



CommonwealthBank



Pharmacy Barometer

2021

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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. 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. 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. 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. IQVIA creates intelligent connections to deliver powerful insights with speed and agility – enabling customers to accelerate the clinical development and commercialization of innovative medical treatments that improve healthcare outcomes for patients. With approximately 74,000 employees, IQVIA conducts operations in more than 100 countries. Learn more at 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

Community pharmacy is seen as a highly competitive market. In 2021 there were 5,822 community pharmacies in Australia. Community pharmacies represent the most frequently accessed and accessible health destination, with over 355 million individual patient visits annually, with the average person visiting a community pharmacy 18 times per year¹. Community pharmacy plays a pivotal role in providing primary healthcare and delivering a range of services to the community.

Australian community pharmacy has demonstrated resilience over the past twelve months, overcoming the challenges relating to COVID-19 and emerging as a stable, dependable health market that consumers and patients can rely on.

In 2020-2021 the federal government remunerated community pharmacies \$13.8 billion for PBS subsidised prescriptions. This consisted of²:

- \$9.3 billion for PBS and RPBS medicines
- \$1.7 billion for pharmacists specialised skills in dispensing medicines
 - \$1.6 billion dispensing fee
 - \$40 million dangerous drug fee
 - \$4.2 million wastage
 - \$1.4 million container fee
- \$1.1 billion AHL fee
- \$14.8 million electronic prescription fee.

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 by 54%, indexation of the dispense fee, AHL fee and dangerous drug fee as well as the provision of \$1.2 billion for selected professional programs³.

The community pharmacy market continues to rise, demonstrated by increases in revenue and expected profitability over the coming years and supported by the ageing population, increasing number of healthcare problems, increasing per capita healthcare expenditure and the PBS. Business models in community pharmacy are segmented along the spectrum of discounters and service provider models. Competition in the pharmacy market is moderately concentrated with the four largest pharmacy groups accounting for just under 60% of industry revenue and competing on the basis of number

of customers, average basket size, number of products offered, types of services, geographical locations, number of stores, online presence, home delivery and value-added services. Increasing internal competition, mainly from discounters, as well as external competition has resulted in service provider pharmacy models increasing services. Some of these services include vaccination, medication management, aged care, chronic disease management support health checks to support early detection, general health screening, minor ailment services, health promotion and transitional care services.

1. The Pharmacy Guild of Australia. 2021. Vital Facts on Community Pharmacy. <https://www.guild.org.au/_data/assets/pdf_file/0017/115127/PGA_October_2021_infographic.pdf>

2. Pharmaceutical Benefits Scheme. 2021. PBS Expenditure and Prescriptions Report 1 July 2020 to 30 June 2021.

3. Australian Government, Department of Health, 2020, Seventh Community Pharmacy Agreement, <[https://www1.health.gov.au/internet/main/publishing.nsf/Content/214EBA91932A5572CA25844E001B779C/\\$File/20200611%207CPA%20signed%20Agreement.pdf](https://www1.health.gov.au/internet/main/publishing.nsf/Content/214EBA91932A5572CA25844E001B779C/$File/20200611%207CPA%20signed%20Agreement.pdf)>

4. Ken Research. 2021. Australia Pharmacy Retail Market Outlook to 2025.

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 of policy and practice changes 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 2021 report is the 10th annual report.

The expert panel comprises 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.



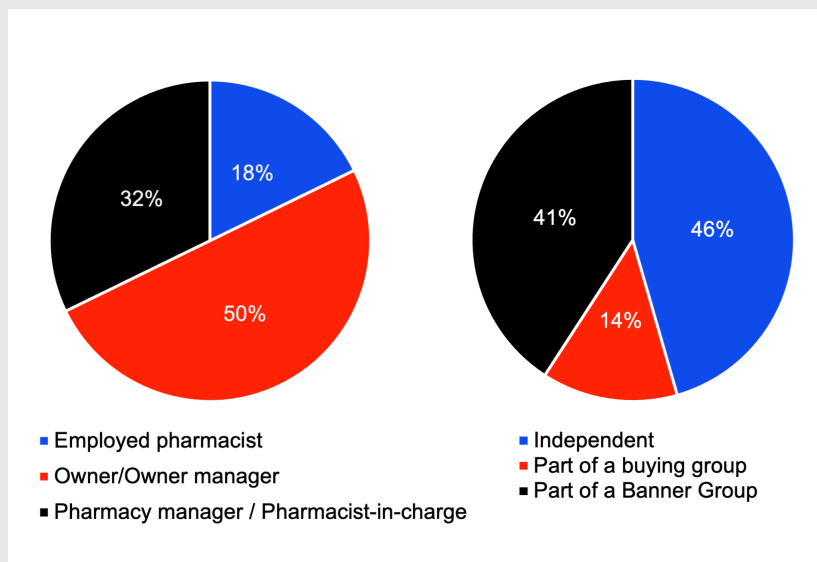
Methodology and Analysis

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 eleventh wave of the barometer (2021) there is an additional focus on the impact of COVID-19 to professional and business practice and the collaboration of pharmacists with other health care providers.

The 2021 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 2021, 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 identified themselves as working in community pharmacy (majority of the time) and were an owner or owner-manager (50%), pharmacist-in-charge/pharmacy manager (32%) or employed pharmacist (18%). The questionnaire also captured the type of pharmacy in which the pharmacist worked (independent (46%), 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 2021 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. Descriptive statistics were produced in tables 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 or Territory	%
Australian Capital Territory	1%
New South Wales	35%
Northern Territory	0%
Queensland	19%
South Australia	7%
Tasmania	3%
Victoria	26%
Western Australia	9%
N = 360	

Certain questions were only offered to 'decision makers' (owner/owner-managers and pharmacist-in-charge/pharmacy manager n=296). 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™ – 2021

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=296), 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=264).

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 2021 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 on the community pharmacy sector, the role and remuneration of community pharmacists, use of biosimilar medications and pharmacist collaboration with other health care providers.

Roles and remuneration of community pharmacists:

1. Has the remuneration level of your pharmacist employee (or if you are an employee pharmacist) increased in the last year?
 - Yes
 - No
 - Not sure
 - Not applicable
2. 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
3. Is the role of any employed pharmacist dedicated mainly to the provision of non-dispensing professional services?
 - Yes
 - No
4. If yes list two of the main services provided by this pharmacist.
5. 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

Activities run in collaboration with other healthcare providers:

6. Are you conducting any activities in conjunction with any of the following healthcare providers?
 - Local GPs (yes/no)
 - Aged care facilities (yes/no)
 - Local Primary Health Network (PHN) (yes/no)
 - Other health care providers (yes/no)
7. If yes to any of the above, please describe the activities you are providing

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

8. Are you currently offering COVID-19 vaccinations at your pharmacy?
 - Yes
 - No
9. Has COVID-19 altered or affected any of the below?
 - Number of staff you employ full-time (yes/no)
 - Number of staff you employ part-time (yes/no)
 - Other professional activities (yes/no)
10. If you answered yes to any of the above how has staffing or other activities been impacted by COVID-19?
11. Compared to 12 months ago, how has the number of patients/customers talking to you about their mental health changed?
 - Significant decrease
 - Moderate decrease
 - No change
 - Moderate increase
 - Significant increase

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.

12. How many prescriptions did you receive in the last month for both reference (i.e. original brand) and biosimilar biological medicines?

13. What proportion of these prescriptions were for:

- Reference medicines (i.e. original brand)
- Biosimilar medicines

14. What proportion of the prescriptions for reference medicines (i.e. original brand) did you substitute for a biosimilar product?

15. Level of confidence of substitution:

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

16. 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 and former CEO of Plunkett Pharmaceuticals. 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 Pharmacy 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). He is currently Chair of the Australian Self-Care Alliance. 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 digital based health information to consumers, self-care, patient medication reviews, disease state management systems, Pharmacy and Pharmacist only medications (minor ailment schemes), integration of community pharmacy in health care system 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 240 papers in refereed journals, 30 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.



BELINDA HEGARTY

National Head of Strategy and Insights, CommBank Health

Leading a national team of highly experienced healthcare banking professionals, Belinda's role focuses on the Banks strategy, insights and appetite in banking Australia's healthcare sector. Belinda's previous roles within CBA have included leading the new client and specialised industries risk team and being heavily involved in shaping the banks appetite for lending to the healthcare sector. Belinda has more than 20 years of banking experience having worked in a variety of roles across CBA and Macquarie Bank with a focus on strategy, structuring, business development and credit risk management on domestic and international transactions. Belinda a qualified Chartered Accountant and is based in Sydney NSW.

Executive Summary

The 11th wave of the Barometer marks 10 years since the inaugural UTS Community Pharmacy Barometer™. The 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 2021 were pharmacist remuneration, the impact of COVID-19 to professional and business practice, the collaboration of pharmacists with other health care providers and the use of biosimilars in the community pharmacy environment.

The 11th wave of the Barometer was conducted in October 2021. With 360 pharmacist respondents drawn from the IQVIA panel.

Results were:

- **The UTS Pharmacy Barometer™ score was 139.5 out of 200** (a score of 100 represents neutral confidence) indicating community pharmacy confidence is increasing, despite ongoing challenges of the global pandemic.
- Over the past seven years the Barometer has doubled in value rising 69 points. Value increases year on year have slowed, but pharmacist optimism remains high and growing, demonstrated by a 12.7-point increase over the past twelve months (139.5 in wave 11, 126.8 in wave 10). Increased professional services opportunity through vaccination services and financial stimuli due to the 7th CPA and COVID-19 have stimulated the profession.
- An upwards shift in pharmacist optimism across all pharmacist types is evident, with a 5.6% transferal in pharmacists' confidence from those with a neutral rating to an optimistic rating. Owner/owner managers continue to demonstrate the greatest sense of optimism (41.2%) compared with pharmacy manager/pharmacist in charge (26.7%) and employed pharmacists (25.1%).
- 50% of decision maker pharmacists are projecting short term (1 year) financial growth, averaging 14.1% value increases. With increased service provision (76.6%) and COVID-19 stimulus (55.9%) being indicated as the main drivers.
- The proportion of pharmacists who believe the value their business will decrease in the next twelve months has decreased by 7.7% in twelve months (6.4% in wave 11, down from 14.1% in wave 10). With predicted decreasing value attributed to increased competition from discounters (78.9%) and discounting prices (63.2%). The average anticipated value decrease is 14.7% down from 16.9% in wave 10.
- Pharmacists are confident in the medium-term economic growth of their pharmacy business with 57% of pharmacists projecting positive increases up 17% on wave 10 values. Anticipated average value increase over the three-year period has remained stable at 15.9%. Despite the global pandemic pharmacists have been able to generate economic opportunity and foresee that they will be able to carry this opportunity into the future. Those projecting value decreases continues to decline (6.4% in wave 11, down from 15.1% in wave 10) with the expected average loss of 15.5%.
- Increasing optimism in the medium-term economic potential of the profession is being leveraged on increased provision of professional services, pharmacist vaccination services, dose administration aids, the dispensing of medicines and eCommerce.
- Pharmacists' efforts during the challenges of the past 18 months did not go unrecognised with 42.8% of pharmacists indicating their remuneration level increased in the past twelve months. There appears to be an upwards shift in average hourly remuneration with a greater proportion of pharmacists earning \$40 to \$50 per hour (43% in wave 11, 40% in wave 10) and \$50 to \$60 per hour (9% in wave 11, 3% in wave 10).
- The feasibility of a pharmacist purely dedicated to the provision of professional services appears to remain low (19% in wave 11, 17% in wave 10) with current funding arrangements apparently not permitting this workforce model. For those pharmacies that were able to support this position it appears that the professional services pharmacist is paid slightly more per hour than other pharmacist roles in community pharmacy (50% earning between \$40 to \$50 per hour, 44% earning between \$30 to \$40 per hour).
- 3 in 5 pharmacists were collaborating with other health care providers. Greatest collaboration was demonstrated between pharmacists and GPs (43%) followed by aged care facilities (32%) and then other health care providers (29%).

