our clients as they deepen their understanding of changing customer needs, and develop differentiated and customized propositions to remain competitive within an increasingly dynamic industry landscape.

# The growing landscape of community pharmacy in Australia

The fluctuating landscape of community pharmacy continues to evolve with new opportunities and challenges arising. Community pharmacy plays a pivotal role in providing primary healthcare and delivering a range of services to the community. 2020 proved no different, with pharmacists faced with a range of challenges including the devastating bushfires, COVID-19 and introduction of a new community pharmacy agreement.

In 2019-2020 the federal government remunerated community pharmacies \$10.12 billion for PBS subsidised prescriptions. This consisted of:

- \$7.3 billion for PBS and RPBS medicines
- \$1.59 billion for pharmacists specialised skills in dispensing medicines
  - \$1.56 billion dispensing fee
  - \$25 million dangerous drug fee
  - \$3 million wastage
  - \$600,000 container fee
- \$990 million AHI fee
- \$157 million premium free dispensing incentive
- \$13 million electronic prescription fee.

Under the 6CPA \$236 million was spent in 2019-20 on a range of professional programs and services delivered by community pharmacy and pharmacists to support the primary health care needs of consumers. This included3:

- \$16.1 million for the Rural Pharmacy Maintenance Allowance
- \$4.8 million for the Rural Pharmacy Workforce Program
- \$104 million for Medication Management services
- \$97.5 million on Medication Adherence services
- \$5.1 million on Aboriginal and Torres Strait Islander programs
- \$8.6 million on Pharmacy Program administration fees.

The Seventh Community Pharmacy Agreement (7CPA) introduced in July 2020, represents an \$18.3 billion agreement over five years. Highlights of the agreement relate to a dispensing remuneration guarantee with \$1.1 billion increase in dispensing remuneration for above co-payment prescriptions, increase of the dangerous drug fee, indexation of the dispense fee, AHI fee and dangerous drug fee as well as the provision of \$1.2 billion for selected professional programs<sup>2</sup>. Division of opinion remains as to whether the allocation of funding between dispensing and professional services was adequately assigned.

The government has continued to provide policy support for community pharmacies keeping the ownership and location rules within the terms of the 7CPA and recently approved their role in the delivery and roll out of the COVID-19 vaccination program.

Business models in community pharmacy continue to differentiate, driven initially by the retail success of the discounters, and appearance of new professional service models. The depth of knowledge and impact of these coming changes on and by individual pharmacy owners and employees is uncertain. Concurrently, the business model adopted by many pharmaceutical companies for acquiring loyalty, market share and sales through pure discounting mechanisms alone is changing. Accompanying all these changes there has been much debate, in the scientific literature, professional and trade journals and professional pharmacy and other stakeholder organisations, of the potential impact of these changes on the pharmacy industry as a whole. An understanding of the perceived and the eventual impact of all these changes and their future effect on the professional and business strategy concerns many players including:

- Community pharmacy owners and practitioners
- Pharmaceutical companies and manufacturers (branded and generic)
- Pharmaceutical wholesalers
- Professional organisations
- Pharmacy educators and researchers
- State and federal governments
- Finance industry including banks, lending institutions and investors.

All these stakeholders will require accurate and timely feedback on how this \$18 billion industry is thinking and how it is likely to evolve.

1. Pharmaceutical Benefits Scheme. 2020. PBS Expenditure and Prescriptions Report 1 July 2019 to 30 June 2020.

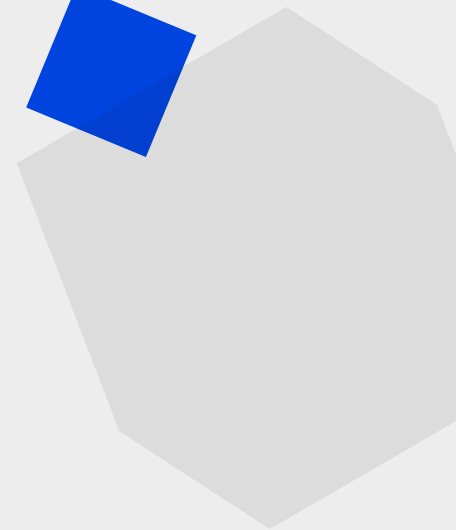
2. Australian Government, Department of Health, 2020, Seventh Community Pharmacy Agreement

## The UTS Community Pharmacy Barometer™

UTS Pharmacy developed the Community Pharmacy Barometer in response to industry challenges and perceived gaps in knowledge about the impact on policy and practice changes may have on community pharmacy businesses and professional practice.

The UTS Community Pharmacy Barometer™ is the first comprehensive research tool available to all the stakeholders in the Australian Pharmacy industry designed to track the confidence, perceptions and opinions of pharmacy owners and employees. On an annual basis the UTS Community Pharmacy Barometer™ tracks the perceptions of the viability of the pharmacy business, the profession and opinions of the impact of the coming changes on the current and future value of pharmacies as well as researching in depth a key topic at each wave.

The expert panel includes, UTS Graduate School of Health Head of Discipline, Pharmacy and Professor of Pharmacy Practice, Professor Kylie Williams, UTS Adjunct Professor John Montgomery, Warwick Plunkett, Pharmaceutical Society of Australia (PSA) Director, former PSA National President John Bell, Emeritus Professor Shalom (Charlie) Benrimoj and UTS senior lecturer Dr Victoria Garcia Cardenas.



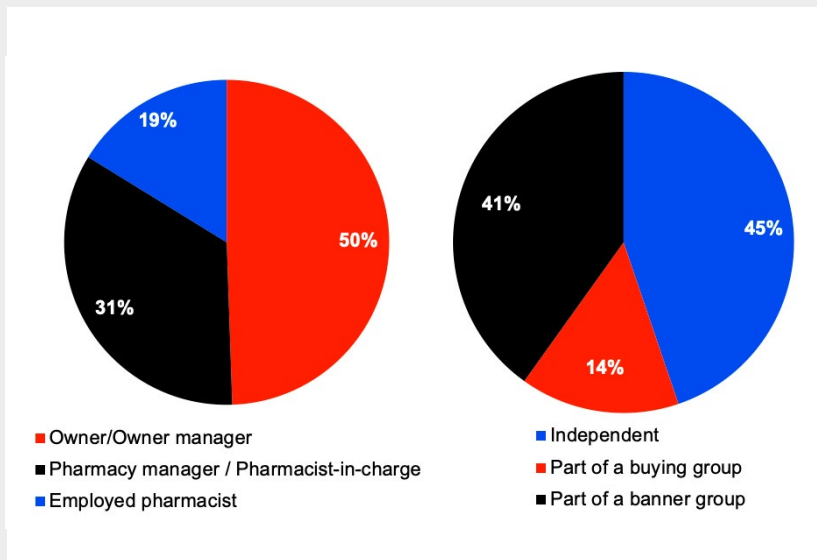
# Methodology and Analysis

The questions were designed to assess the confidence of pharmacists in their business in the short (one year) and medium-term (three years). Since the inaugural study proceeding reports have continued to focus on the specific range of services offered within community pharmacy, the evolution of a pharmacist's role and scope of practice, the implications of Community Pharmacy Agreements both professionally and economically, pharmacist wages and the use of biosimilars in the community pharmacy environment. In this the tenth wave of the barometer (2020) focus predominates on the impact of COVID-19 on professional and business practice and the signing and commencement of the 7CPA from July 2020.

The 2020 survey for UTS Community Pharmacy Barometer™ was created by UTS Pharmacy in collaboration - with IQVIA and the University of Technology Sydney pharmacy expert panel.

Data collection occurred in October 2020, with an invitation to participate in the online survey emailed to the pharmacists on the IQVIA online panel (a sample from the panel of 1,000 pharmacists that is nationally representative of the general community pharmacy population). Participants included those who identified themselves as working in community pharmacy (majority of the time) and were either an owner or owner-manager (50%), pharmacist-in-charge/pharmacy manager (31%) or employed pharmacist (19%). The questionnaire also captured the type of pharmacy in which the pharmacist worked (independent (45%), banner (41%) or buying group (14%)).

Figure 1: Type of Pharmacy and Role in the Pharmacy (n=360)



A sample of 360 pharmacists were surveyed in 2020 in order to have  $\pm 5\%$  marginal error with 95% confidence interval, with the sample being representative of the Australian community pharmacy sector. Open-text questions were coded into themes that could communicate the main topics raised by the pharmacists. Tables were produced for all questions with the following groups: Type of pharmacist [Owner (combination of owner & owner-managers) vs. Employed (combination of pharmacist-in-charge & employed pharmacist)]; Age [three age categories] and Type of pharmacy [Independent vs. Group (combination of banner and buying groups)].

Table 1: State and Territory breakdown of Pharmacists (n=360)

State/Territory	N	%
Australian Capital Territory	4	1%
New South Wales	126	35%
Queensland	69	19%
South Australia	28	8%
Tasmania	7	2%
Victoria	95	26%
Western Australia	31	9%
<b>Total</b>	<b>360</b>	<b>100%</b>

Certain questions were only offered to 'decision makers' (owner/owner-managers and pharmacist-in-charge/pharmacy manager n=291). The data were tested for statistically significant differences (z-tests for proportions and t-tests for means; both using a 95% confidence interval). Certain questions were analysed as cross-tabs, to investigate potential relationships and themes.

# UTS Community Pharmacy Barometer™

The UTS Community Pharmacy Barometer™ measure was derived using the following questions:

1. Do you believe the value of your pharmacy will increase, decrease or remain the same in the **next year**?
2. Do you believe the value of your pharmacy will increase, decrease or remain the same in the **next 3 years**?
3. On a scale of 1 to 10 where 1 is extremely pessimistic and 10 is extremely optimistic, how confident are you in the future viability of community-based pharmacy?

The first two questions were only asked of 'decision makers' (owner, owner-managers and pharmacist-in-charge/pharmacy manager n=291), while the third was asked of all pharmacists (n=360). For the calculation of the Barometer measure, only those who answered all three questions were included (n=232).

For each of the first two questions above, responses were assigned the following values:

Increase = 2  
Remain the Same = 1  
Decrease = 0

The sum of the values was calculated for each question and the sum divided by the total number of pharmacists who selected one of the three options for that question (i.e. an option other than 'not sure').

For the third question responses were assigned the following values:

Optimistic (rating of 8-10) = 2  
Neutral (rating of 4-7) = 1  
Pessimistic (rating of 1-3) = 0

The first two questions provided insights into the 'value' pharmacists foresee for their pharmacy and the third gives an emotional insight into their confidence in the future. We used 'value' + 'emotional insight' = 'Pharmacy Barometer' as the basis for providing a 50% weighting to the two value questions and a 50% weighting to the emotion (pessimism - optimism scale) question. As the first question refers to 'next year' (more immediate) and the second to 'next three years' (further away, shadowed with uncertainty), it was decided to distribute the 50% weighting for 'value' as 35% for next year and 15% for three year timeframes. The UTS Community Pharmacy Barometer™ incorporates these three weighted scores.

In 2020 additional questions regarding emerging issues which may affect community pharmacy both professionally and economically were asked. These questions focus on the impact of COVID-19 to the community pharmacy sector, the introduction and implementation of the 7CPA, the role and remuneration of community pharmacists and use of biosimilar medications.



## Satisfaction with 7CPA:

1. What is your level of satisfaction with the 7th CPA on an economic and professional level?

	Strongly Dissatisfied				Neutral		Strongly Satisfied			
Economic level	1	2	3	4	5	6	7	8	9	10
Professional level	1	2	3	4	5	6	7	8	9	10

2. \$11,757 million of the Commonwealth funds in the 7th CPA are allocated for pharmacy remuneration for the dispensing of pharmaceutical benefits including the dispensing fee, administration, handling and infrastructure fee and dangerous drugs fee. \$1,200 million have been allocated to community pharmacy programs. What is your opinion on the distribution of funds between dispensing and professional services?
- The distribution is appropriate
  - A greater proportion should be allocated to dispensing fees
  - A greater proportion should be allocated to professional service fees
  - Not sure
3. Should payment for clinical interventions have been?
- Retained
  - Withdrawn
  - Not sure

## Roles and remuneration of community pharmacists:

4. Has the remuneration level of your pharmacist employee (or if you are an employee pharmacist) changed in the last year?
- Yes
  - No
  - Not sure
  - Not applicable
5. What is the average hourly rate for your employee pharmacist?
- Less than \$30 per hour
  - Between \$30 to \$40 per hour
  - Between \$40 to \$50 per hour
  - Between \$50 to \$60 per hour
  - More than \$60 per hour, specify
6. Is the role of any employed pharmacist dedicated mainly to the provision of non-dispensing professional services?
- Yes
  - No

7. What is the average hourly rate for employee pharmacists dedicated to the provision of non-dispensing professional services?

- Less than \$30 per hour
  - Between \$30 to \$40 per hour
  - Between \$40 to \$50 per hour
  - Between \$50 to \$60 per hour
  - More than \$60 per hour, specify
- 

8. Would you support the development of specialised roles for community pharmacists?

- Yes
- No
- Unsure

9. If yes, which of the following roles would you support if they were cost-effective?

- Adherence pharmacist
  - Aged care pharmacist
  - Disease state management pharmacist
  - General service pharmacist (providing 7CPA services)
  - GP pharmacist based in community pharmacy
  - Medication safety pharmacist
  - Professional services manager
  - Self-care pharmacist to undertake triage, minor ailments
  - Point of care pharmacist to undertake point of care testing
  - Vaccinations and immunisations pharmacist
  - Other. Please comment
- 
-

10. What proportion of your time do you estimate you spent on each activity weekly?

	Dispensing	Dealing with minor ailments and OTC products	Disease prevention and wellness
Time (as a % of your weekly working hours)			

11. What products and materials do you use as part of your patient self-care activities?

12. Would you use a digital program to support your patient self-care activities?

- Yes. Please specify.
- No
- Unsure

**Effect of COVID-19 on your professional and business practices:**

13. What changes did you make due to COVID-19?

14. What has been the impact of COVID-19 on:

- a) Professional practice
- b) Business

15. What suggestions would you make to improve how the community pharmacy environment has reacted to COVID-19?

16. In your opinion, should pharmacists be able to vaccinate against COVID-19?

- Yes
- No
- Unsure

17. How has COVID-19 affected your online business?

- Increased
- Decreased
- Stayed the same
- I do not have an online business

18. Has COVID-19 had any effect on the number of e-prescriptions you are dispensing?

- Increased
- Decreased
- Stayed the same

**Biosimilar medicines:**

A biosimilar medicine is a highly similar version of a reference biological medicine. The reference biological medicine is the first brand to market. Biosimilar medicines are becoming approved for use in Australia and as such we are interested in your views about this group of medicines.