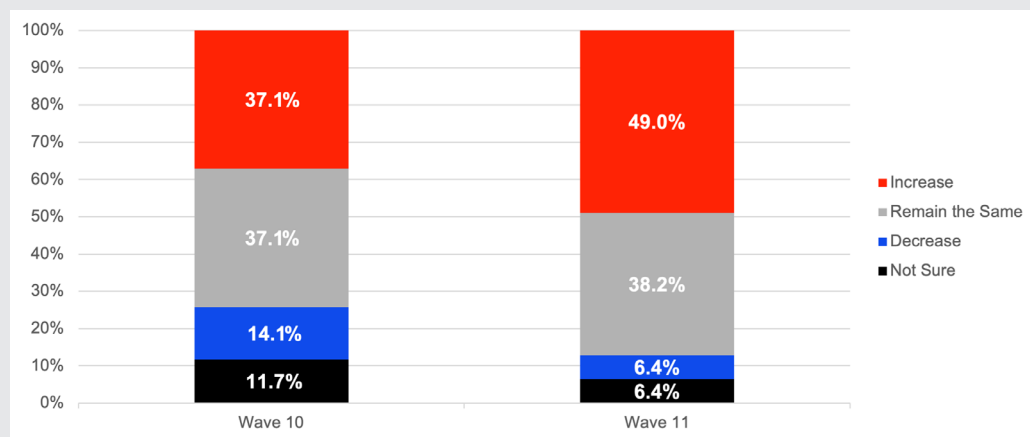
- The COVID-19 pandemic has provided opportunity for community pharmacy to expand professional services, with two thirds of pharmacists providing the COVID-19 vaccination program (66%) at the time of the survey.
- COVID-19 impacted pharmacies business and professional operations.
 - The greatest identified impact was in relation to professional activities (53%) with responders identifying impacts to face-to-face services, work flow, reduction in counselling and MedsChecks and reduced ability to provide screening and monitoring services. Staffing changes were also identified with impact to the number of staff employed full time being affected (27%) and part time affected (45%).
 - Staffing decrease changes were attributed to split teams, lockdowns and isolation requirements while staffing increases were due to increased pharmacist demand, vaccination services, increased deliveries and fewer people in shopping centres.
- Fifty five percent of pharmacists noted a moderate increase in patients discussing their mental health with them over the last twelve months, with a further 13% of pharmacists indicating a significant increase in mental health conversations.
- Pharmacists' confidence in biosimilar substitution has remained relatively constant (39% in wave 11, 36% in wave 10) however their level of preparedness to deal with biosimilar medicines has decreased (44% in wave 11, 52% in wave 10). Of the total biosimilar prescriptions received in community pharmacies over the last month 64% were for the reference medicines compared to 36% for the biosimilar medicine.

UTS Pharmacy Barometer 2021

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 11: n=296, wave 10: n=291

About half of the decision makers reported confidence in the growth of the value of community pharmacy in the next twelve months, an 11.9% increase when compared with 2020 values (49.0% in wave 11 up from 37.1% in wave 10). Over the last four years, the estimated expected value increases in community pharmacy for the next year, have risen by 28.1% (4.9% in wave 11 up from 37.1% in wave 10, 25.2% in wave 9 and 20.9% in wave 8). A corresponding reduction in the number of those who believe their pharmacy value will decrease in value (6.4% in wave 11 down from 14.1% in wave 10) or remain unsure (6.4% in wave 11 down from 11.7% in wave 10) is evident. The proportion who believe the value of their pharmacy in the next year will remain the same remains relatively unchanged, increasing slightly by 1.1% (38.2% in wave 11 up from 37.1% in wave 10).

A positive trend in the confidence among community pharmacy owners and managers has been established over the past four years with community pharmacists projecting increased growth in value over the next twelve months, despite the challenges faced during the global pandemic. This demonstrates the resilience and optimism the profession has for its future viability.

EXPERT COMMENTARY

“Biggest part of pharmacy business is dispensing and under the 7th CPA agreement is being remunerated well, evidenced in almost 50% indicating increased value projections.”

Charlie Benrimoj

“We’re seeing approximately a 12.5% rise in each of the last two years in value growth.”

Warwick Plunkett

“The larger remuneration that Pharmacy has received as a result of COVID-19, may in part be driving the increase in the proportion who believe their valuation will increase.”

John Montgomery

“We’ve seen pharmacy continue to play a pivotal role in supporting the community during the pandemic, diversifying their services and navigating operational pressures. That’s meant they are emerging with loyal customers and strong growth potential amid the ongoing economic recovery.”

Belinda Hegarty

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

Responders who think the value will increase in the next year (n=145 in this wave)										
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19	Oct-20	Oct-21
Average increase	10.0%	17.0%	9.7%	13.1%	21.1%	15.9%	15.8%	15.6%	14.7%	14.1%
Maximum										100%*
Minimum										2%

* Note, three outliers removed

Responders who think the value will decrease in the next year (n=19 in this wave)										
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19	Oct-20	Oct-21
Average decrease	-17.0%	-20.0%	-17.7%	-14.8%	-17.7%	-16.0%	-14.4%	-15%	-16.9%	-14.7%
Maximum										-40%
Minimum										-5%

The Barometer has seen a shift over time in pharmacists transitioning from projecting value decreases in the next twelve months to projecting value increases. The confidence in the short-term anticipated value in community pharmacy remains optimistic evidenced by the substantial number of pharmacists believing their business is going to do better in the next year, with fewer pharmacists projecting value decreases. An increasing number of pharmacists believe the value of their pharmacy will increase in the next twelve months, with the average value increase stabilising at approximately 14-15%.

A relatively consistent anticipated average decrease over all waves of the barometer (16.4%) is apparent. This is compared to greater fluctuation in the average anticipated value increases in the next twelve months. From the 2017 barometer on greater consistency in the average anticipated value increase is evident averaging 15.2%. The wave 11 anticipated value increase is slightly down on previous years (14.1%), potentially attributed to business uncertainty given the unfolding global health crisis.

In the 2013 report, 63% of pharmacists projected a value decrease in the next twelve months compared to 6.4% in 2021. The average anticipated value decrease has continued to reduce over time with an expected 14.7% value decrease anticipated in wave 11. 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 2013 to 49% in 2021.

Pharmacists were asked to indicate the reasons for their predicted change in the value of their pharmacy in the next twelve months. Emerging reasons for value change were predominately linked to COVID-19 and financial subsidies put in place for support throughout the pandemic. Additionally, previous year trends that focused on service offerings, population growth, competition, and discounters continue to remain a focus for predicted value change.

Pharmacies that were successful in implementing services such as the delivery of COVID-19 vaccinations have demonstrated the success of integrating professional services into the pharmacy business model. Many consumers have become sensitised to the increased service provision available through pharmacy during the pandemic, ultimately resulting in increased pharmacy value.

For pharmacies projecting value decreases (n=19), this was attributed to increased competition from discount pharmacies, discounting prices, COVID-19 and online sales, with it appearing CBD pharmacies and those located in shopping centers to have been more directly negatively impacted by COVID-19 lockdown restrictions.

Figure 3a: Reasons for increased value in the next twelve months (n=145)

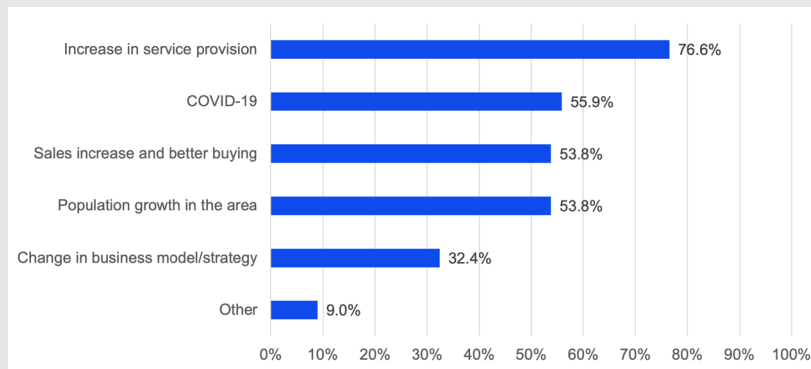
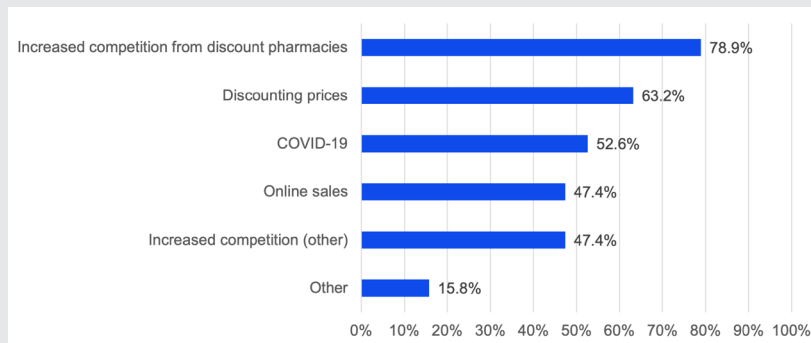


Figure 3b: Reasons for decreased value in the next twelve months (n=19)



EXPERT COMMENTARY

“The growth in the pharmacy market continues and even the pharmacies that are reporting decreasing values, the range of predicted decrease appears to be much smaller.”

Charlie Benrimoj

“Interesting that majority of pharmacy decision makers are predicting value increases when those in the CBD or shopping centres are likely to have been significantly impacted by COVID-19.”

Warwick Plunkett

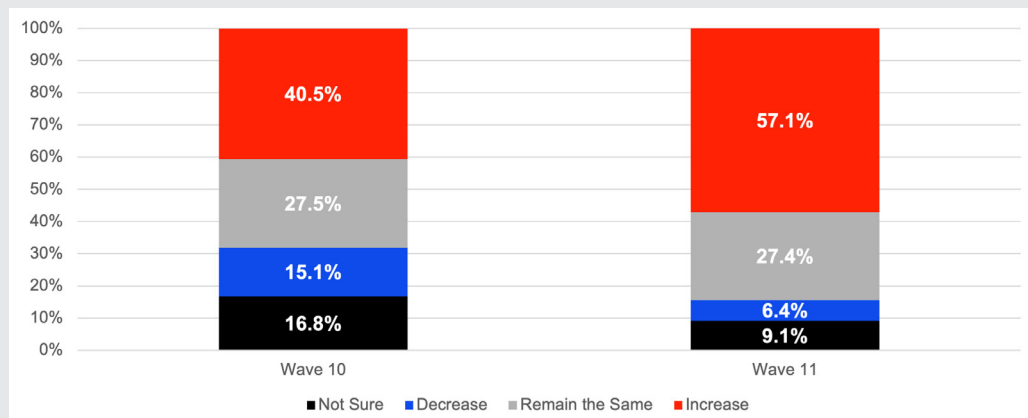
The increase in service provision driven by COVID-19 seems to be a key driver of increased value.”

John Montgomery

“We’ve seen pharmacy continue to play a pivotal role in supporting the community during the pandemic, diversifying their services and navigating operational pressures. That’s meant they are emerging with loyal customers and strong growth potential amid the ongoing economic recovery.”

Belinda Hegarty

Figure 4: Expected value of pharmacy in the next three years



* Note: Answered only by Owners, Owner managers, Pharmacy managers and Pharmacist-in-charge; wave 11: n=296, wave 10: n=291

Pharmacists overall sense of optimism continues from short term (1 year) to the medium-term (3 year), with those reporting an increase in value reaching an all-time high of 57.1% in wave 11. The guaranteed remuneration associated with the 7CPA and the ability of pharmacies to adapt to the challenges associated with COVID-19 appear to have

had a positive effect on pharmacists’ sense of confidence.

The vast majority of pharmacists (84.5%) anticipate that in the next three years their pharmacy will either increase in value or remain the same (57.1% and 27.4% respectively). Unlike previous Barometer reports, there has been a

substantial increase in the proportion of pharmacists that believe their pharmacy will increase in value (16.6%) jumping from 40.5% in wave 10 to 57.1% in wave 11. Pharmacy decision makers are confident in the medium-term viability of their businesses.

A resultant decrease in the number of pharmacists predicting a decrease in value (6.4% in wave 11 down from 15.1% in wave 10) or are unsure (9.1% in wave 11 down from 16.8% in wave 10) is evidenced. The last four waves of the Barometer have highlighted the continuing transition of pharmacists from a pessimistic view to a more optimistic one, with 21.8% of pharmacists moving from predicting value decreases to either remaining the same or increasing value over the next three years.

Pharmacy decision makers are extremely optimistic about the medium-term future of community pharmacy, reporting an increased confidence in the opportunities to increase value and potential future growth. This surge in optimism can potentially be attributed to 7CPA and COVID-19 remuneration strategies, highlighting to pharmacists that there is future opportunity in professional services beyond those currently being remunerated.

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=169 in this wave)										
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19	Oct-20	Oct-21
Average increase	15.0%	17.0%	16.8%	16.1%	20.4%	17.5%	18.1%	16.5%	16.4%	15.9%
Maximum										100%*
Minimum										1%

* Note, three outliers removed

Responders who think the value will decrease in the next 3 years (n=19 in this wave)										
	Nov-12	Sep-13	Aug-14	Sep-15	Sep-16	Sep-17	Oct-18	Oct-19	Oct-20	Oct-21
Average decrease	20.0%	24.0%	23.8%	18.1%	18.7%	19.1%	-18.0%	-17.8%	-16.4%	-15.5%
Maximum										-30%
Minimum										-5%

The magnitude of change predicted by those who thought their pharmacy would increase in value over the next three years has remained relatively consistent versus previous year values, with pharmacists estimating an average 15.9% increase over three years. The terms of the 7CPA have consolidated the areas of opportunity and ensured owners of remuneration in the next five years, demonstrated by a 16.6% increase in the number of pharmacists who believe the value of their pharmacy will increase over the next three years, increasing from 40.5% in wave 10 to 57.1% in wave

11. This has also facilitated the smallest projected average value decrease over three years (-15.5% in wave 11 up from -16.4% in wave 10, and -17.8% in wave 9)

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.

Pharmacists were asked to indicate the reasons for their predicted change in the value of their pharmacy in the next three years. Reasons for value change followed similar patterns to those outlined in the twelve month projections, however reasons associated with COVID-19 were less evident. It appears that pharmacists have been able to take the opportunity of implementing COVID-19 services and are now increasingly confident in their ability to pursue further service opportunities due to this experience.

Figure 5a: Reasons for increased value in the next three years (n=169)

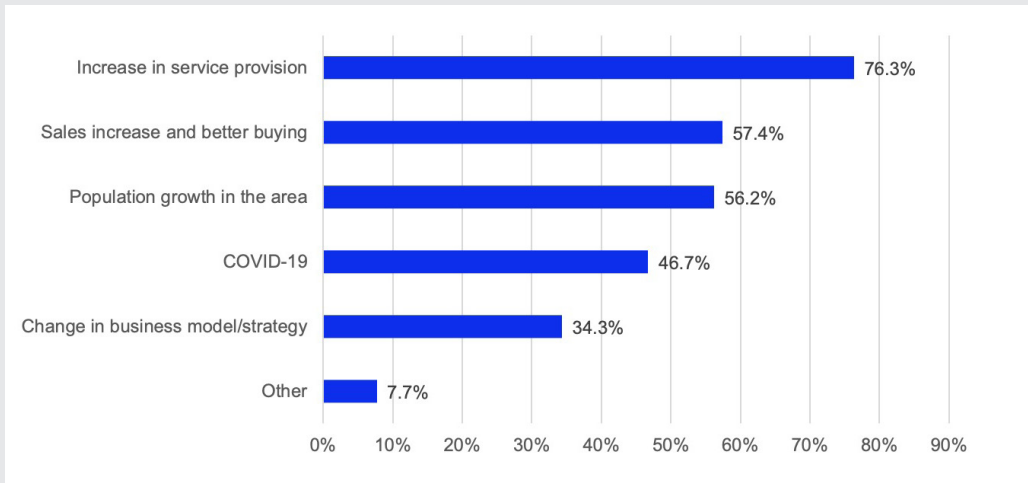
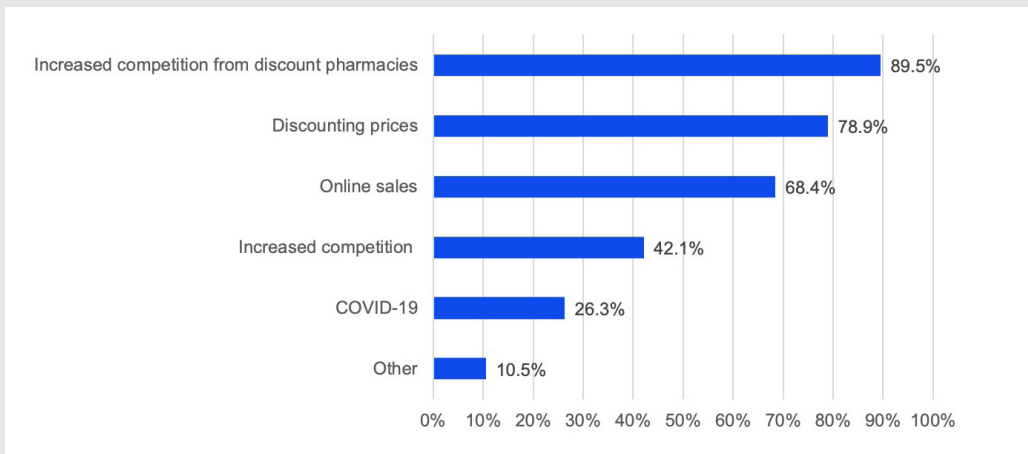


Figure 5b: Reasons for decreased value in the next three years (n=19)



EXPERT COMMENTARY

“This reflects an overall sense of positivity.”

John Bell

“We’ve never seen this proportion of pharmacists who believe the value of their business will increase either at one or three years – service provision seems to be the catalyst.”

John Montgomery

“Pharmacists have seen opportunities in service provisions such as vaccinations as drivers in value and they are optimistic that they are going to be able to maintain and even expand these services.”

Charlie Benrimoj

“We’ve seen pharmacy continue to play a pivotal role in supporting the community during the pandemic, diversifying their services and navigating operational pressures. That’s meant they are emerging with loyal customers and strong growth potential amid the ongoing economic recovery.”

Belinda Hegarty

Pharmacists were asked to indicate the major areas of opportunity for community pharmacy over the next three years. Overwhelmingly vaccinations, dose administration aids and the dispensing of medicines have been identified as the core business and professional opportunity. eCommerce has emerged as a new opportunity, likely boosted by the pandemic and evolving consumer needs.

“Broadened scope of practice beyond our four walls. Vaccination and immunisation service delivery at workplaces, schools etc.”

“Anything related with aged care due to our ageing population”

“Paid by Medicare services to patients to lessen the burden on GPs”

“Providing more health services like vaccinations, pharmacist prescribing”

“MBS funded practice scope options”

“Increased government remuneration for services and increase to scope of practice”

“Hospital in the home, pharmacist prescribing, professional services”

“Digital health and engagement with the community. Pharmacist prescribing and increased scope of practice to support primary care. New communication modes. Navigating health literacy - particularly for CALD and indigenous communities”

“Fee for services either through government payments or patient pay as you go professional services including diagnostic testing”

“Online presence with direct link to physical location; contactless, fast, secure delivery; increasing perceived value for money; expanding links with allied health professionals and avoiding working in isolation; use of AI and electronic modalities to deliver state of the art services”

“Digital Technology and eCommerce”

EXPERT COMMENTARY

“COVID-19 appears to have energised interest in vaccinations and professional services.”