19. Level of confidence of substitution:

None					Neutral					High
1	2	3	4	5	6	7	8	9	10	

20. Overall level of preparedness to dispense to new patients

None					Neutral					High
1	2	3	4	5	6	7	8	9	10	



# Members of the UTS Community Pharmacy Barometer Expert Panel



## **PROFESSOR KYLIE WILLIAMS**

### **Head of Discipline Pharmacy, Graduate School of Health & Professor of Pharmacy Practice**

Professor Kylie Williams is the Head of Pharmacy and the Deputy Head of School, Learning & Teaching in the Graduate School of Health at the University of Technology Sydney (UTS). She is a registered pharmacist with over 25 years of academic experience in teaching and research. Kylie leads a research team focused on development, implementation and evaluation of new models of pharmacy and health service delivery. In addition to her health service expertise, she has expertise in mixed methods research using both qualitative (focus groups, interviews) and quantitative research methods (questionnaires, pseudo-patient methodologies, actual use studies). She has published over 60 refereed papers, 9 major research reports and has co-authored over 90 conference presentations. Alongside her research expertise, Kylie is internationally recognised for her curriculum development. She has received a number of teaching grants and awards, has co-authored teaching-related peer-reviewed journal articles and two professional books, and has written over 80 educational articles for pharmacists.



## **JOHN MONTGOMERY**

### **UTS Adjunct Professor**

John Montgomery has 40+ years' experience in the pharmaceutical industry including the US, UK, Australia and Japan. John was CEO of Alphapharm and Regional Director, Asia Pacific for Merck Generics, and then President, Mylan Asia Pacific from 1999 to 2010. Since then, John was General Manager of Pfizer Established Products for Australia and NZ and then Managing Director of STADA Pharmaceuticals Australia. He is currently a Board Director of Cymra Life Sciences. He spent 20 years with Warner Lambert in a variety of roles including Regional President Australia and NZ. He was Chairman of the Generic Medicines Industry Association (GMiA) for 5 years.



## **WARWICK PLUNKETT**

### **Director and Past-President, Pharmaceutical Society of Australia**

Warwick Plunkett is a director of the PSA, having served twice as National President. He is also proprietor and partner in Newport Pharmacy on Sydney's northern beaches, former CEO of Plunkett Pharmaceuticals and a consultant to a pharmaceutical company. As a director of PSA, Warwick has a day-to-day involvement in the broad scope of all matters involving pharmacists but on a personal level he lists his three main areas of interest as being community pharmacy, organisational pharmacy and the pharmaceutical industry. His major achievements include the establishment of the Self Care program, the Return of Unwanted Medicines project and the unification of PSA.



## **JOHN BELL**

### **Specialist Practitioner/Teacher, UTS Graduate School of Health**

John Bell is a member of the Global Pain Faculty and the Global Respiratory Infection Partnership, international multidisciplinary groups established to address the issues of pain management and antibiotic resistance respectively. John is an advisor to the PSA's Pharmacy Self Care Program and has a particular interest in health communications and public relations. He is a former National President of the PSA, President of the Commonwealth Pharmacists Association, Vice President of the International Pharmaceutical Federation (FIP) and is a Specialist Practitioner/Teacher in Primary Health Care at the Graduate School of Health, University of Technology, Sydney (UTS). John owns a community pharmacy in Sydney.



### **SHALOM (CHARLIE) BENRIMOJ**

**Emeritus Professor and NSW Committee member Pharmaceutical Society of Australia**

Professor Benrimoj was Head of the Graduate School of Health University of Technology Sydney 2011 to 2018). He was the Foundation Professor of Pharmacy Practice, Dean of the Faculty of Pharmacy and Pro-Vice Chancellor (Strategic Planning) University of Sydney. He is a visiting professor at the University of Granada and emeritus professor University of Sydney. He graduated with B. Pharm. (Hons) 1976, followed by completion of a Ph.D. 1980, University of Bradford, U.K. His research interests encompass the future of community pharmacy and professional cognitive pharmaceutical services from community pharmacy. These include the provision of drug information to consumers, clinical interventions, patient medication reviews, disease state management systems, Pharmacy and Pharmacist only medications, change management and international pharmacy practice. Research interests involve the clinical, economic and implementation aspects of cognitive pharmaceutical services from community pharmacy in current and emerging health care systems. He has published over 230 papers in refereed journals, 28 major research reports and presented and co-authored 200 conference presentations. He has co-authored a book "Community Pharmacy: Strategic Change Management" (2007). He was the Australian Pharmacist of the year in 2000. He was awarded the Andre Bedat 2010 by International Pharmacy Federation (FIP). He was elected a Fellow of three distinguished international and national societies in 2008 - Pharmaceutical Society of Australia, 2008 - Royal Pharmaceutical Society of Great Britain, 2007 - International Pharmacy Federation.



### **DR VICTORIA GARCIA CARDENAS**

**Senior Lecturer in Pharmacy Practice, UTS Graduate School of Health**

Dr Victoria Garcia Cardenas (PhD, M Pharm, B Pharm) is a senior lecturer in pharmacy at the University of Technology Sydney (Australia). She is also a member of the Pharmaceutical Care Research Group at the University of Granada (Spain). Her teaching and research interests encompass medication adherence, the evaluation and implementation of professional services and practice change in community pharmacy. She has published over 50 papers in refereed journals and has presented and co-authored more than 60 conference presentations. Victoria is chair of the Pharmacy Practice Research Special Interest Group of the International Pharmaceutical Federation and an Associate Editor for Research in Social and Administrative Pharmacy.

# Executive Summary

The UTS Community Pharmacy Barometer™ is an annual study to track the confidence and opinions of pharmacy owners and employees as well as investigate prominent issues impacting the industry. The topics for this study in 2020 were the terms and implications of the newly introduced Seventh Community Pharmacy Agreement (7CPA), the professional and business impact of COVID-19, the expanding role and remuneration of pharmacists, and biosimilar medications.

The 10th wave of the barometer was conducted in October 2020, with 360 pharmacist respondents drawn from the IQVIA panel.

Results were:

- **The UTS Pharmacy Barometer™ score was 126.8 out of 200** (a score of 100 represents neutral confidence) indicating community pharmacy confidence is high, with the introduction of a new agreement and despite the global pandemic.
- A rise in confidence from pharmacists is evident with a 17.8-point increase over the past twelve months (126.8 in wave 10, 109 in wave 9). Pharmacists are beginning to emerge from the era of having an overall neutrality to demonstrate a stronger sense of confidence and optimism in the profession and its economic viability moving into the future. This is the second highest jump in confidence seen in the history of the barometer. The greater pessimism from wave 3 and 4 (61.2 in wave 3 and 68.9 in wave 4) is long gone and despite one of the most challenging years for front line health professionals due to COVID-19, pharmacists have emerged resilient and invigorated for the future.
- Pharmacists are more optimistic about the future viability of community pharmacy with a 7% upwards shift from the pessimistic group to either neutral (65%) or optimistic (27%). Owner/owner managers continue to demonstrate the greatest sense of optimism; however, optimism has increased across all pharmacist types up to 6.3 out of 10 in wave 10 compared with 5.7 out of 10 in wave 9.
- Ongoing financial growth in the industry is demonstrated with the percentage of pharmacists indicating that they believe the value of their pharmacy in the next year will increase rising, (37.1% in wave 10, 25.2% in wave 9, up from 20.9% in wave 8 and 20.0% in wave 7), while the percentage of pharmacists who believe the value will remain the same has decreased (37.1% in wave 10, 43.3% in wave 9, 42.9% in wave 8). The continual decline year on year in the number of pharmacists who believe the value of their pharmacy will decrease within twelve months is sustained, highlighting a 19.2% reduction over the past four waves of the barometer (14.1% in wave 10, down from 20.3% in wave 9, and from 26.9% in wave 8, and 33.3% in wave 7). Those who are not sure of potential changes has remained similar at 11% (11.7% in wave 10, versus 11.1% in wave 9).
- It appears the introduction of a new agreement and despite the global pandemic, pharmacists are confident in the potential economic growth of their business in the medium term. Greater economic optimism at three-year projections of value changes is highlighted, with the percentage of pharmacists now projecting value increases (40.5% in wave 10, up from 31.8% in wave 9) or to remain the same (27.5% in wave 10, down from 29.2% in wave 9). Those projecting value decreases continues to decline (15.1% in wave 10, down from 22% in wave 9) with the expected average loss of 16.4%.
- Pharmacists have faced significant challenges throughout 2020 yet have emerged more confident and optimistic. They have apparently accepted the terms of the 7CPA and adapted to a changing workforce both professionally and economically due to COVID-19.
- The 37% of pharmacists who predicted their pharmacies would increase in value in the coming twelve months believed on average the value increase would be 14.7%, following similar trends across the previous waves of the barometer.
- In those that predicted an expected decrease in value in the next twelve months, the average expected loss was 16.9%, slightly higher than wave 9 (15%). Likely attributed to the financial loss experienced by some city-based pharmacies, significantly impacted due to government lock down measures and an increasingly working from home workforce throughout 2020.
- Pharmacists who indicated that the value of their pharmacy would increase in next three years, predicted a similar increase of 16.4% to wave 9 values. The expected decrease in value of pharmacies in three years by those that predicted their pharmacies would decrease in value continues to decrease year on year with the lowest yet at -16.4%.
- Pharmacists satisfaction economically and professionally with the 7CPA was neutral, most likely due to it being relatively new and them still needing to become accustomed and experiencing the potential financial and professional impacts. Owner/owner managers were the most satisfied economically (22%) and professionally (29%) most likely due to the introduction of guaranteed dispensing remuneration while employed pharmacists were the least satisfied economically (6%) and professionally (9%).

- One quarter of pharmacists (26%) felt that the distribution of funding between dispensing remuneration and professional services was appropriate in the 7CPA, yet another quarter (25%) indicated that greater funding should be allocated to dispensing fees. A further 36% highlighted discontent with the level of funding that had been provided to professional services in the agreement, indicating that greater funding should have been allocated to professional services fees.
- Overwhelmingly pharmacists did not support and were dissatisfied with the removal of payment for clinical interventions.
- The economic uncertainty of 2020 may have resulted in limited changes in pharmacist's average hourly remuneration. With the greatest proportion of pharmacists earning \$30 to \$40 per hour (54% in wave 10, 56% in wave 9) followed by \$40 to \$50 per hour (40% in wave 10, 39% in wave 9). Very few pharmacists reported earning over \$50 per hour (3% in wave 10, 3% in wave 9)
- Pharmacists employed in positions mainly dedicated to the provision of professional services (17%) reported earning higher average hourly wages, more likely to earn top tier remuneration with 7% earning between \$50 to \$60 per hour and 3% earning over \$60 per hour
- Continued support for the expansion of the pharmacists' role and scope of practice is evident with 87% of pharmacists supportive of specialised roles for community pharmacists. The roles that pharmacists would like to see more greatly supported include vaccination and immunization, self-care pharmacist including triage and minor ailments, disease state management and aged care.
- In a turbulent year, pharmacists faced significant uncertainty due to the impact of a global pandemic, having to put measures in place to deal with this uncertainty. The main changes that pharmacists made due to COVID-19 included adjusting workflow and staffing, implementing safety measures, increasing online presence, carrying more stock due to supply shortages and changing their mode of delivery of services to include e-prescriptions, telephone consultations and home delivery. 67% of pharmacists reported increases in e-prescriptions and 23% increases in online business. However, despite recognising the need for an online platform 56% of pharmacists reported not having one, calling in to question how they expect to compete in this market. Pharmacists' role as front line health workers, keeping their doors open despite the pandemic and increased media attention and support bolstered the profession, with pharmacists overwhelmingly reporting a greater sense of value from the community in the role they play. Increased workloads, stress and impacts to mental health were also increasingly reported, with pharmacists' ability to interact with patients made more difficult due to lock downs and stay at home orders mandated by the government.
- 75% of pharmacists believed that they should be able to vaccinate against COVID-19, which has been subsequently supported by the Australian government who have included pharmacists in the health workforce to administer the COVID-19 vaccine.
- Pharmacists indicated that 61.6% of their time throughout the working week was spent dedicated to dispensing, 23.3% to dealing with OTC products and minor ailments and 13.5% to disease prevention and wellness. Interestingly this breakdown may be a reflection of the distribution of funding dedicated to a guaranteed dispensing remuneration within the 7CPA.
- Pharmacists' level of preparedness to deal with biosimilar medicines has increased. The level of preparedness in biosimilar substitution was up 17% (52% in wave 10, versus 35% in wave 9, and 26% in wave 8), while the level of confidence remained similar to previous waves (36% in wave 10, versus 34% in wave 9, and 29% in wave 8). The increased preparedness may begin to translate into increased confidence.

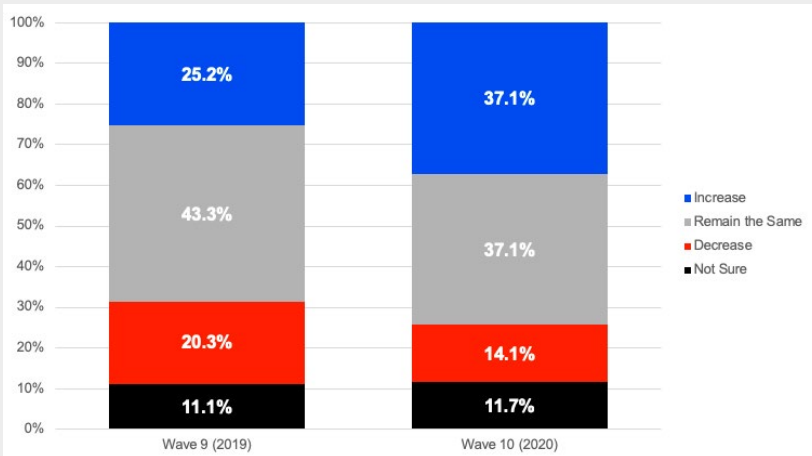
# UTS Pharmacy Barometer 2020



# Expected value of pharmacy

“Will the value of your pharmacy increase, decrease or remain the same at one year and three years from now?”

Figure 2: Expected value of pharmacy in the next year



\* Note: Answered only by Owners, Owner managers, Pharmacy managers and Pharmacist-in-charge; wave 10: n=291, wave 9: n=305

## EXPERT COMMENTARY

“Pharmacies have kept their doors open and in doing so they have demonstrated resilience.”

**Charlie Benrimoj**

“Suburban pharmacies have been able to increase clientele, but this positivity may not ring true for city-based pharmacies affected by lockdown. Luckily the 7CPA has been able to increase the stability in the future for community pharmacy.”