John Montgomery

COVID-19 has had a positive and negative effect on community pharmacy opportunities. With many pharmacists concerned about workload.”

John Bell

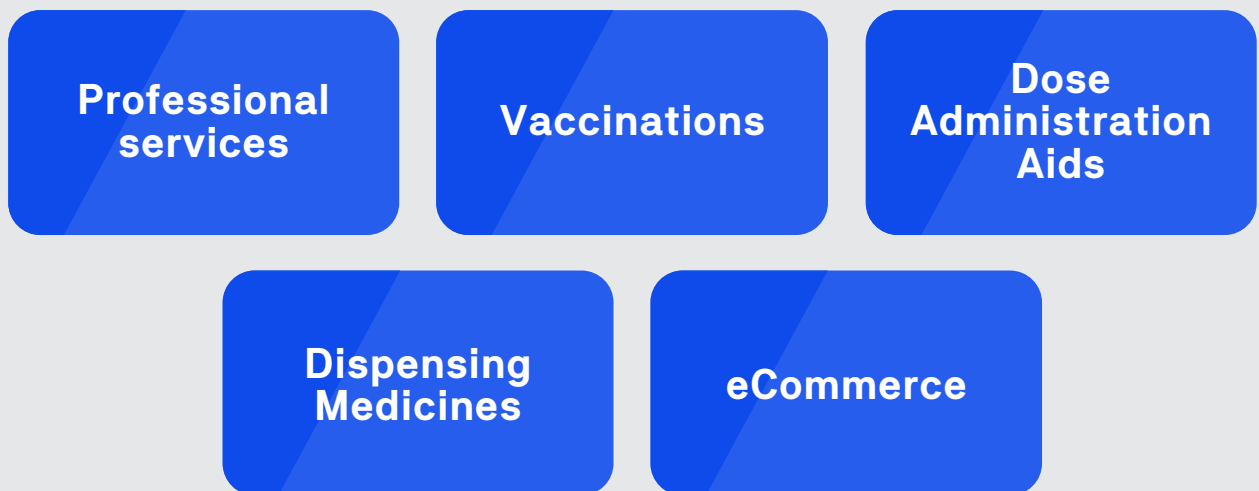
“Pharmacists have been enlightened for the potential of providing non-dispensing pharmacy services.”

Warwick Plunkett

“Pharmacists continue to diversify their services and galvanise their vital role in primary care. At the same time, they recognise the opportunity to meet patient and consumer preferences to engage online.”

Belinda Hegarty

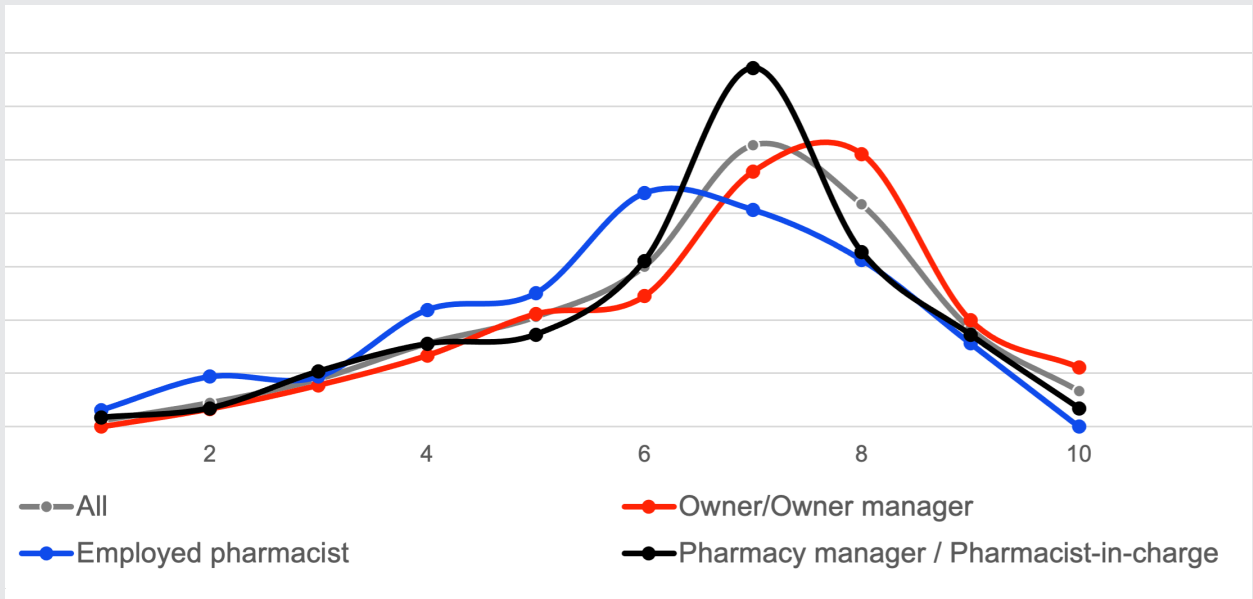
Figure 6: Identified areas of greatest opportunity for community pharmacy in next three years



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 7: 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=116, employed pharmacist: n=64

Respondents were asked to indicate their perceived confidence in the future viability of community pharmacy. Figure 7 demonstrates a skewing of owner/owner managers to a more perceived optimistic position when compared with pharmacy manager/pharmacist in charge and employed pharmacists.

Using a rating system classified as “pessimistic” (between 1 and 3), “neutral” (between 4 and 7) or “optimistic” (between 8 and 10) owner/owner managers had the highest level of optimism with 41.2% of owners being “optimistic” in comparison to 26.7% of pharmacy manager/pharmacist in charge and 25.1% of employed pharmacists. Employed pharmacists were the most “pessimistic” (10.3%), while pharmacy managers/pharmacists in charge were predominately “neutral” (65.5%).

Across all pharmacists there has been a shift in pharmacists' confidence in the future viability of community pharmacy, with a 5.6% shift from neutral to optimistic ratings. Overall the “pessimistic” ratings have remained relatively unchanged (7.2% in wave 11, 7.8% in wave 10), while the “optimistic” ratings have increased (33.3% in wave 11, 27.2% in wave 10) and the “neutral” ratings have decreased (59.4% in wave 11, down from 65% in wave 10).

EXPERT COMMENTARY

“Employed pharmacists are less optimistic maybe as a function of increased workload.”

John Montgomery

“Owner/owner managers continue to have higher perceived optimism than all other pharmacist types.”

Victoria Garcia Cardenas

“There remains a group of people working in the profession that have different views from the owners.”

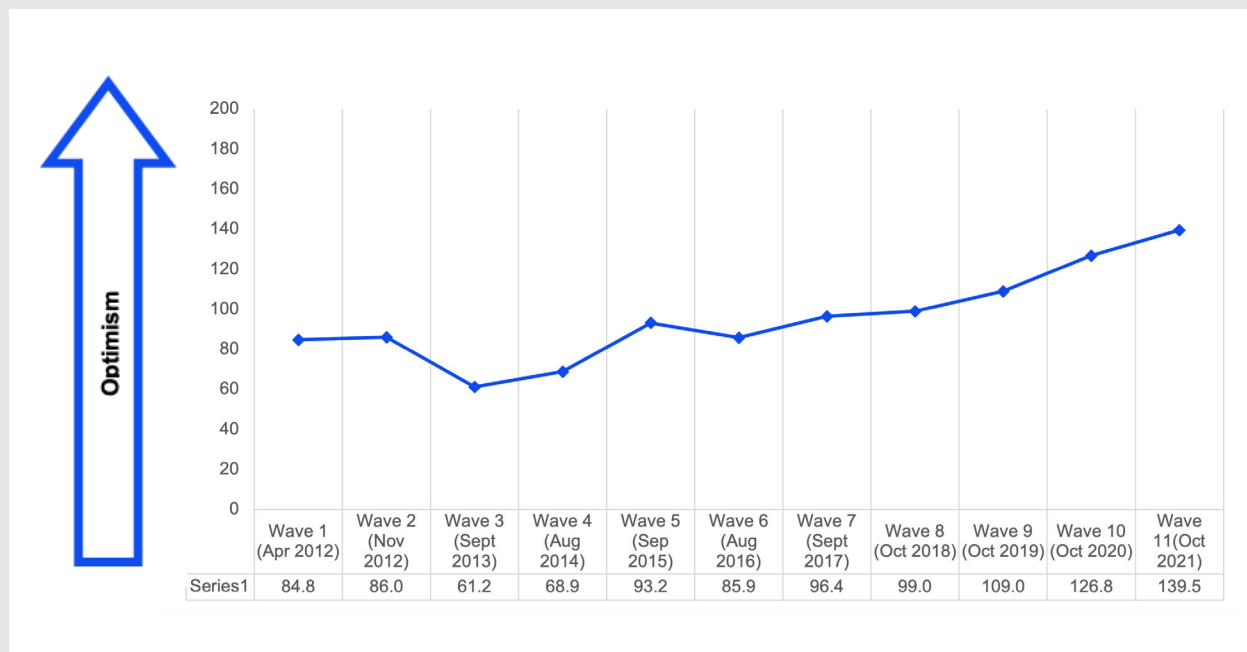
Kylie Williams

“There is a widening in the gap between decision maker and employee pharmacists' perceptions with a potential loss of excellent employees to other practice settings or other industries.”

Charlie Benrimoj

UTS Community Pharmacy Barometer™

Figure 8: UTS Community Pharmacy Barometer Index



*Only those who answered all three Barometer questions were included (Barometer index wave 11: n =264)

The UTS Community Pharmacy Barometer continues to rise, reaching 139.5 in wave 11 doubling from the 2014 index of 68.9. In the past twelve months the index growth has slowed, rising 12.7 points between wave 10 and 11, compared to the previous 17.8 points between wave 9 and 10. The 7th CPA has provided certainty and opportunity. The COVID-19 pandemic is thought to have stimulated the industry, pushing it to further explore changing business models, professional services, expanding roles and additional opportunities for remuneration. COVID-19 has helped to enhance the level of perceived optimism within the profession, however the longer term impact of this stimulus is unknown.

EXPERT COMMENTARY

“The sustained increase in pharmacy confidence over the last 5 years cannot be denied.”