**Warwick Plunkett**

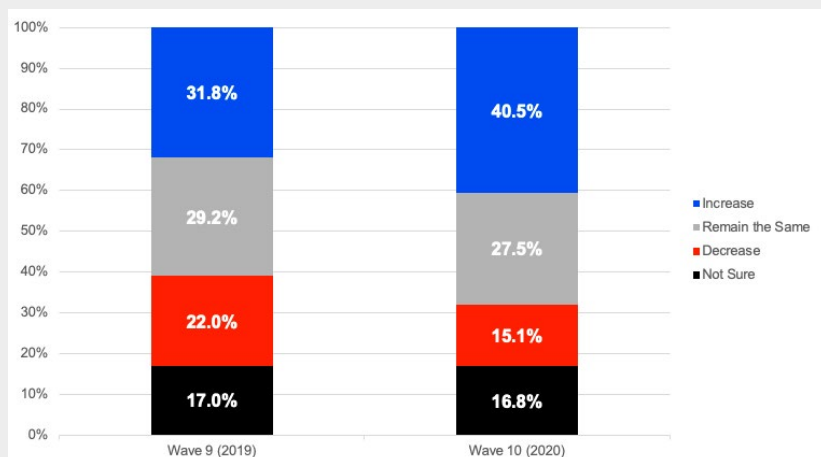
“COVID-19 has been good for some but not all pharmacies. A large increase in the proportion expecting an increase in value is unexpected in a pandemic.”

**John Montgomery**

Confidence in growth of the value of community pharmacies over the next twelve months is high among decision makers, demonstrated by the largest anticipated value increase over twelve months exhibited to date (11.9%). Over the past three years, anticipated expected value increases in community pharmacy have increased by 16.2% (37.1% in wave 10 up from 25.2% in wave 9 and 20.9% in wave 8). The corresponding cohort of those who believe their pharmacy’s anticipated value will decrease over the preceding twelve months has decreased by 6.2% in twelve months and 12.8% over the past three years (14.1% in wave 10, down from 20.3% in wave 9 and 26.9% in wave 8). Trends over time demonstrate a continual shift in movement from those who expect the value of their pharmacy to decrease in the next year to either remain the same or increase in value. Wave 10 in 2020 demonstrates the greatest shift in

optimism of pharmacist decision makers transitioning from believing the value of their pharmacy will remain the same over twelve months to predicting an increase in value (37.1% in wave 10, down from 43.3% in wave 9 and 42.9% in wave 8). Those who are unsure has remained stable at 11%. Community pharmacy owners and managers demonstrate increasing confidence in the profession with highly anticipated growth in value over the next twelve months compared to previous years, despite the introduction of a new community pharmacy agreement and global pandemic. Pharmacists have been able to reinforce their position as key members of the health profession, demonstrating resilience, access and a good supply chain during a health crisis. This has ultimately resulted in an increased optimism for future growth and reinforced their sense of security in the viability of the profession.

Figure 3: Expected value of pharmacy in the next three years



\* Note: Answered only by Owners, Owner managers, Pharmacy managers and Pharmacist-in-charge; wave 10: n=291, wave 9: n=305

In wave 10, pharmacists are now living through the impact of COVID-19 and the introduction of the 7CPA. Pharmacists' sense of confidence in the medium-term future based on projected value changes appears to be stronger over three-year projections when compared with twelve months ago. With the 7CPA providing a guaranteed level of income through dispensing remuneration, a growing sense of confidence in the economic stability of the profession has emerged, with 68% of pharmacists believing their value will increase or remain the same over the next three years.

In contrast to previous waves of the barometer where pharmacists have remained relatively evenly spread across the four categories (increase, stay the same, decrease, not sure), wave 10 has demonstrated the greatest increase from decision makers (n=291) in the belief that their pharmacies will increase in value in the next year (37.1%) (Figure 2), with even more pharmacists predicting value increases over the next three years (40.5%) (Figure 3). A significant shift in those who believe their value will decrease to now predicting it will either remain the same (27.5%) or increase in

value (40.5%) is highlighted by a 11.9% increase over the past three waves in predictions of an increase in value (40.5% in wave 10, up from 31.8% in wave 9 and 28.6% in wave 8).

A resultant 6.2% decrease between wave 9 and 10 and 13.1% decrease over the last three waves in those believing their pharmacy will decrease in value has supported the increasing optimism and positivity of the profession (15.1% in wave 10, down from 22% in wave 9 and 28.2% in wave 8). Little change is demonstrated in those who were unsure (16.8% in wave 10, 17% in wave 9, 16% in wave 8), while those who believe the value will remain the same has reduced slightly falling between wave 9 and wave 8 predictions (27.5% in wave 10, 29.2% in wave 9, 26.2% in wave 8).

Pharmacists appear to have taken the challenges of COVID-19 and the introduction of the 7CPA in their stride and emerged more confident. Having accustomed themselves with the strategic changes of the 6CPA, they have embraced the potential stability the 7CPA provides for the future viability of pharmacy and are more confident in the potential growth opportunities it provides over the medium-term future than that of the 6CPA.

Table 2: Average changes in value expected in the next year

Responders who think the value will increase in the next year (n=108 in this wave)									
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19	Oct-20
Average increase	10.0%	17.0%	9.7%	13.1%	21.1%	15.9%	15.8%	15.6%	14.7% *
Maximum									100% *
Minimum									1%

\* Note, one outlier removed

Responders who think the value will decrease in the next year (n=41 in this wave)									
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19	Oct-20
Average decrease	-17.0%	-20.0%	-17.7%	-14.8%	-17.7%	-16.0%	-14.4%	-15%	16.9%
Maximum									-30%
Minimum									-5%

A stabilisation in the average value increases that pharmacists predict over the upcoming twelve months has emerged over the past four waves of the barometer at 15.5% (14.7% in wave 10, 15.6% in wave 9, 15.8% in wave 8, 15.9% in wave 7). This is in comparison to a more consistent average decrease (16.6%) over all waves of the barometer demonstrated by pharmacists predicting a decrease in value over the next twelve months.

The growth in the confidence and stability of the pharmacy profession is more

evident in evaluating the proportion of pharmacists that have transitioned from predicting value decreases in the next year to value increases. This transitioning trend has continued to strengthen over the history of the barometer. The proportion of pharmacists who believe the value of their pharmacy will decrease over the next twelve months has decreased over time from 63% in wave 3 to 14% in wave 10. A corresponding increase is demonstrated in the number of pharmacists who believe the value of their pharmacy will increase over the next

twelve months increasing from 5.5% in wave 3 to 37% in wave 10.

The industry appears to be polarised, with a substantial number of pharmacists believing their business is going to do better in the next year, predicting increases in value similar to previous years. There does however remain a small group of pharmacies who continue to struggle, unable to get out of the downwards spiral of consistent projected losses.

Table 3: Average changes in value expected in the next 3 years

Responders who think the value will increase in the next 3 years (n=118 in this wave)									
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19	Oct-20
Average increase	15.0%	17.0%	16.8%	16.1%	20.4%	17.5%	18.1%	16.5%	16.4%*
Maximum									100%
Minimum									1%

\* Note, one outlier removed

Responders who think the value will decrease in the next 3 years (n=44 in this wave)									
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19	Oct-20
Average decrease	-20.0%	-24.0%	-23.8%	-18.1%	-18.7%	-19.1%	-18.0%	-17.8%	-16.4%
Maximum									-35%
Minimum									-5%

The magnitude of change predicted by those who thought their pharmacy would increase in value over the next three years has remained consistent on wave 9 values with pharmacists estimating an average 16.4% increase over three years. The terms of the 7CPA has consolidated for owners the areas of opportunity and remuneration moving forward, demonstrated by a 5% increase in the number of pharmacists who believe the value of their pharmacy will increase over the next three years, increasing from 32% in wave 9 to 40.5% in wave 10. Positively, this has also facilitated the lowest projected average value decrease over three years (-16.4% in wave 10, up from -17.8% in wave 9 and -18% in wave 8).

The overall sentiment for the medium-term is an increase in the value of community pharmacies, indicating that community pharmacy is in a period of growth supported by the certainty of remuneration provided in the 7CPA and increased community recognition and support of pharmacists as integral front line members of the health care team.

### EXPERT COMMENTARY

“A greater proportion of pharmacists predicting a significant increase in value, is a real boost to confidence.”

**John Montgomery**

“The 7CPA appears to have given pharmacists more confidence in the value of their pharmacy going forward.”

**Kylie Williams**

“Strategic financial drivers attributed to the 6CPA and reinforced in 7CPA bode well for the future of pharmacy.”

**Charlie Benrimoj**

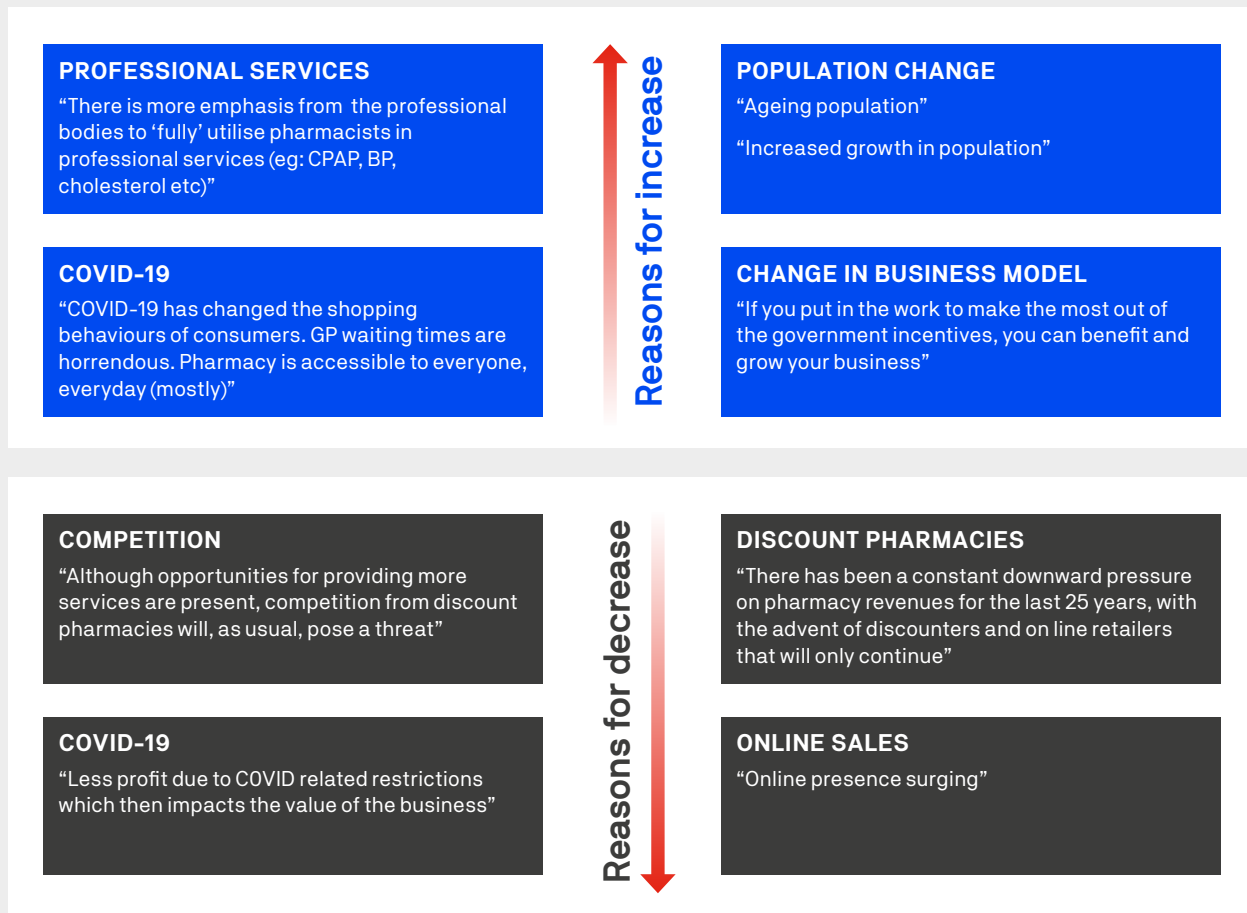
“There are a group of pharmacists that appear to be proactive with professional services and this could see substantial value increase in their business.”

**Victoria Garcia Cardenas**

Pharmacists were asked to indicate the reasons for their predicted change in the value of their pharmacy in the next twelve months. The 2020 barometer responses included previously identified trends such as service offerings, population growth, competition and discounters. Emerging

reasons for value change were predominately linked to COVID-19 and subsidies put in place to support the pandemic as well as changing business trends such as online business models.

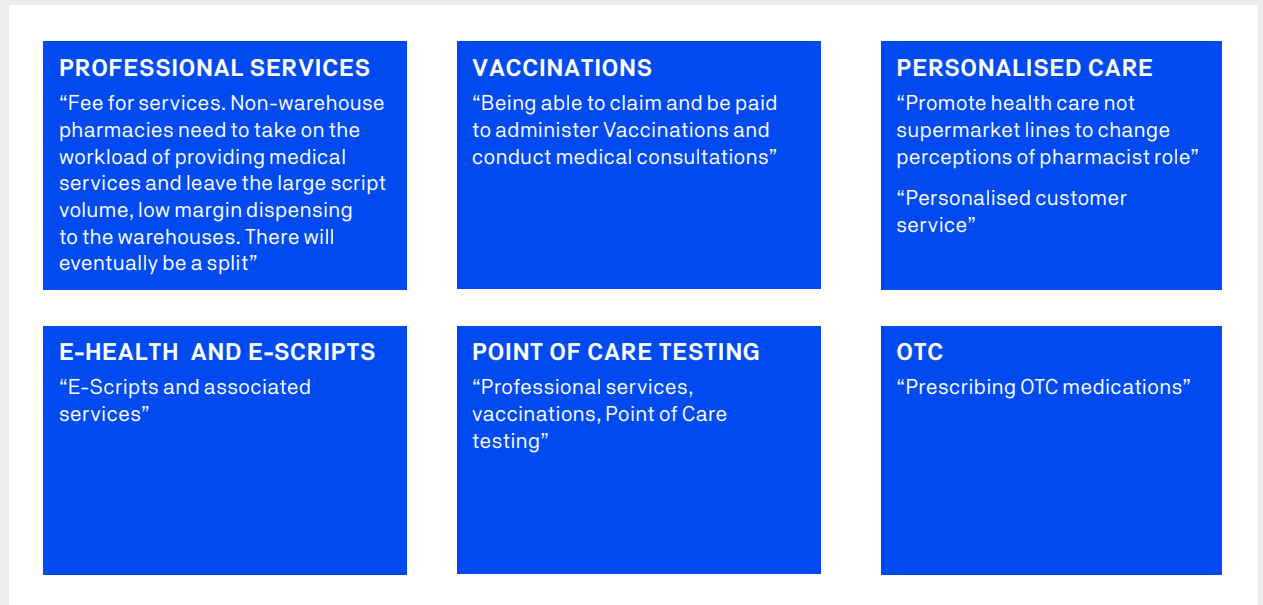
Figure 4: Reasons for predicted change in value in the next twelve months



Pharmacists were asked to indicate the greatest areas of opportunity for community pharmacy over the next three years. Suggested increases in value over the next three years were attributed to service provision expansion and growth,

particularly fee for service opportunities, growth of vaccination and role of vaccinating pharmacists, as well as opportunities relating to business growth due to e-prescriptions and the potential of personalised care.

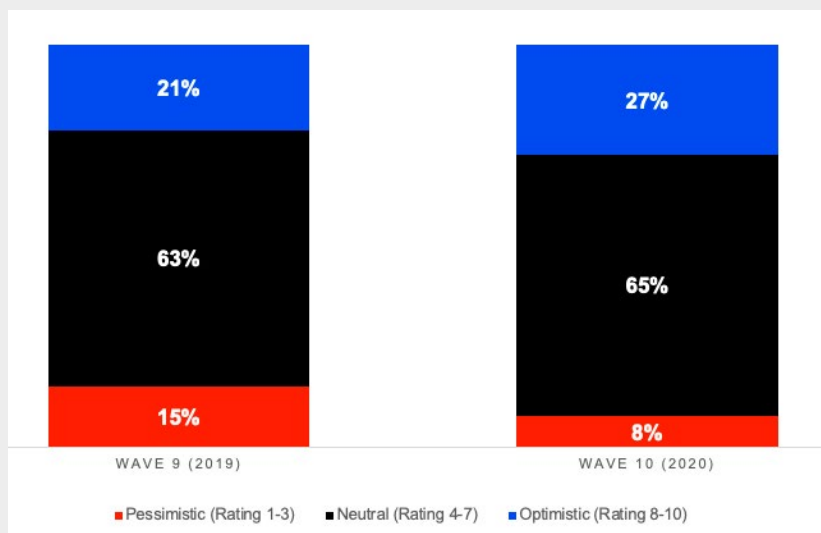
Figure 5: Identified areas of greatest opportunity for community pharmacy in next three years



# Confidence in the future

“On a scale of 1 to 10 where 1 is extremely pessimistic and 10 is extremely optimistic, how confident are you in the future viability of community-based pharmacy?”

Figure 6a: Pharmacists confidence in the future viability of community-based pharmacy

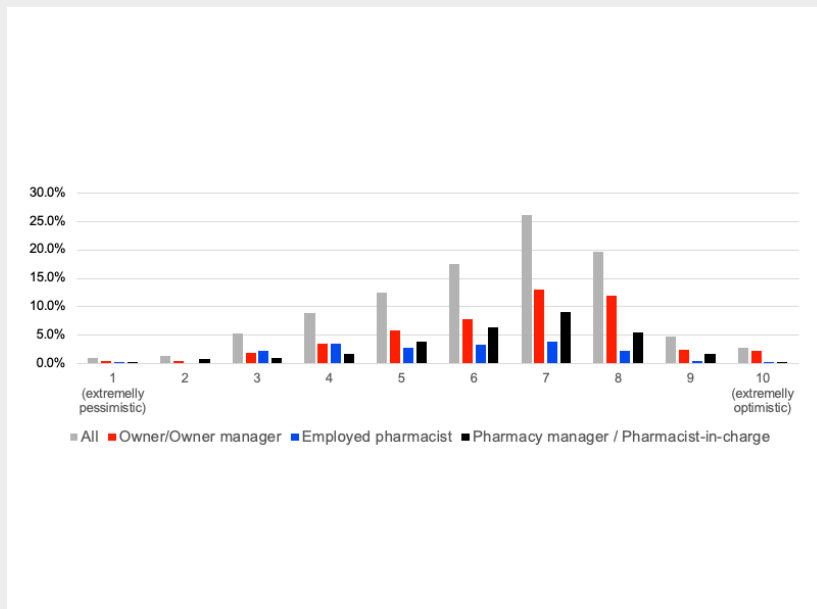


\* wave 9: n=364, wave 10: n=360

Since October 2018 there has been an 8% shift in pharmacists' confidence in the future viability of community pharmacy. The pessimistic ratings between 1 and 3 have decreased to the lowest value across all waves of the barometer (8%), while the optimistic ratings between 8 and 10 have increased to the highest value (27%). While pharmacists remain largely neutral in their opinion on the future viability of community pharmacy, with 65% of pharmacists scoring a rating between 4 and 7 the continuing upwards trend

shifting away from pessimism is promising. This is the largest change year on year in pharmacist confidence ratings across all waves of the barometer, highlighting a new era for community pharmacy and the potential it holds. The major shift appears to be from those scoring a pessimistic rating between 1 and 3, down 7% in wave 10 (8% in wave 10 versus 15% in wave 9 and 16% in wave 8) and optimistic rating between 8 and 10, up 6% in wave 10 (27% in wave 10, versus 21% in wave 9 and 19% in wave 8).

Figure 6b: Pharmacists confidence in the future viability of community-based pharmacy comparison by pharmacist type



\*all: n=360, Owner/Owner manager: n=180, Pharmacy manager/Pharmacist in charge: n=111, employed pharmacist: n=69

Sixty five per cent of all pharmacists provided a neutral rating with an average neutral rating of 6.3 out of 10 in wave 10 up from 5.7 out of 10 in wave 9. Owner/owner managers remain the most optimistic about the viability of pharmacy, with 26% scoring 7 out of 10 and 24% scoring 8 out of 10. Pharmacist managers/pharmacists in charge also displayed increasing confidence whilst remaining overall neutral with 17.5%

scoring 8 out of 10 up from 15% in wave 9 and 28% scoring 7 out of 10 up from 17% in wave 9. Employed pharmacists still exhibit the lowest level of confidence in the future viability of community, with their appearing to be a split in the group with 18% scoring on the lower end of neutrality at 4 out of 10 compared with 19.5% scoring at the upper end of neutrality at 7 out of 10.

### EXPERT COMMENTARY

“The gap in confidence between employed pharmacists and owner/owner managers is striking and needs to be fully understood and addressed.”

**John Montgomery**

“The tides may be turning for community pharmacy; this is the first year we are seeing overwhelmingly positive responses from the profession.”

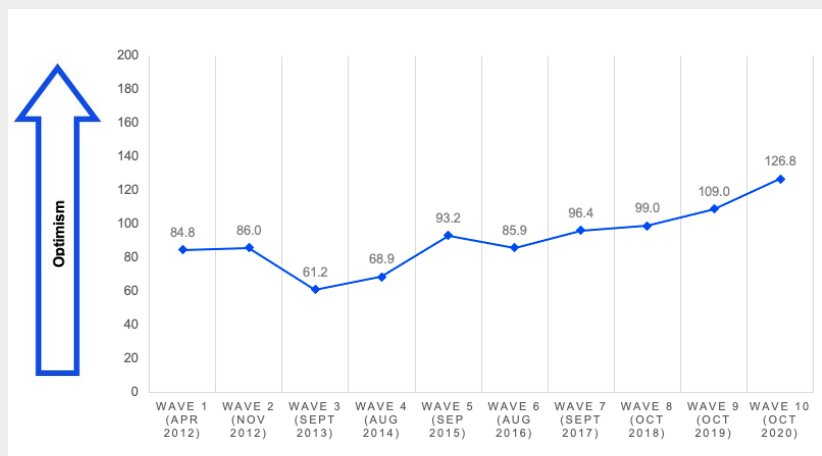
**Victoria Garcia Cardenas**

“The alignment of confidence and visions between the employed pharmacist and pharmacy owners is critical for the development of the profession.”

**Charlie Benrimoj**

# UTS Community Pharmacy Barometer™

Figure 7: UTS Community Pharmacy Barometer Index



\*Only those who answered all three Barometer questions were included (Barometer index wave 10: n =232)

The UTS Community Pharmacy Barometer has increased 17.8 points over the past twelve months; continuing to rise each year for the last 4 years reaching a record high with a rating of 126.8 out of 200 in 2020. Following a bottoming out of the barometer in 2013 attributed to accelerated price disclosure, the barometer has steadily increased overtime with pharmacists' confidence moving from an overall neutral viewpoint to a more optimistic position. The 17.8-point increase

represents the second highest rise in the history of the barometer and may be largely be attributed to the consolidation that the 6CPA provided in addition to the professional and economic potential of the 7CPA. This in combination with the upsurge in community support of pharmacists as frontline healthcare members throughout the global pandemic provides promising opportunities for the future of community pharmacy.

## EXPERT COMMENTARY

"It's not a coincidence that pharmacist's confidence has risen to an all-time high during a pandemic when the frontline healthcare role played by pharmacy has been reinforced."

**John Montgomery**

"Given the challenges for community pharmacy in 2020, an all time high in the Barometer is a terrific result. This optimism in the profession has also translated into increased interest from students in becoming pharmacists."

**Kylie Williams**

"This is the highest score we have seen in the history of the UTS Pharmacy Barometer, consolidating the positive trend observed in the previous waves. This reflects the positive effect the 7CPA has had on community pharmacy."

**Victoria Garcia Cardenas**

"Notwithstanding the challenges, including cost increases, associated with the pandemic in 2020, the steady increase in optimism amongst community pharmacists probably reflects a greater degree of certainty from both an economic and a professional point of view."

**John Bell**

"The increasing confidence in the largest proportion of the pharmacy profession, community pharmacy, is fantastic. It will have many positive implications. We should nevertheless continue to ensure that professional and economic rewards are shared between owners, manager and employed pharmacist."

**Charlie Benrimoj**





# Seventh Community Pharmacy Agreement

# Seventh Community Pharmacy Agreement

The \$18.3 billion five-year 7CPA commenced on the 1st July 2020, signed by the Commonwealth, the Pharmacy Guild of Australia and for the first time the Pharmaceutical Society of Australia<sup>3</sup>. Interestingly, various parts are signed by individual organisations. In addition, it appears that the CPA are evolving to be the single policy approach by Government with mention of future developments associated with clinical frameworks and aged care.

Major highlights of the 7CPA relate to changes in dispensing remuneration. For the first time ever, a guaranteed dispensing remuneration has been introduced with a 9% increase over the period of the agreement in the dispensing fee (\$7.74) and 54% increase in dangerous drug fee (\$4.80), with average remuneration per PBS prescription to increase every year of the 7CPA<sup>4</sup>. Additionally, a \$1.1 billion increase in dispensing remuneration for above co-payment prescriptions is expected<sup>2</sup>.

Community Pharmacy Programs were another major focus, with \$1.2 billion in funding allocated over the five years. For the first year of the agreement, it is intended that the below stated

Community Pharmacy Programs will continue and be largely unchanged<sup>5</sup>.

- Medication Adherence Programs:
  - Dose Administration Aids
  - Staged Supply
- Medication Management Programs
  - Home Medicines Review (HMR)
  - Residential Medication Management Review (RMMR)
  - Quality Use of Medicines in Residential Aged Care Facilities
  - MedsCheck
  - Diabetes MedsCheck
- Aboriginal and Torres Strait Islander Specific Programs
  - QUMAX/S100 Support
  - Closing the Gap PBS Copayment Measure
  - Aboriginal and Torres Strait Islander Workforce Programs
- Rural Support Programs
  - Rural Pharmacy Maintenance Allowance
  - Rural Workforce Programs
- eHealth
  - Electronic Prescription Fee

Much discussion has been generated regarding the distribution of funding allocation within the 7CPA, with a strong focus on improving the quality use of medicines (QUM). Some of the major points of discussion focus around the removal of the clinical interventions program, limited detail regarding boosted funding to Aboriginal and Torres Strait Islander health, change in funding distribution and caps surrounding professional programs and what changes have been made to the rural workforce funding given the change to utilization of the Modified Monash Model (MMM), away from the Pharmacy Access/Remoteness Index (PhARIA).

---

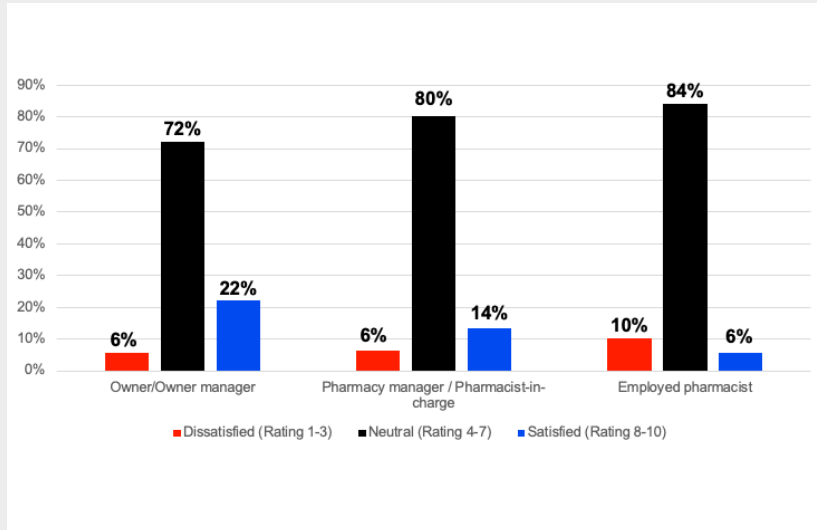
3 Australian Government, Department of Health, 2020, Seventh Community Pharmacy Agreement

4 Pharmacy Guild of Australia, 2020, 7th Community Pharmacy Agreement

5 Pharmaceutical Society of Australia, 2020, 7CPA

# “What is your level of satisfaction with the 7CPA on an economic and professional level?”

Figure 8a: Economic satisfaction with 7CPA



\*all: n=360, Owner/Owner manager: n=180, Pharmacy manager/Pharmacist in charge: n=111, employed pharmacist: n=69

Average Owner/owner manager: 6.0; Pharmacy manager/pharmacist in charge: 5.9; Employed pharmacist: 5.9

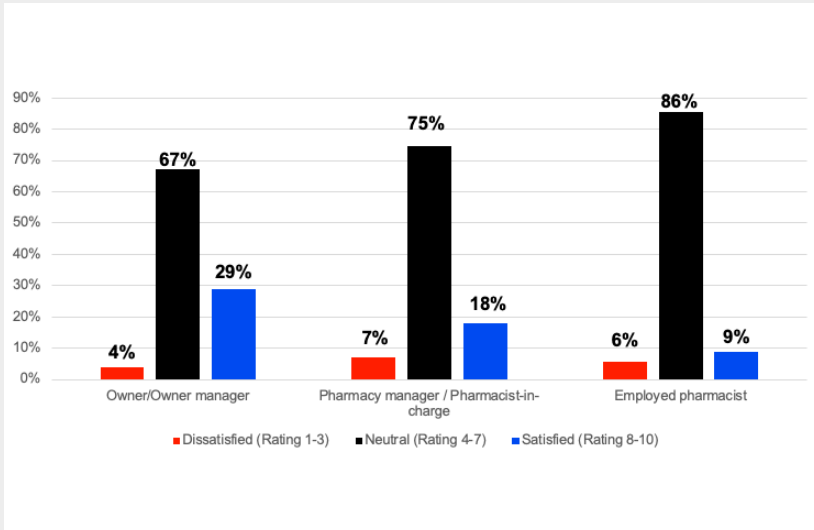
Pharmacists appear slightly more satisfied professionally than economically with the 7CPA with an average score across all pharmacist groups of 6.1 professionally compared to 6 for owner/owner managers and 5.9 for pharmacy manager/pharmacists in charge and employed pharmacists economically. Average professional satisfaction has remained consistently neutral averaging 6 out of 10 across all pharmacist groups in wave 10, however average economic satisfaction with the 7CPA has increased from an average neutral rating of 5.5 in the 6CPA to 6 in the 7CPA.