John Montgomery

“This increased confidence in community pharmacy bears well for the future. Community pharmacists have become more aware of their potential roles and opportunities to contribute to public health and to add to their vital role in dispensing. The confidence in and value of the 7th CPA may have contributed significantly to this view.”

Charlie Benrimoj

“Whilst COVID-19 has provided many challenges for community pharmacy, it seems that it has also highlighted opportunities and contributed to increased optimism within the profession.”

Kylie Williams

“Optimism among pharmacy businesses has continued its uninterrupted rise since 2015. Amid the disruption of the pandemic, pharmacy businesses seized an opportunity to innovate in areas from operations to business models, and that’s supporting confidence.”

Belinda Hegarty

Role and remuneration of community pharmacists

Role and remuneration of community pharmacists

Pharmacy is one of the most trusted professions in Australia and has had a strong presence in the community for over 150 years⁵. Pharmacists' scope of practice continues to expand evidenced by an increase in service delivery and increasing roles in vaccination, aged care, disease state management and self-care services. The PSA's "Pharmacists in 2023"⁶ and the Pharmacy Guild's "Community Pharmacy 2025"⁷ both advocate for an enhanced role of the community pharmacist in providing evidence-based services that complement and expand pharmacists current scope of practice.

Adequate and appropriate remuneration of pharmacists is required to support their ability to practice to their full scope. 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 training⁸. Additionally, the 2021 Graduate Outcomes Survey identified pharmacy graduates received the lowest full-time median salary at \$50,000 compared to all other employment outcomes from recent Australian university graduates,

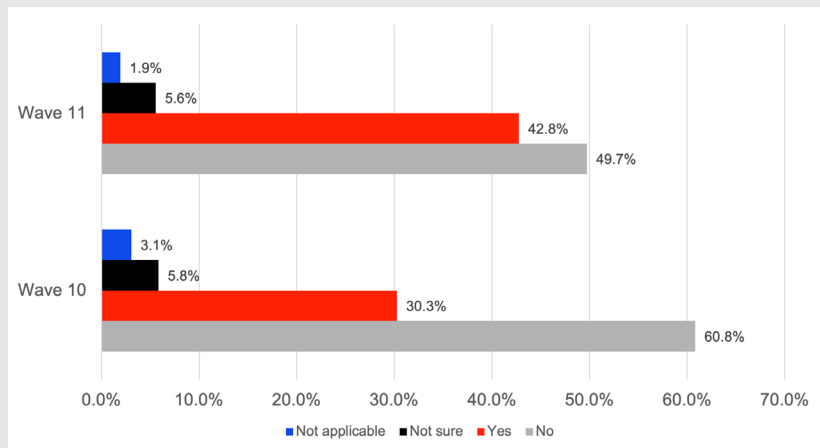
despite having the highest rate of full-time employment⁸. The Professional Pharmacists Australia (PPA) Community and Hospital Pharmacists Employment and Remuneration Report 2019-20 highlighted that discount pharmacies were paying staff on average \$4 less per hour on the basis of median hourly earnings across classifications when compared with other community pharmacies. Additionally, significant differences between community and hospital sector pay were identified with pharmacists working in hospitals experiencing a median salary of up to \$7,500 more each year⁹.

There is growing concern for the future viability of the profession with a recent study finding that the number of registered, working pharmacists in Australia was growing substantially slower than other health professions. With younger pharmacists indicating they are less likely to stay in the profession beyond 10 years¹⁰. Evidence from the UK demonstrates the desire of pharmacists to hold more clinically focused positions with an increasing transition of pharmacists into GP and primary care support roles resulting in a workforce shortage in community pharmacy¹¹.

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5. Pharmaceutical Society of Australia. 2022. Pharmacy as a Career. <<https://www.psa.org.au/career-and-support/pharmacy-as-a-career/>>
 6. Pharmaceutical Society of Australia 2019. Pharmacists in 2023: For patients, for our profession, for Australia's health system. Canberra: PSA.
 7. The Pharmacy Guild of Australia. 2018. Community Pharmacy 2025. Canberra
 8. Quality Indicators for Learning and Teaching. 2021. Graduate Outcomes Survey. <https://www.qilt.edu.au/docs/default-source/default-document-library/2020-gos-national-report.pdf?sfvrsn=290c8289_0>
 9. Professional Pharmacists Australia. 2021. Community and hospital pharmacist's employment and remuneration report 2019-20.
 10. Jackson et al. 2021. Analysis of the demographics and characteristics of the Australian pharmacist workforce 2013-2018: decreasing supply points to the need for a workforce strategy. International Journal of Pharmacy Practice, vol 29, iss 2, pp 178-185
 11. Stearn. 2022. Shortfall of 3,000 community pharmacists in England over 5 years, CCA claims. <[23](https://www.chemistanddruggist.co.uk/CD135894/Shortfall-of-3000-community-pharmacists-in-England-over-5-years-CCA-claims#:~:text=There%20was%20a%20shortfall%20of,Association%20(CCA)%20has%20claimed.>></div><div data-bbox=)

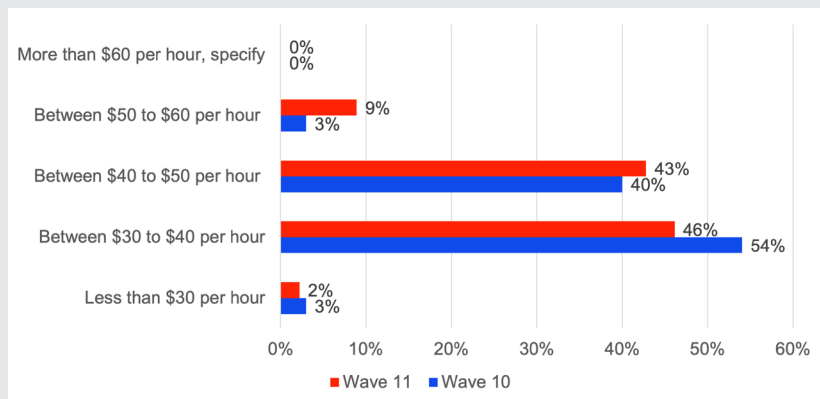
“Has the remuneration level of your pharmacist employee (or if you are an employed pharmacist) increased in the last year?”

Figure 9a: Increases in pharmacist remuneration level in the last year



* wave 11: n= 360, wave 10: n=360

Figure 9b: Hourly rate of remuneration of employee pharmacists



* wave 11: n= 180, wave 10: n=180

Forty two percent of pharmacists indicated that their remuneration level increased in the past twelve months (42.8%), with half of all pharmacists (49.7%) indicating their wage had not increased. When owner/owner managers were asked to specify the average hourly rate for employee pharmacists (Figure 9b), there appears to have been a small upwards shift in wages. Over the last three years the number of pharmacists receiving

\$50-\$60 per hour has increased by 6% (9% in wave 11, up from 3% in wave 9 and 10), while those receiving \$40-\$50 per hour has increased by 4% (43% in wave 11, up from 40% in wave 10 and 39% in wave 9). Constituting a 10% reduction in the lower wage bracket of \$30-\$40 per hour, with 2% of pharmacists on less than \$30.

Approximately half of employee pharmacists (49.7%) appear not to be experiencing wage growth.

EXPERT COMMENTARY

“Over the last four years we are seeing a shift from the lower end wages of \$30-\$40 to \$40-\$50 per hour.”

Warwick Plunkett

“For the vast majority of pharmacists wages are not changing. This could be a contributing factor for the differences in confidence of the industry between owners and employees.”

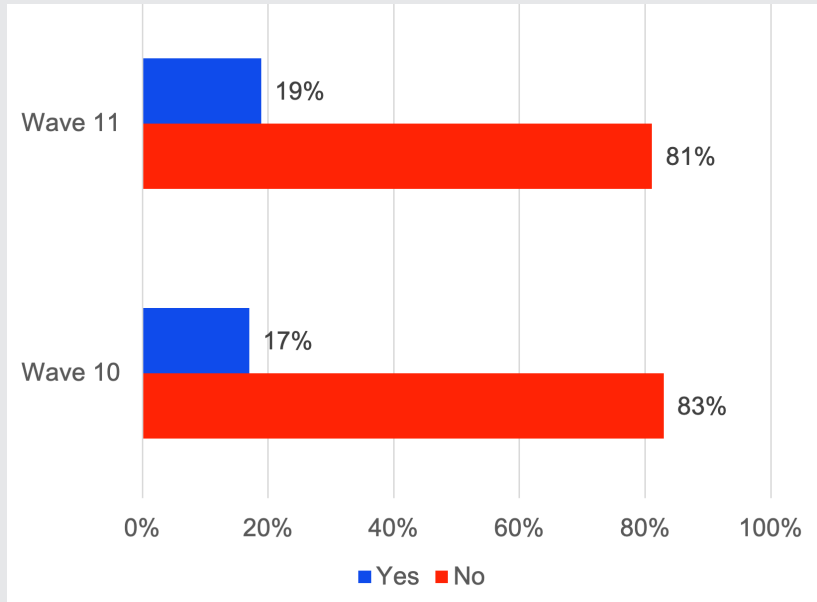
Charlie Benrimoj

COVID-19 has seen pharmacies employ pharmacists for vaccination services, appearing to facilitate greater wage negotiation and generally higher pay.”

Kylie Williams

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

Figure 10a: Role of any employed pharmacist dedicated mainly to the provision of professional services (n=180)



EXPERT COMMENTARY

“For most pharmacies, the model of employing full time service providers is not a feasible option. Currently, it is not financially viable.”

John Bell

“The data is showing a decrease of fulltime pharmacist providers practice model. The implications of these data may affect the evolution of the expanding scope of practice and could have negative strategic implications for community pharmacy.”

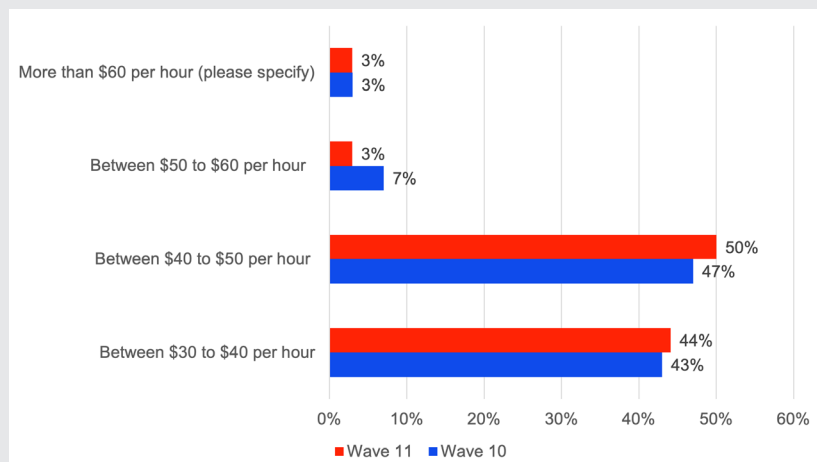
Charlie Benrimoj

The expenditure associated with hiring a pharmacist solely dedicated to delivery of professional services appears not to be feasible given the maximum caps set for some services and funding arrangements under the 7CPA. Consistent with findings from

the previous two waves, responders appear to not consider this position economically sustainable (81% in wave 11, 83% in wave 10 and 85% in wave 9). The extent to which this model is accepted and suitable for pharmacist employees is unclear. Owner/owner managers appear not to be seeing

the benefit in employing a pharmacist solely dedicated to service provision. Instead, owner/owner managers are opting to utilise existing pharmacy staff to expand their role and duties within the pharmacy.

Figure 10b: Average hourly rate of service provider



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 to previous years there are the same percentage of pharmacists earning top tier hourly wages of \$60 or more per hours (3%), whilst those earning \$50-\$60 per hour decreased by 8% over the last three years, (4% decrease in wave 11). The average hourly rates of pay of the majority of pharmacy service providers were higher than those of employed pharmacists, averaging between \$40 to \$50 per hour (50% in wave 11, up from 47% in wave 10 and 37% in wave 9).

* wave 11: n= 34, wave 10: n=30



Collaboration with other Health Care Providers

Collaboration with other Health Care Providers

Pharmacists have a specialised set of skills and expertise about medicines and their use that they bring to a multi-disciplinary team and patients. Collaboration between health care providers has become an integral part of good clinical practice, especially as patient care becomes increasingly complex. Internationally collaborative practice has been identified as an opportunity to utilise individual provider skill sets more appropriately¹².

Compared to other countries, Australia is considered to lag behind in terms of integrating community pharmacy into the broader health care environment, with this partly attributed to the structure of health policy development and implementation that result in silos within and across jurisdictions¹³. Efforts to open up health service delivery in ways that enhance access, efficiency and coordination, have been seen as a threat rather than an opportunity to deliver more cost-effective health outcomes.

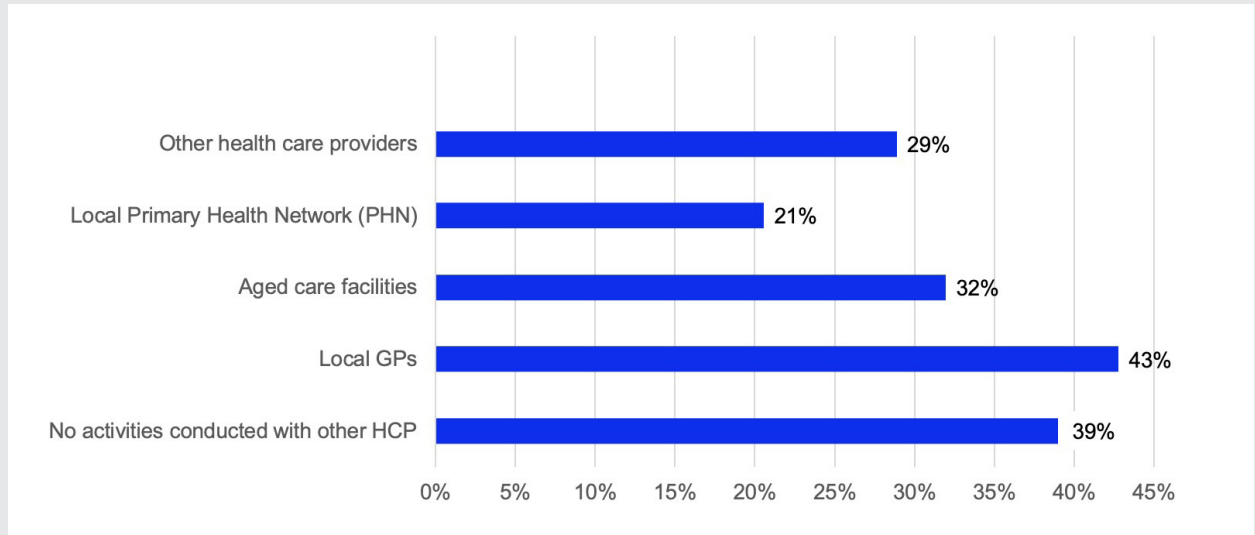
Slowly governments and private health providers are beginning to embrace an integrated approach to health service delivery, however there is a risk that these initiatives will exclude community pharmacy from the broader primary health care system⁴. Some community pharmacies are taking the initiative to position themselves as health destinations able to deliver health solutions in a high-quality health setting and establishing their own independent collaborative practice strategies.

12. International Pharmaceutical Federation. 2009. Collaborative Practice. The Hague, The Netherlands.

13. The Pharmacy Guild of Australia. 2020. Part Five- The future of pharmacy. <https://www.guild.org.au/resources/_archived/pharmacy-review/part-5-the-future-of-pharmacy>

“Are you conducting activities in conjunction with any of the following healthcare providers?”

Figure 11: Activities with other HCPs (n=360)



The main health care professional that pharmacists are conducting activities in conjunction with are GPs (43%), while 1 in 5 pharmacies are conducting activities in collaboration with their local PHN (21%) and 1 in 3 with aged care facilities (32%). It is difficult to determine whether the same pharmacies are providing collaborative activities across all or some of the above or whether pharmacies are choosing to focus their collaborative efforts in one space. However 139 (39%) responders from the sample (n=360) indicated that they are not conducting activities with any other healthcare providers.

Pharmacists were asked to indicate what types of activities they were conducting in conjunction with local healthcare professionals according to setting (general practice, aged care, Primary Health Network). A wide variety of activities were reported across all pharmacist types and settings with Figure 12 highlighting the most commonly reported activities undertaken. The classification of what constitutes a collaborative activity remains open for interpretation.

Figure 12a: Activities conducted in conjunction with local GPs

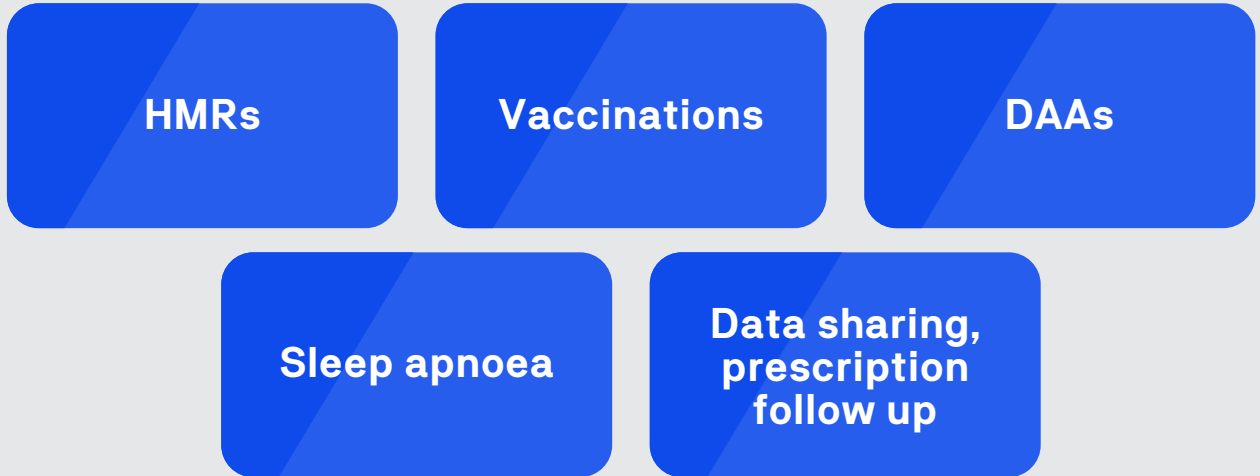
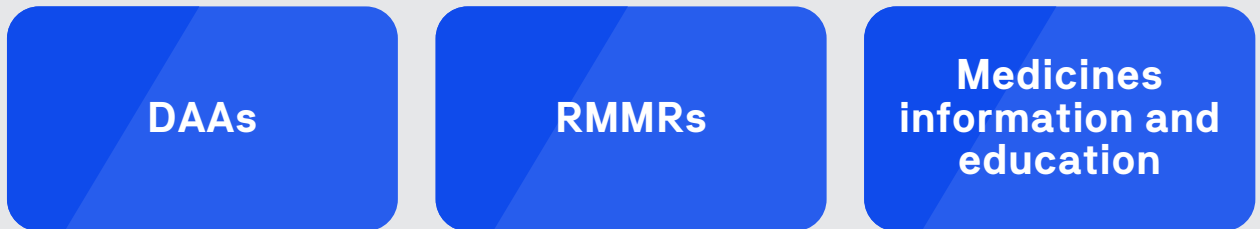


Figure 12b: Activities conducted in conjunction with aged care facilities



When asked to comment about the activities undertaken in collaboration with their local Primary Health Network pharmacists predominately highlighted activities relating to health promotion and training. This included activities such as CPD events, networking opportunities, health promotion activities such as healthy eating, weight loss and mental health. COVID-19 support through the provision of PPE and training was also highlighted.

Pharmacists were asked to indicate what other healthcare providers they were collaborating with and the type of collaborative activities they were undertaking with these HCPs.

Figure 13a: HCPs pharmacists are collaborating with



Figure 13b: Types of collaborative activities undertaken



EXPERT COMMENTARY

Collaboration is critical to the pharmacists’ role as part of the front-line healthcare team yet almost 40% of the sample indicated no collaboration with other HCPs.”

John Montgomery

“These results make me question just what is the pharmacist’s interpretation of conducting an activity with other health care providers? Realistically community pharmacists can’t practice without collaborating with their local GPs?”

John Bell

“It is very surprising that about one third of pharmacies are not collaborating at any level with the listed healthcare providers.”

Kylie Williams

“While many pharmacists are actively working with other local healthcare providers, there continues to be opportunity for better collaboration and connectivity across the primary health ecosystem.”

Belinda Hegarty

COVID-19

COVID-19

The COVID-19 pandemic has highlighted the accessibility and trust people have in pharmacists as health care professionals as well as the integral role they play as part of the front-line health care team. Throughout the pandemic pharmacists have played a pivotal role in providing vaccination, Rapid Antigen Tests, counselling, education and support to patients whilst facing increasing challenges such as PPE shortages, medication shortages, new technology, workflow changes and mental health stress. Being an essential service, pharmacies have remained open and accessible, unlike other health care professionals and retailers, during the pandemic.