Economically, owner/owner managers remain the most satisfied (22%), followed by pharmacy managers/pharmacists in charge (14%), with employed pharmacists (6%) the least economically satisfied with the 7CPA. The increase in satisfaction and decrease in dissatisfaction economically from the pharmacy

manager/pharmacists in charge group is likely attributable to the guaranteed dispensing remuneration, removing some of the previous financial pressures placed on this group of pharmacists to increase margins with limited support. Similarly, owner/owner managers remain the most satisfied professionally (29%), followed by pharmacy managers/pharmacists in charge (18%) and employed pharmacists (9%).

It appears that the 6CPA laid the groundwork for the 7CPA and overwhelmingly pharmacists have reacted better to the 7CPA than the 6CPA demonstrated through their satisfaction ratings with the 7CPA. Pharmacists remain comfortable, with a sense of stability contributing to this outcome. As pharmacists become more accustomed to the terms of the agreement it is likely that their satisfaction will grow.

Figure 8b: Professional satisfaction with 6CPA



\*all: n=364, Owner/Owner manager: n=180, Pharmacy manager/Pharmacist in charge: n=111 employed pharmacist: n=69

Average Owner/owner manager: 6.1; Pharmacy manager/pharmacist in charge: 6.1; Employed pharmacist: 6.1

### EXPERT COMMENTARY

“At this stage there seems to be a solid sense of comfort and general satisfaction overall.”

**John Bell**

“Pharmacists do not have sufficient experience with this agreement yet so it’s difficult to compare. It will be interesting to see if they become more positive over time.”

**Charlie Benrimoj**

“Even with the disparity between owners and the others, the vast majority of pharmacists are on the fence regarding both economic and professional satisfaction with 6CPA.”

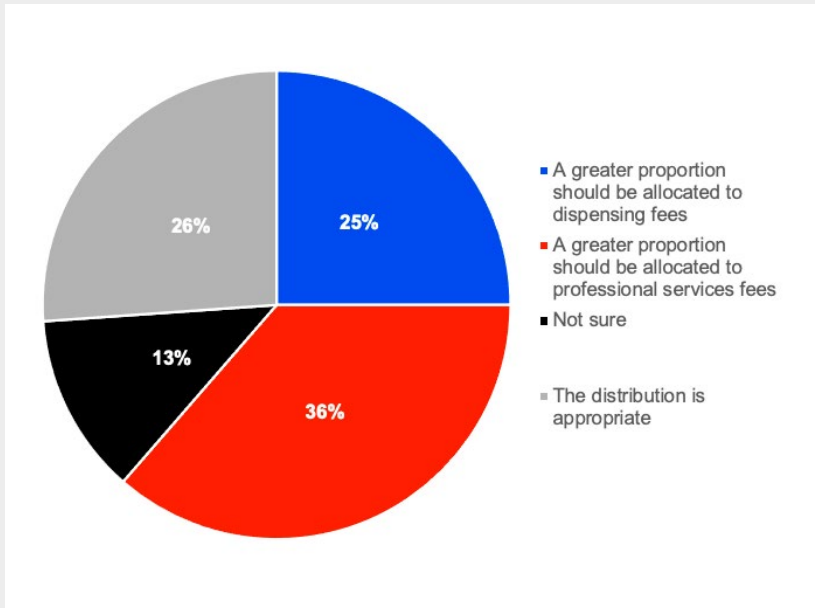
**John Montgomery**

“Neutral, vaguely happy demonstrating that nothing was done wrong but nothing right either.”

**Warwick Plunkett**

# “What is your opinion on the distribution of funds between dispensing and professional services?”

Figure 9: Distribution of funds between dispensing and professional services in the 7CPA (n=360)



In wave 9 of the barometer some pharmacists supported a greater allocation of funding for the provision of pharmacy services in the 7CPA. This sentiment remains evident in wave 10 with 36% of pharmacists believing that a greater proportion of funds should have been allocated to professional services fees. One quarter of pharmacists (25%) identified that a greater proportion of funds should be allocated to dispensing fees. Additionally, one quarter of pharmacists (26%) felt the 7CPA got the distribution of funding spot on, while 13% were unsure.

Despite the growth of pharmacy services, it appears that there will be limited income from the provision of services outside those funded within the agreement. The financial incentives from CPA agreements associated with professional services have plateaued. The Guild appears to continue, as a priority, to focus on achieving greater income from dispensing remuneration and thus it is likely that the opportunity to increase income from providing professional pharmacy services is not going to lie through pharmacy agreements but rather from other sources such as direct payment by patients and other payers such as health insurers and State governments.

## EXPERT COMMENTARY

“Pharmacists are split, as to where the funding should come from. We know pharmacists want to perform services, but they also want to be remunerated for performing these services appropriately.”

**Kylie Williams**

“We are not going to get any more money from dispensing, we need to start thinking about our other opportunities.”

**Warwick Plunkett**

“Depending solely on CPA’s to increase income from community pharmacy services seems not to be a medium- or long-term solution to expand services. Priority still seems to be raising dispensing fees. Does the profession have an alternative strategy to expand service provision?”

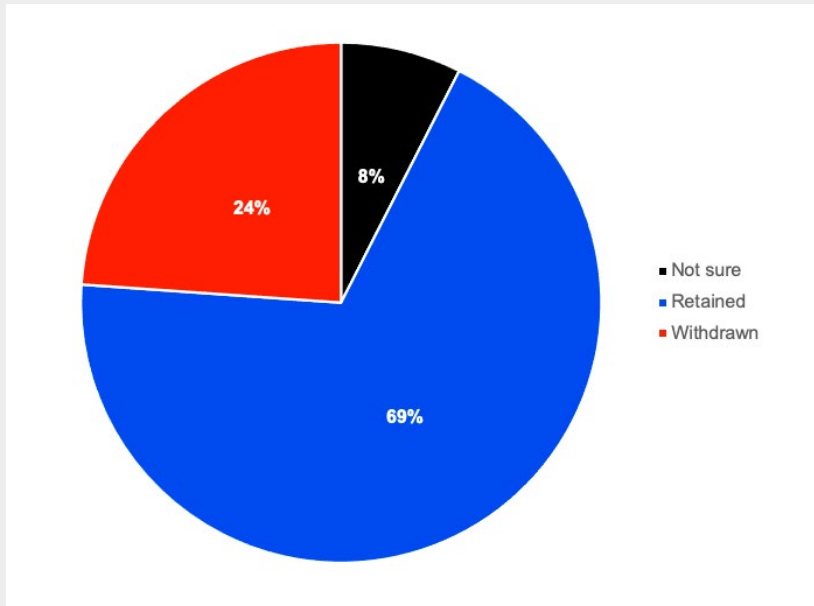
**Charlie Benrimoj**

“All of our strategic plans and vision statements are pushing pharmacy services. To sustain pharmacy’s financial viability these services will need to be adequately remunerated – but from sources other than just 7CPA.”

**John Bell**

# “Should payment for clinical interventions have been retained, withdrawn or not sure?”

Figure 10: Payment for clinical interventions (n=360)



The majority of pharmacists (69%) indicated that payment for the clinical interventions program should have been retained in the 7CPA. However, it is unclear why this program was ceased and not funded. Some factors could have been a possible lack of robust clinical evidence supporting the clinical and economic benefits, its cost effectiveness and lack of clarity on the definition of a clinical intervention. Is this a signal that

translational evidence was lacking or not available to support the continued delivery of the clinical intervention service? With such strong support for a program from the pharmacy community, it is surprising that greater efforts were not made to keep the funding available or considerations made to restructure the program so that the required evidence could be obtained.

## EXPERT COMMENTARY

“Clearly a marked disagreement with the discontinuation of payment for clinical interventions. Is this a lost opportunity or a reflection on expected versus actual outcomes?”

**John Montgomery**

“What clinical interventions were designed to be was never achieved.”

**Warwick Plunkett**

“Why are we not listening to the overwhelming viewpoint from pharmacists? Let’s take the time to ensure these programs are viable.”

**Victoria Garcia Cardenas**

“Programs need to have inbuilt measurements of economic, clinical and humanistic outcomes to demonstrate continuing cost effectiveness.”

**Charlie Benrimoj**

# Role and remuneration of community pharmacists



# Role and remuneration of community pharmacists

Pharmacists continue to be one of the most trusted and accessible health care providers with patients visiting a pharmacy on average 14 times per year<sup>6</sup>. At the same time the role and complexity of tasks pharmacists are involved in, continues to expand and evolve with pharmacists and professional bodies alike advocating for pharmacists to fulfill their full scope of practice The PSA's "Pharmacists in 2023"<sup>7</sup> and the Pharmacy Guild's "Community Pharmacy 2025"<sup>8</sup> both advocate for an enhanced role of the community pharmacist in providing evidence-based services that complement pharmacists current scope of practice. Areas of particular interest relate to:

- Vaccination
- Disease states
- Down-scheduling of medicines
- Self-Care
- Prevention.

As the industry continues to advocate for pharmacists to practice to their full scope, there is a need for pharmacists to be appropriately remunerated for the services and for funding to be made available.

PSA's "Pharmacists in 2023: Roles and Remuneration" report identified that the average hourly pay rate for community pharmacists was well below that of other professions with comparative levels of professional responsibility and training<sup>3</sup>. With the growing complexity of the role pharmacists play within the healthcare system, new models and structures of remuneration must be developed. The PSA report advocates that funding mechanisms need to recognise the value and quality of pharmacist care, regardless of practice setting, suggesting incentivisation for achievement of quality metrics, benchmarks and outcomes in addition to recognition of time and expertise dedicated to clinical care<sup>9</sup>.

The Community Pharmacists Employment and Remuneration Report produced by Professional Pharmacists Australia highlighted the following in relation to pharmacist remuneration<sup>10</sup>:

- Community pharmacists' rates of pay are consistently lower than hospital pharmacists;
- Community pharmacists working in discount pharmacies report the lowest rates of pay;
- Rate of decline of pharmacist pay has reversed with average growth between 0.4% and 2.5% reported depending on pharmacist classification;
- Pharmacists covered by an enterprise bargaining agreement reported the highest rates of pay.

With changes to payments through the PBS and funding allocation through the 7CPA there may be a trend evolving with business models based on either a financial model based on volume transactions or models that are clinically and patient focused. Pharmacies are identifying opportunities in the areas of vaccination, point of care testing and pharmacotherapy. At the same time businesses are trying to navigate the reimbursement opportunities split between fee-for-service and value-based care.

---

6 The Pharmacy Guild of Australia. 2018. *Vital facts on community pharmacy*.

7 Pharmaceutical Society of Australia 2019. *Pharmacists in 2023: For patients, for our profession, for Australia's health system*. Canberra: PSA.

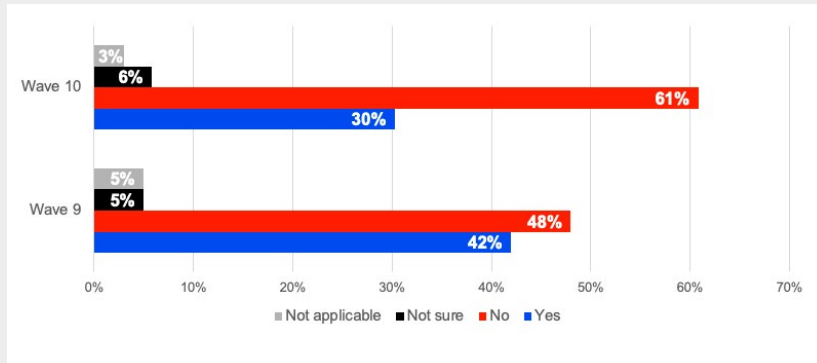
8 The Pharmacy Guild of Australia. 2018. *Community Pharmacy 2025*. Canberra

9 Pharmaceutical Society of Australia 2019. *Pharmacists in 2023: Roles and Remuneration*. Canberra: PSA

10 Professional Pharmacists Australia. 2018. *Community Pharmacists Employment Remuneration Report*.

# “Has the remuneration level of your pharmacist employee (or if you are an employed pharmacist) changed in the last year?”

Figure 11a: Changes in pharmacist remuneration level in the last year

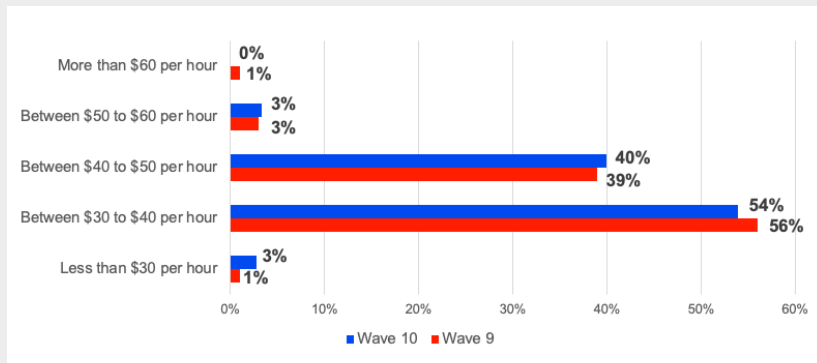


\* wave 9: n= 364, wave 10: n=360

The economic instability experienced throughout 2020 as a result of COVID-19, may have resulted in 61% of pharmacists indicating that their remuneration level has not changed in the past twelve months, up 13% on the previous wave 9 values (61% in wave 10, up from 48% in wave 9). A third of pharmacists (30%) did experience a change in their remuneration level in the past twelve

months. The level of non applicable responses remained similar at 6%, possibly associated with sole traders. Continued pressure and advocacy is required to ensure proper levels of remuneration for employee pharmacists. In 2020 with the financial impacts of COVID-19, we are seeing a possible stagnation of remuneration changes.