The inclusion of community pharmacists in the national COVID-19 vaccination program since May 2021 has helped to accelerate the access of essential healthcare to millions of Australians and is a critical element in helping to reach maximal national uptake of vaccines. The acceptance of communities to receiving vaccinations in pharmacies is reflected in the rapid uptake¹⁴. Pharmacist immunisers' scope of practice has continued to expand with the ongoing evolution of the pandemic, with pharmacists now able to vaccinate both adult and paediatric populations. At the time of the UTS Barometer Survey pharmacists were only able to administer vaccinations to adult populations.

Pharmacy advocacy group The Pharmaceutical Society of Australia continues to call for equal pay for COVID-19 vaccination services, to that received by other providers. Pharmacists receive a flat \$26 for administering a booster vaccine, whilst GPs may be able to claim dose administration (\$34.45), and a suitability assessment (\$39.10) for a total \$73.55. If all three doses and a COVID-19 Vaccine Suitability Assessment are provided by the same practitioner, in a major city, a pharmacist would receive \$68, whilst a GP would receive \$139.05¹⁵.

Pharmacies have been required to shift their operations, implement pandemic preparedness plans and adjust workflow to ensure continuity of access to essential health services. Without fair and equitable remuneration for all COVID-19 services provided in community pharmacy, the Government risks a delay in ongoing healthcare initiatives.

“Local community pharmacists have administered over 6,000,000 COVID-19 vaccine doses”

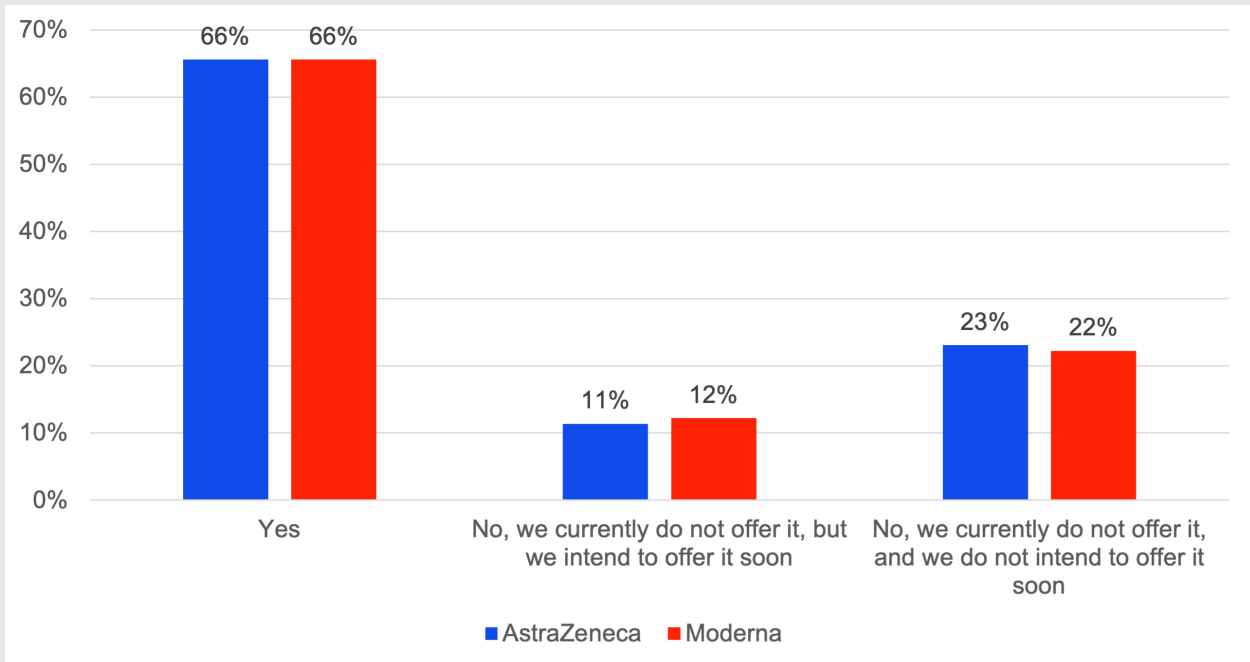
Pharmacy Guild Australia
(March, 2022)

14. The Pharmacy Guild of Australia. 2022. 6m vaccinations through community pharmacy. <<https://www.guild.org.au/news-events/news/forefront/v12n03/6m-vaccinations-through-community-pharmacy>>

15. Pharmaceutical Society of Australia. 2022. Vaccine pay parity well overdue. <<https://www.psa.org.au/vaccine-pay-parity-well-overdue/>>

“Are you currently offering COVID-19 vaccinations at your pharmacy?”

Figure 14: COVID-19 vaccinations Oct 2021 (n=360)



EXPERT COMMENTARY

“Vaccinations have helped to instill confidence and demonstrate that it is possible for community pharmacies to successfully implement professional services.”

Charlie Benrimoj

Little doubt in my mind that COVID-19 vaccination services has enhanced the opportunity pharmacists see associated with professional services delivery.”

Warwick Plunkett

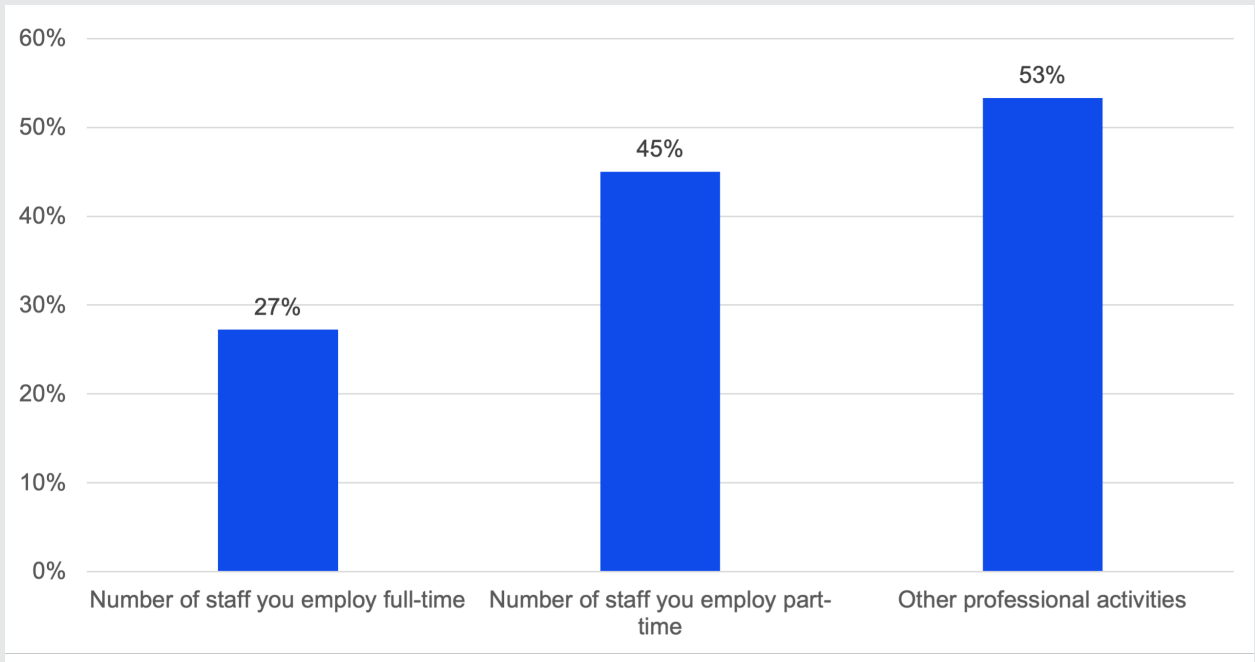
“It’s fantastic to see pharmacists getting involved in providing vaccinations in large numbers, despite current remuneration levels.”

Kylie Williams

The pharmacist workforce has responded positively to the call to participate in the national COVID-19 immunisation roll out. By March 2022, 3,500 pharmacies have delivered and received remuneration for approximately 6.5 million COVID-19 vaccinations. In October 2021 two thirds of pharmacists indicated their pharmacies were participating in the vaccination program (66%), while 22% of pharmacists indicated that their pharmacy did not intend to offer the service anytime soon. Pharmacists have fast become a major contributor to the successful national COVID-19 immunisation program.

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

Figure 15: Impact of COVID-19 (n=360)



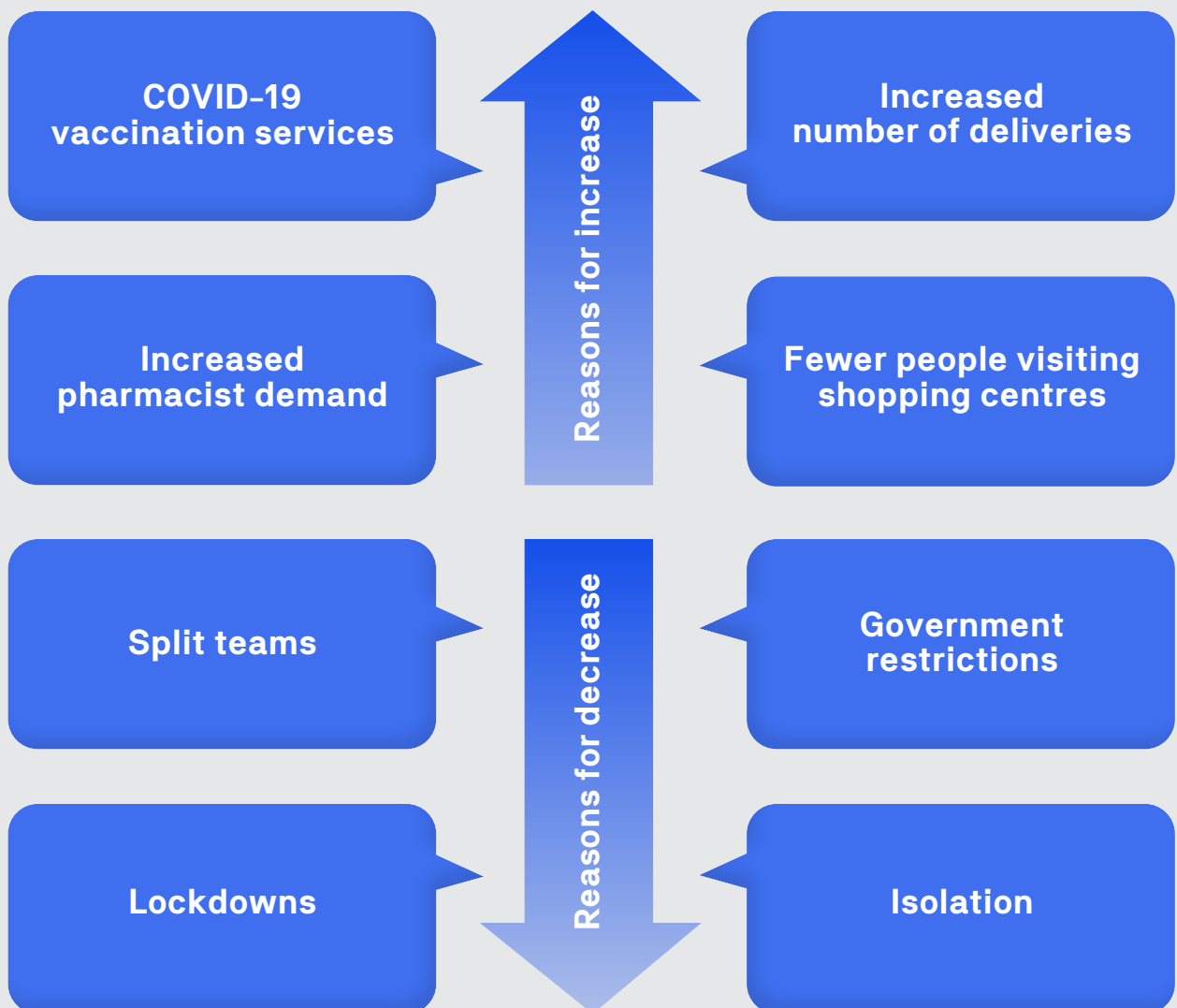
Pharmacists were asked to comment on whether COVID-19 has impacted their professional and business activities. The major area of impact was in relation to professional activities with 53% of responders being impacted. When asked specifically about impacts to staffing arrangements 45% of pharmacists indicated that the number of part-time staff employed had changed and 27% indicated that the number of full-time staff employed had been impacted.