Figure 11b: Hourly rate of remuneration of employee pharmacists



\* wave 9: n= 180, wave 10: n=180

When owner/owner managers responded yes, no or not sure to the question ‘has the remuneration level of your pharmacist employee (or if you are an employed pharmacist) changed in the last year?’, they were asked to specify the average hourly rate for employee pharmacists. The responses followed a similar trend to the previous question with little wage variation occurring in 2020. The largest proportion of pharmacists

(54%) continue to earn between \$30 to \$40 per hour (54% in wave 10, 56% in wave 9), with a further 40% earning between \$40 to \$50 per hour (40% in wave 10, 39% in wave 9). The barometer has demonstrated over the past three years an ongoing trend of increasing average hourly wages, however it is not surprising given the uncertainty of 2020 that this trend has slowed.

### EXPERT COMMENTARY

“The global pandemic has taken its toll on pharmacists. Pharmacists have been recognised for their role as frontline health care workers throughout COVID-19, however it appears their increased work demands have not been financially rewarded.”

**Victoria Garcia Cardenas**

“Nobody is keeping pressure on employers to keep going with wage increases. There is a lack of political and economic pressure on owners.”

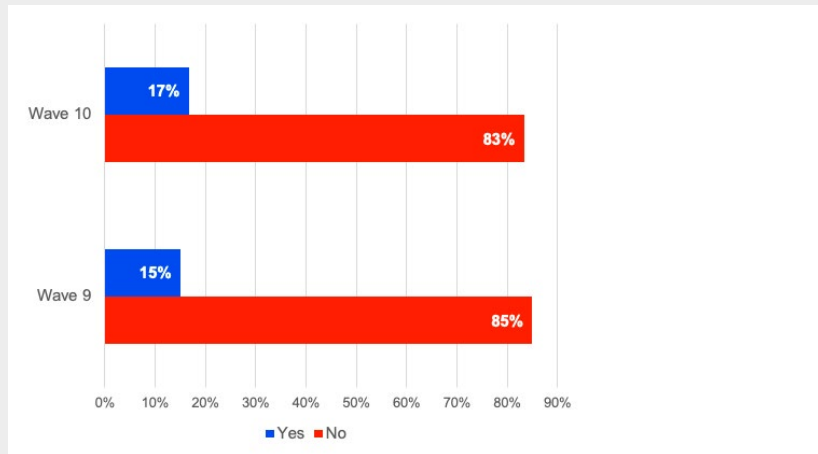
**Charlie Benrimoj**

“COVID-19 has significantly impacted growth in this area. Necessarily, there have been increased costs and changes to staffing and workflow. Even so, you would think with pharmacists working harder than ever, you may have seen more movement. Perhaps we can expect this over the next 12 months.”

**John Bell**

# “Is the role of any employed pharmacist dedicated mainly to the provision of non-dispensing professional services?”

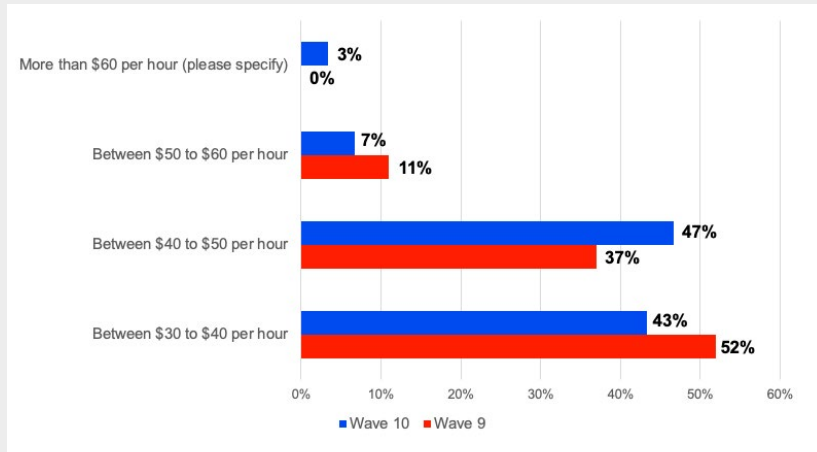
Figure 12a: Role of any employed pharmacist dedicated mainly to the provision of professional services (n=180)



It is unlikely we are going to see substantial growth in owner/owner managers hiring pharmacists solely as service providers as the 7CPA appears not to increase funding for community pharmacy services. With the focus of funds continuing to concentrate on dispensing remuneration and a few

select professional services that have caps, it is probably not financially viable to employ a person exclusively dedicated to service provision. The vast majority of responders appear to not consider this position economically sustainable (83% in wave 10 and 85% in wave 9).

Figure 12b: Average hourly rate of service provider



\* wave 9: n= 27, wave 10: n=30

Those owners who indicated that they did employ a professional services pharmacist were asked to indicate the level of salary attributed to the service deliverer. Compared with employed pharmacists' wages in Figures 11a and 11b, pharmacists dedicated solely to the provision of professional services have been able to negotiate a wage increase throughout 2020, despite COVID-19. The majority of pharmacy service providers average hourly rates of pay were higher than employed pharmacists averaging between \$40 to \$50 per

hour (47% in wave 10, up from 37% in wave 9). Additionally, service provider pharmacists appear to be more likely to negotiate top tier wages with wave 10 demonstrating a shift upwards of pharmacist remuneration. For the first time 3% of pharmacists have indicated they are earning more than \$60 per hour, with a further 7% earning between \$50 to \$60 per hour. Owner/owner managers who employ professional services pharmacists appear to be seeing the benefit of their position and are in turn remunerating them accordingly.

**EXPERT COMMENTARY**

“It would appear that having a pharmacist solely devoted to professional services is not a financially viable model for the majority of pharmacies, however some seem to be making it work.”

**Kylie Williams**

“For the majority of pharmacies, with the maximum amount of remuneration that can be earned through the provision of professional services alone, it is not feasible to have a pharmacist fully dedicated to this role.”

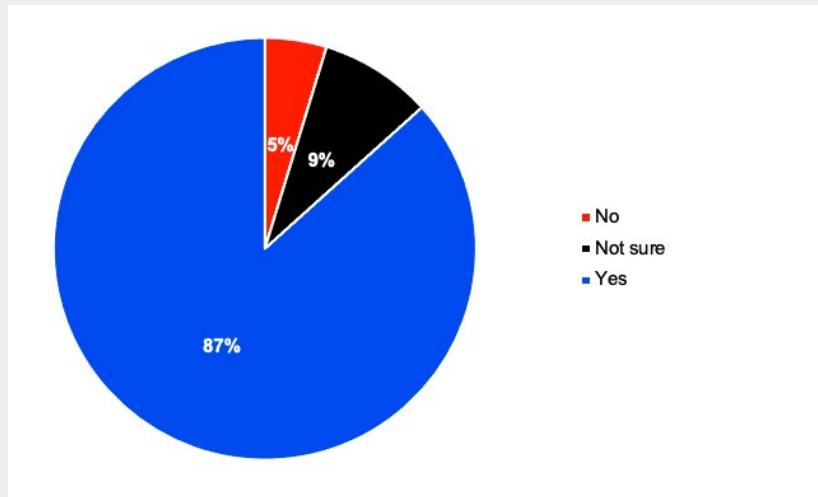
**John Bell**

“The model for full time service providers in community pharmacy seems, in practice, not to be favored by owners. The reality is that owners will require employee pharmacists to have a range of skills and competencies including specialist service delivery. This will affect professional development, career structures, pharmacy education and remuneration for employee pharmacist.”

**Charlie Benrimoj**

# “Would you support the development of specialised roles for community pharmacists?”

Figure 13: Specialised roles for community pharmacists (n=360)



## EXPERT COMMENTARY

“We are a long way off having someone who can specialise in a particular area only, and for that to be a good financial investment for pharmacy.”

**John Bell**

“The top two specialties reflect current work practices that happen in community pharmacy today.”

**Warwick Plunkett**

“There is an opportunity for credentialed training in the development of these roles.”

**Kylie Williams**

## “If yes, which roles?”

Table 4: Specialised roles supported (n=312)

Specialised role	%
Vaccinations and immunisations pharmacist	65%
Self-care pharmacist to undertake triage, minor ailments	44%
Disease state management pharmacist	44%
Aged care pharmacist	40%
General service pharmacist (providing 7CPA services)	37%
GP pharmacist based in community pharmacy	35%
Medication safety pharmacist	31%
Point of care pharmacist to undertake point of care testing	26%
Professional services manager	23%
Adherence pharmacist	17%
Other	1%

Eighty seven percent of pharmacists support specialised roles. There was a variety of specialist roles that pharmacists would support (table 4), in particular vaccination and immunisation (65%), self-care including minor ailments and triage (44%), disease state management (44%) and aged care (40%). Interestingly, 5% of pharmacists did not want to see the development of specialised roles for pharmacists and a further 9% were not sure.

Peak professional bodies continue to push for pharmacists to fulfill their scope of practice, however it is unclear where sustainable funding for these positions would come from.

# “What proportion of your time do you estimate you spent on each activity weekly?”

Table 5: Proportion of time spent on each activity weekly (n=360)

	Dispensing	Dealing with minor ailments and OTC products	Disease prevention and wellness
<b>Time (as a % of weekly working hours)</b>	61.6 % (SD: 17.8)	23.3% (SD: 10.8)	13.5% (SD: 10.9)

Table 5 summarises pharmacists’ estimated distribution of their workload including dispensing, dealing with minor ailments and OTC products and disease prevention and wellness. On average 61% of a pharmacist’s time throughout the working week is allocated to the dispensing of medications, a relatively technical task, 23% allocated to dealing with OTC presentations such as minor ailments, while 13% is allocated to disease prevention and overall wellness activities.

Despite a general agreement by all national and international organisations that the future of community pharmacy and pharmacists should be in patient services whilst maintaining the supply role, the majority of pharmacist time at the workplace is spent dispensing medications.

## EXPERT COMMENTARY

“I would have expected dispensing to be an even larger proportion given how pharmacists are remunerated.”

**John Montgomery**

“I think this more clearly reflects a perception of what pharmacists would prefer, compared to what is actually happening in community pharmacy.”

**Warwick Plunkett**

“These estimations I believe reflect current practice and are quite sobering.”

**Charlie Benrimoj**

Pharmacists were asked to indicate the products and materials they utilised when providing self-care activities to patients and whether they felt a digital platform would enhance their engagement. Many pharmacists indicated that they already utilised a range of materials including fact sheets, online videos, counselling guides, CMI's and pharmacy resources like the AMH, APF and eTG (Figure 14). However most pharmacists were unsure about the use of a digital platform

(56%) (Figure 15). This was most likely due to the limited information provided and unknown nature of this platform, specifically in regard to what added value it could provide and the limited use of technology in current practice with consumers and patients. Respondents who did support a digital platform (32%) indicated that having a central repository for information that could be provided to patients in self-care activities would prove extremely beneficial.

Figure 14: Materials used to enhance self-care activities (n=360)

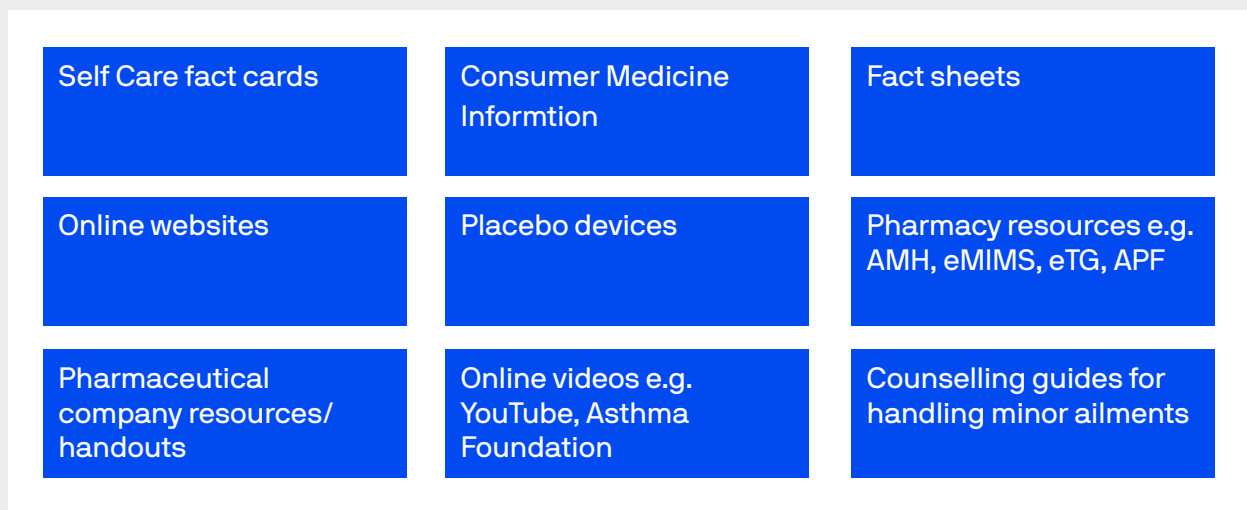
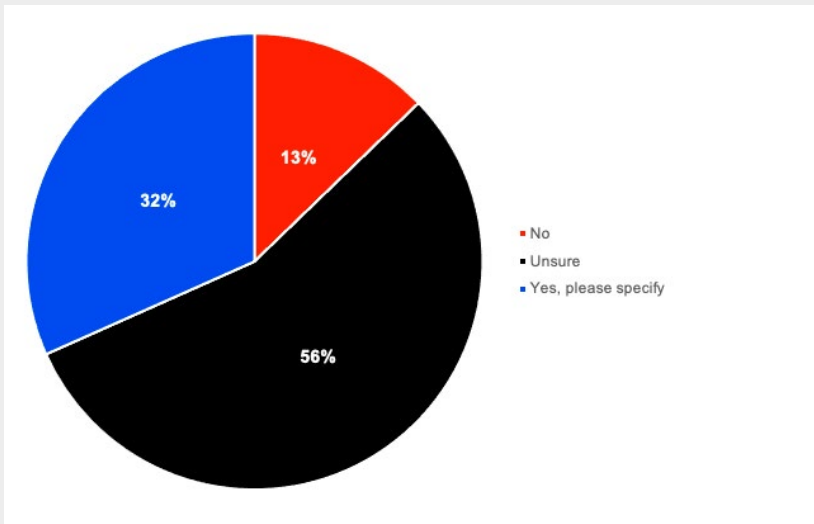




Figure 15: Value of digital platform to support self-care (n=360)



# COVID-19

# COVID-19

The COVID-19 pandemic continues to have a major impact on the community pharmacy industry, with the global health crisis emphasising the role pharmacists play as part of the front-line health care team. Throughout the pandemic pharmacists have played a pivotal role in providing counselling, education and support to patients whilst facing increasing challenges such as PPE, medication shortages, new technology, mental health strain and workflow changes. Most pharmacies having been defined as an essential service, having remained open and accessible, unlike other health care professionals and retailers, during the pandemic.

Pharmacies have been required to shift their operations to ensure continuity of access to Pharmaceutical Benefits Scheme (PBS) medicines as the COVID-19 outbreak unfolded. Measures implemented include<sup>11</sup>:

- Continued dispensing arrangements
- Home delivery service for PBS and RPBS medicines
- Medication substitution in the event of a shortage
- Restrictions on the quantity of medicines that can be supplied to prevent stockpiling.

Since pharmacists are often the first point of contact with the health system, they play an important public health role as an information source and by raising awareness about the importance of preventative health measures. Pharmacies have had to implement pandemic preparedness plans and changes to workflow including<sup>12</sup>:

- Increased frequency of environmental cleaning
- Additional staffing
- Wearing of face masks
- Contingency plans in the event of high staff absenteeism
- Staggering working teams
- Reallocating staffing and roles
- Physical distancing
- Determining patient flow or movement through the pharmacy.

As the roll out of the COVID-19 vaccine commences in Australia, pharmacist immunisers will play a role in vaccination. Community pharmacies in the UK are already being utilised in their vaccination strategy, with the first wave of 200 sites run by community pharmacies commencing in mid-January<sup>13</sup>. Lobbying by GP groups against the proposed role of community pharmacists in

Australia's COVID-19 vaccine program continue, citing safety concerns and conflicts of interest<sup>14</sup>. Both the Guild and PSA have refuted these claims, and strongly support the utilisation of pharmacist immunisers in the COVID-19 vaccination program. Accordingly, Health minister Greg Hunt announced on 31st January that pharmacies will be joining the rollout of COVID-19 vaccines for Australia, participating from Phase 2A onwards and providing greater access for all Australians<sup>15</sup>. The Australian government has committed \$200 million to support the safe and effective administration of COVID-19 vaccines by Australia's community pharmacists. Community pharmacies will be incentivised to provide both doses of the AstraZeneca COVID-19 vaccine, coming in the form of payment of \$16 per vaccination, plus another \$10 on completion of an individual's second dose; up to \$42 per patient<sup>16</sup>. Individuals will not be charged for the vaccine.

---

11 Australian Government, Department of Health. 2020. Ensuring continued access to medicines during the COVID-19 pandemic.

12 NSW Health. 2020. Community pharmacy pandemic preparedness for COVID-19.

13 Wickware, C. The Pharmaceutical Journal. 2021. Government signs up hundreds of community pharmacies to deliver COVID-19 vaccines.

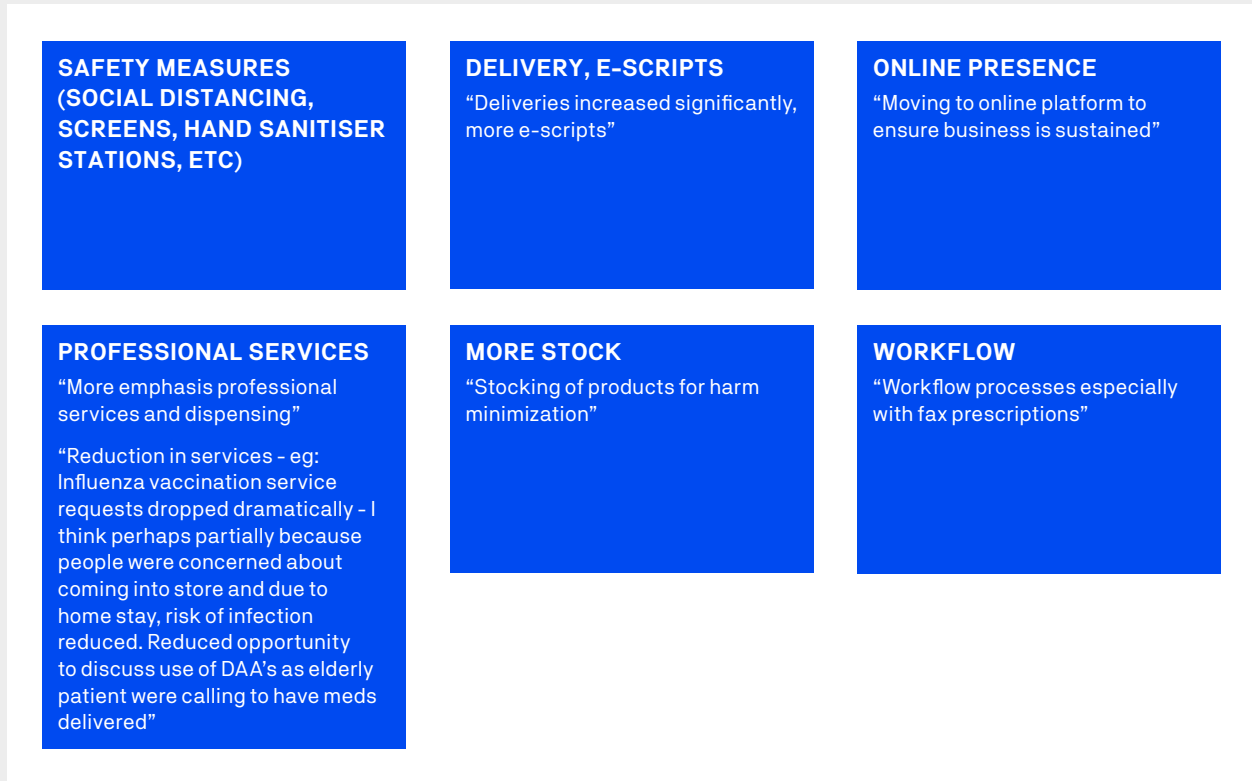
14 Paola, S. AJP. 2021. Patient safety cited in vaccine turf war.

15 Ministers Department of Health. 2021. Community pharmacy to join COVID-19 vaccine workforce.

16 Haggan, M. AJP. 2021. COVID jab going to go crazy in pharmacy.

# “What changes did you make due to COVID-19?”

Figure 16: Changes made due to COVID-19 (n=360)



Pharmacists were asked to indicate the changes that they implemented as a result of the global pandemic. Many pharmacists highlighted changes to safety through the provision of physical barriers, hand sanitiser, wearing of face masks and increased cleaning protocols, changes to workflow processes including split teams and

rostering, changing roles, physical distancing, electronic and faxed prescriptions, changes in stock levels due to significant amount of stock shortages and patients stockpiling medications and the emphasis of professional services and pharmacists being a source of knowledge and information during this time.

# “What has been the impact of COVID-19 on professional practice and business?”

Figure 17: Impact of COVID-19 (n=360)



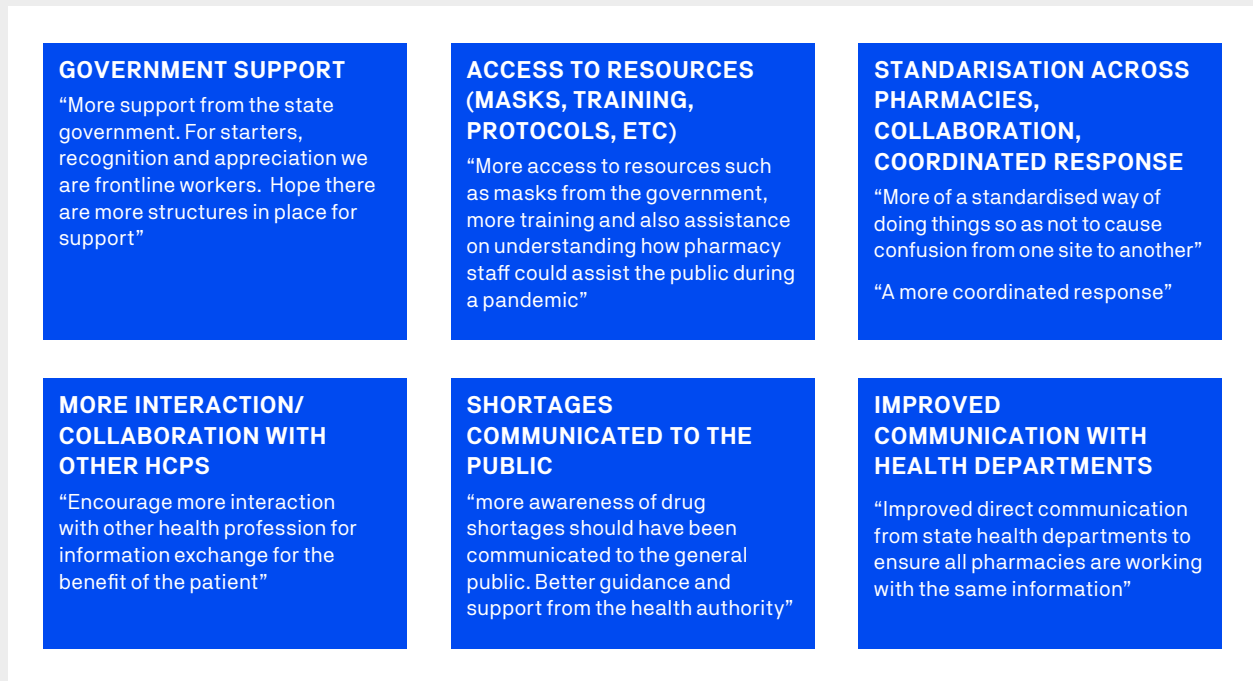
In addition to pharmacists making changes to their workplace as a result of COVID-19, there were also significant implications for professional and business practices. When asked to comment on the impact of COVID-19 on professional practice and business, pharmacists identified that overwhelmingly there was an increased sense of respect and value for the profession, however due to the constraints of lockdown and public health concern it was increasingly difficult to experience meaningful

interactions with patients in pharmacies. Pharmacists also cited increased workloads, stress and strains on mental health as significantly concerning impacts of COVID-19. A survey conducted by the Royal Pharmaceutical Society (RPS) in the UK found that 31% of pharmacists said that the COVID-19 pandemic had impacted their mental health and wellbeing to a significant extent and 54% of respondents said the pandemic had affected their mental health and wellbeing to a partial extent<sup>17</sup>.

17 The pharmaceutical Journal. 2020. A third of pharmacist’s report COVID-19 significantly impacted their mental health and wellbeing.

# “How could the community pharmacy environment improve how they reacted to COVID-19?”

Figure 18: Improvements in reaction to COVID-19 pandemic (n=360)



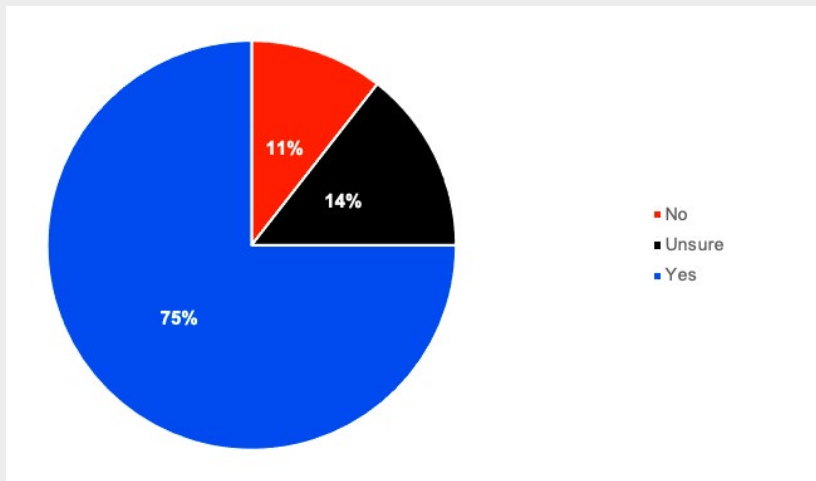
Moving forward pharmacists would like to see greater support to enable a safe and more readily prepared work environment to deal with a global pandemic. Strategies proposed included greater support and recognition from the government as pharmacists being integral frontline healthcare members, increased and more readily available

personal protective equipment, national standardisation of community pharmacy practices to coordinate a more unified response, greater communication with the public about medication shortages and changes to medication supplies and increased interaction and collaboration with other healthcare professionals.

# “Should pharmacists be able to vaccinate against COVID-19?”

---

Figure 19: Pharmacists providing vaccination services for COVID-19 (n = 360)



In 2013, the Pharmacy Board of Australia announced that vaccination was within the current scope of practice of pharmacists and since early 2015, appropriately trained pharmacists have been administering approved vaccinations to the Australian public. However, there was a significant debate about the role of pharmacists in the administration of the COVID-19 vaccination program, with GP lobbying groups adamantly opposed to pharmacists providing this vaccine. Unsurprisingly, pharmacists

are supportive of their role in the administration of the COVID-19 vaccination with 75% believing they should be able to provide the vaccine. A proportion were unsure (14%) or do not support (11%) the provision of the vaccination in community pharmacy, possibly due to the unknowns in relation to storage and administration of the vaccine. Pharmacist vaccinators, as for all vaccinators, will need to undergo specific training before providing the COVID-19 vaccines.

# “What has been the effect of COVID-19 on online business and e-prescriptions?”

---

Figure 20: Effect of COVID-19 on online business (n=360)

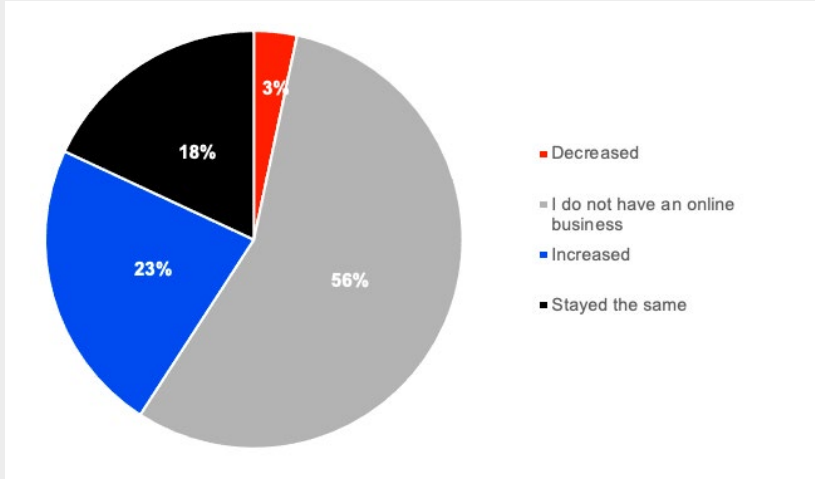
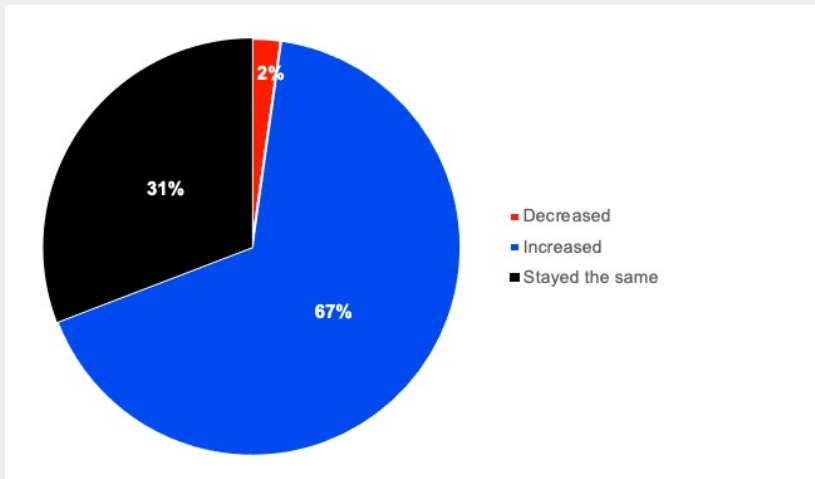


Figure 21: Effect of COVID-19 on e-prescriptions (n=360)





COVID-19 appears to have significantly impacted community pharmacy business operations (Figure 17), with positive impacts. One of the major impacts of COVID-19 has been the hastened roll out and adoption of e-prescriptions, requiring pharmacies to change and adopt new workflow practices to meet this demand. An electronic prescription is a digital version of a paper prescription that is received by a patient through SMS or email<sup>18</sup>. Throughout the pandemic general practitioners use of telehealth services increased substantially resulting in an increase in e-prescriptions, with an estimated one million original and repeat e-prescriptions having been issued<sup>15</sup>. The majority (67%) of pharmacists in this survey indicated that e-prescriptions had increased over the past twelve months, with many citing benefits to the program including, improved efficiency in prescribing and dispensing once initial systems are in place, removing the need for handling and storing physical paper prescriptions, supporting digital health services and ensuring continuity of patient care, increasing medicine safety by reducing prescribing and dispensing errors, maintaining patient privacy and integrity of personal information and protecting community members and staff from exposure to infectious diseases such as COVID-19<sup>19</sup>. A further 31% of pharmacists indicated the level of e-prescriptions stayed the same with 2% experiencing a decrease.

Increased public health concerns and mandates imposed by the government limited the movement of individuals at the height of the pandemic, with people advised to stay home unless going out was absolutely necessary. This in turn decreased foot traffic in pharmacies with many patients electing to utilise the home delivery service or opt for online options. One online pharmacy group has advised that COVID-19 has accelerated online business trends by as much as five years, estimating 8-9% of all turnover is linked to online sales<sup>20</sup>. Surprisingly, 56% of pharmacists indicated that they did not have an online business, calling to question how pharmacies expect to compete in such a competitive market. Approximately one quarter (23%) of pharmacists indicated online sales had increased, which is in line with other retail segments during this period, while 18% remained the same. The COVID-19 pandemic has emphasised the potential of online business with the ABS reporting an average annual rise in total online sales of 67.1% from March to October 2020<sup>21</sup>. Most other retail type activity is developing an online presence due to consumer demand. People's expectations are rising in this area and these expectations appear to be largely unmet, as the majority of pharmacies fail to have an online business model.

## EXPERT COMMENTARY

"Pharmacists are struggling to understand how they can use an online platform to leverage their business."

**Victoria Garcia Cardenas**

"There's a reluctance to get involved and understand the added element that an online presence can provide. With an already large pharmacy player in the online market in Australia, I think smaller pharmacies question what added benefit will it provide."

**Kylie Williams**

"The challenges faced by the establishments of online business and generally in the use of technology for consumer and patient interactions need to be met by the profession. Community pharmacy, driven by dispensing requirements, were one of the first professions to adopt computers in their daily practice."

**Charlie Benrimoj**

18 Australian Government, Australian Digital Health Agency. 2021. Electronic Prescriptions.

19 Pharmaceutical Society of Australia. 2021. Electronic prescriptions.

20 Haggan, M. AJP. 2020. CWH's online sales double thanks to COVID.

21 Australian Bureau of Statistics. 2020. Online sales, October 2020- Supplementary COVID-19 analysis.

# Biosimilars

# Biosimilar medicines

A biosimilar medicine is a highly similar version of a reference biological medicine. The reference biological medicine is the first brand to market<sup>22</sup>. The reference medicine is used by regulators to compare and evaluate the biosimilar medicine against.

Biological medicines, including biosimilars, are used to treat serious diseases such as rheumatoid arthritis, inflammatory bowel diseases such as ulcerative colitis and Crohn's disease, cancer, diabetes, multiple sclerosis, kidney disease and severe psoriasis, and for treating infertility. The introduction of biosimilar medicines encourages competition in the Australian market leading to a reduction in the cost of medicines, and savings to the health care system. These lower prices improve affordability of, and access to new treatments for seriously ill patients.

Biosimilar medications are specifically designed to be as similar as possible to the reference biological medicine, however they are not identical. There are minor differences because:

- the cells and biological processes used to manufacture any biological or biosimilar medicine are always variable
- the structure of the molecules is very complex, which makes them hard to fully describe
- the biosimilar manufacturing process may not exactly match the original process.

These differences do not affect the safety, effectiveness or quality of the biosimilar medicine. Since 2010, a number of biosimilar medicines have been registered by the Therapeutic Goods Administration (TGA) for use in Australia. The medicines have been assessed to have no clinically meaningful differences and are therapeutically equivalent to traditional medications. There are now 27 biosimilar medicines, corresponding to 11 reference medicines, approved for use in Australia<sup>23</sup>.

In 2017, a \$367 million cost saving was estimated that if biosimilar versions of selected biological medicines were available and subsidised on the PBS<sup>24</sup>. The speed of uptake and adoption of biosimilars in Australia has been slower than originally expected. Despite this initial slow uptake, the market share for biosimilars is expected to increase and manufacturers will continue to register biosimilars in Australia, with eight biosimilars registered in 2019 alone<sup>20</sup>. Barriers to the acceptance of biosimilar medicines by both prescribers and patients have been linked to a lack of understanding, concerns regarding batch to batch variability and reluctance to switch<sup>20</sup>. The introduction and uptake of biosimilars is expected to deliver significant savings, improve competition and increase access for patients in Australia.

---

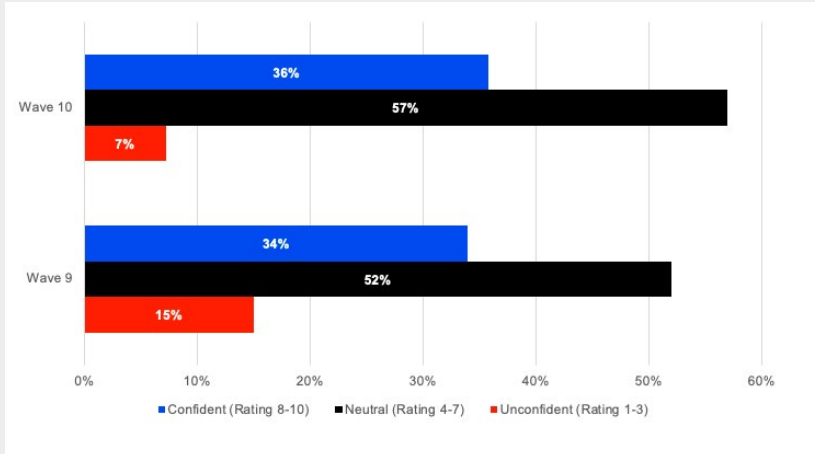
22 Australian Government Department of Health. 2017. Biosimilar Awareness Initiative.

23 Pharmaceutical Society of Australia. 2020. Essential CPE- Biological medicines, including biosimilar medicines.

24 Australian Government Department of Health. 2017. Biosimilar uptake drivers.

# “What is your level of confidence of substitution?”

Figure 22: Level of confidence on biosimilar substitution (n=360)



## EXPERT COMMENTARY

“A larger increase in confidence would have been expected given the education programs in place. It took time to build confidence in the early days of generics and biosimilars seem to be on a similar trajectory.”

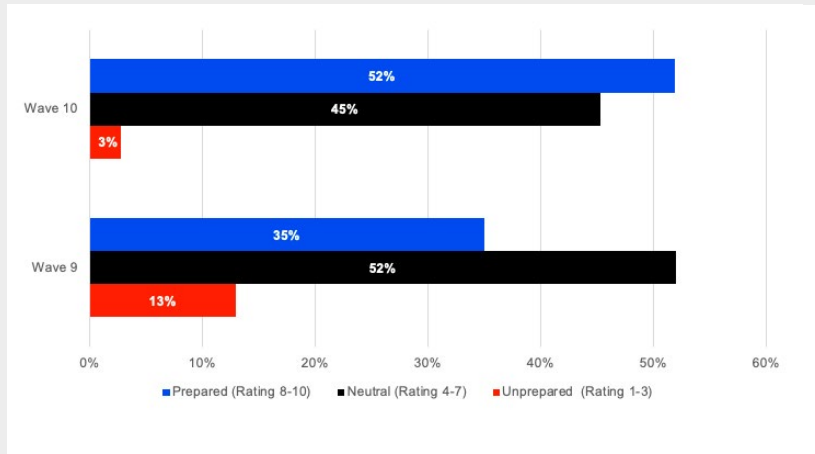
**John Montgomery**

It is promising that fewer pharmacists are exhibiting limited confidence in substitution, down 8% on wave 9 values (7% in wave 10, down from 15% in wave 9). However, pharmacists remain predominately neutral (57%), with those exhibiting confidence remaining stable at 36% in wave 10.

Increased support has been made available to pharmacists through continuing professional education materials to aid substitution and build confidence. We are yet to see the full impact, suggesting the strategy to improve substitution may need to be reconsidered.

# “What is your overall level of preparedness to dispense to new patients?”

Figure 23: Level of perceived preparedness to dispense biosimilars (n=360)



## EXPERT COMMENTARY

“The big increase in preparedness is encouraging and should begin to translate to greater confidence.”  
**John Montgomery**

Pharmacists are exhibiting greater preparedness in biosimilar substitution, possibly linked to increased awareness, information and resources that are available to support biosimilar substitution. However, this preparedness is not translating into increased confidence. This is the first time we have seen the majority of pharmacists indicating they are prepared for substitution, increasing 17% in wave 10 (52% in wave 10, up from 35% in wave 9 and 8). Those who felt unprepared has decreased by 10% in

wave 10 (3% in wave 10, down from 13% in wave 9) and a decrease of 7% was observed in the neutral group (45% in wave 10, down from 52% in wave 9).

It appears the educational activities are having some effect in preparing pharmacists for biosimilar substitution, however more work needs to be undertaken to improve pharmacist confidence so that the potential cost savings can be reflected in health budgets.

# Conclusion

The 10th UTS Pharmacy Barometer of October 2020 shows that:

- **The UTS Pharmacy Barometer was 126.8**, the highest in the history of the barometer; continuing to demonstrate a rise in confidence and a significant move into a more optimistic position.
- Optimism and confidence are at an all-time high, despite the challenges faced by COVID-19 and the introduction of the 7CPA.
- Pharmacist remuneration levels have remained unchanged.
- Greater expansion of the pharmacists' specialist role and scope of practice is desired by pharmacists and supported by the peak professional bodies.
- Overall acceptance of the terms of the 7CPA, with varying views on how the distribution of funding between dispensing and professional services fees should have been allocated.
- Invigorated workforce following the drastic changes and measures that needed to be put in place to deal with the impacts of COVID-19.
- Pharmacists are excited about the role they will play in vaccinating against COVID-19 and the newfound respect and value for the profession from the community.
- Increasing preparedness in the provision of biosimilars, which will hopefully translate into confidence in future barometers.

A significant shift in the positivity and optimism generated by the profession was evident in wave 10 of the UTS Community Pharmacy Barometer™, with pharmacists predicting significant increases in projected pharmacy value over the next twelve months and three years.

The introduction of the 7CPA supported the growth in optimism and confidence of pharmacists. Despite the limited exposure pharmacists have had to the 7CPA, economic and professional satisfaction was relatively positive. Whilst overall neutral, strong owner/owner manager satisfaction was reported. Opinion remains divided on the allocation of funding between dispensing and professional services with over half the workforce believing the distribution needed review, while a further quarter believed the allocation was spot on.

COVID-19 significantly impacted the professional and business operations of pharmacies, with the profession needing to mobilise and make substantial changes to work practices. Pharmacists' workloads, stress and mental health have been significantly affected as a result of the pandemic. Overwhelmingly, pharmacists have acknowledged the positives that have arisen with one of the main drivers being the increased value of their role supported by the community and government. Pharmacists have been highlighted as an integral member of the

health workforce demonstrated by their inclusion as health providers to deliver the COVID-19 vaccination.

Economic instability associated with COVID-19 may have impacted on pharmacist remuneration levels. These remained largely unchanged, despite increased workloads and the associated stress and the toll on mental health.

The allocation of funding to services within the 7CPA did little to see the growth of a role dedicated solely to the provision of professional services, with the current funding models not supporting this position.

Support for the expansion of the role of pharmacists to fulfil their full scope of practice is evident. With pharmacists advocating for the provision of specialised roles, in particular in areas relating to vaccination and immunisation, self-care including triage and minor ailments, disease state management and aged care.

Biologics continue to remain one of the highest PBS expenditures. Increased continuing professional development has supported the increased preparedness of pharmacists to deal with biosimilar medicines, and it is hoped that a growth in confidence will ensue.

# Contacts

Professor Kylie Williams  
Professor of Pharmacy Practice  
Head of Discipline Pharmacy,  
Graduate School of Health

University of Technology Sydney,  
Australia

E: [Kylie.Williams@uts.edu.au](mailto:Kylie.Williams@uts.edu.au)  
W: [pharmacy.uts.edu.au](http://pharmacy.uts.edu.au)



## Report written by Rachelle L Cutler

Rachelle Cutler (B.MedSci, B.Bus, M.Pharm, PhD, MPS) is a registered pharmacist and Lecturer in the Discipline of Pharmacy at the University of Technology Sydney, Australia. She has a PhD in health economics and pharmacy practice research where she explored the economic impact of medication non-adherence and the financial effect this has on national and international healthcare systems. She has expertise in a variety of areas including implementation science, change management, medication adherence, health economics and service design and feasibility. Dr Cutler has principally been involved in developing, teaching and coordinating therapeutic, professional practice and clinical placement courses for pharmacy students at the University of Technology Sydney, Australia. She has published in a number of leading refereed journals, collaborated on a range of industry reports and holds experience supervising masters and doctoral research degree candidates.

ISSN

[pharmacy.uts.edu.au/barometer2020](http://pharmacy.uts.edu.au/barometer2020)