“How has staffing changed due to COVID-19?”

Pharmacists were asked to specifically identify how COVID-19 had impacted staffing changes. Where pharmacies indicated there was a decrease in staffing levels it was predominately associated with the need to split teams to prevent cross contamination and support periods of rest, government

mandated lockdowns and isolation affecting staffing due to COVID-19 exposure. Contrastingly where pharmacies indicated there was an increase in staffing levels it has been associated with the increased demand and availability of pharmacy services as they remained open and accessible throughout the pandemic.

Figure 16: Staffing changes due to COVID-19 pandemic (n=360)



“What other professional activities have been affected by COVID-19?”

Of the 53% of pharmacists that indicated ‘other professional activities’ were impacted as a result of COVID-19 they were asked to indicate what activities had specifically been affected. The most prominent themes included reductions in MedsChecks and other medication management services, pharmacy screening and monitoring services, vaccinations, deliveries, DAAs and workflow.

“Reduction in all professional and face-to-face services”

“Stock availability”

“Service provision to adequate standards”

“Time spent with consumer”

“Our work flow has had to change to accommodate store capacity, regular cleaning, asking unwell customers to wait outside, making sure people check in etc”

“Decrease in counselling and MedsChecks”

“Reduced ability to assist in blood sugar monitoring”

The potential of COVID-19 to impact mental health and wellbeing has been well recognised. In addition to concerns around contracting the virus itself, some of the measures necessary to contain its spread are also likely to negatively impact mental health. The introduction of widespread restrictions on movement, including social distancing measures and physical isolation or ‘lockdowns’, has contributed to or exacerbated long term mental health illness¹⁶.

EXPERT COMMENTARY

“COVID-19 has had both a positive and negative effect on community pharmacy opportunities. With many pharmacists concerned about workload.”

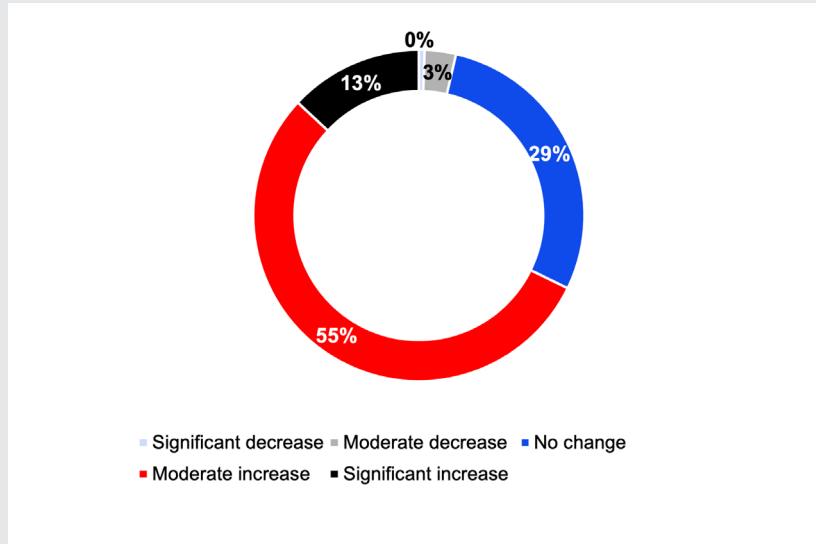
John Bell

“The COVID-19 experience could and has already probably impacted the traditional face to face delivery of services and goods. It could critically stimulate the delivery of services through Tele-pharmacy. The longer or medium term effect might even affect our view of the brick and mortar community pharmacy.”

Charlie Benrimoj

“Compared to twelve months ago, how has the number of patients talking to you about their mental health changed?”

Figure 17: Effect of COVID-19 on mental health (n=360)



EXPERT COMMENTARY

“It’s not surprising that peoples’ mental health has been impacted by the COVID-19 pandemic. It’s great that pharmacists are available to support them.”
Kylie Williams

“Pharmacy businesses have done a tremendous job to manage the disruption to their people and operations and respond to changing patient preferences during the pandemic. They are now taking lessons learned about resilience and adaptability forward.”

Belinda Hegarty

Half of all pharmacists (55%) have indicated that the number of patients talking to them about mental health has moderately increased over the past twelve months, with a further 13% indicating a significant increase in mental health conversations.

This is supported by a spike in the volume of mental health related PBS prescriptions dispensed following the first round of COVID-19 restrictions implemented in Australia¹⁶.

16. Australian Institute of Health and Welfare. 2021. Mental health services in Australia. <https://www.aihw.gov.au/getmedia/56ee7ea4-e211-49d8-85e4-853c01762aef/Mental-health-impact-of-COVID-19_1.pdf.aspx>

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 market¹⁷. 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.

In the 2020-21 financial year, biologics accounted for 8 of the top 10 Pharmaceutical Benefits Scheme (PBS) subsidised medicines by expenditure¹⁸. A challenge for the PBS is to achieve a balance between allowing access to new and innovative medicines and containing costs. After the patents on reference biologics expire, competing manufacturers are able to market biosimilars, which are highly similar versions of a reference (sometimes called 'originator') biologic. This provides a driver for market competition and potential savings for the PBS²⁰.

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17. Australian Government Department of Health. 2017. Biosimilar Awareness Initiative, <<http://www.health.gov.au/internet/main/publishing.nsf/Content/biosimilar-awareness-initiative>>
 18. Australian Government Department of Health. 2020. PBS Expenditure and Prescriptions Report 1 July 2019 to 30 June 2020. PBS Information Management Section, Pricing and PBS Policy Branch. Canberra.
 19. Taylor C, Jan S. 2017. Economic evaluation of medicines. Australian Prescriber. Vol 40. Pp76-78
 20. Australian Government Department of Health. 2017. Why are biosimilar medicines important? <[39](https://www1.health.gov.au/internet/main/publishing.nsf/Content/biosimilar-why-are-biosimilar-medicines-important#:~:text=In%20Australia%2C%20most%20medicines%20are,be%20sustainable%20into%20the%20future.>></div><div data-bbox=)

“Number and proportion of prescriptions received in the last month for both reference and biosimilar biological medicine”

Figure 18a: Proportion of reference and biosimilar biological medicines (n=313)

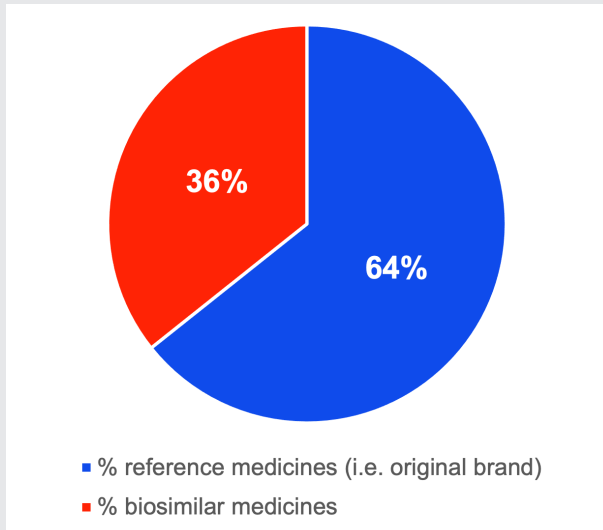
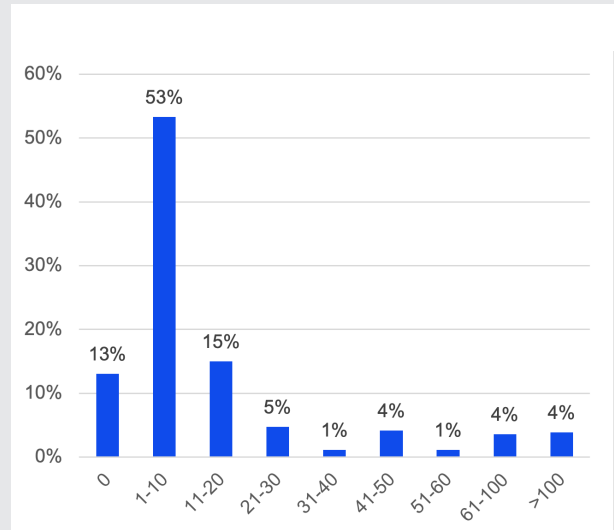


Figure 18b: Number of reference and biosimilar biological medicine prescriptions (n=348)



Of the total biosimilar prescriptions received in community pharmacies over the previous month, 64% of prescriptions were for the reference medicine compared with 36% for the biosimilar medicine. It appears that despite the Biosimilar prescribing policy encouraging prescribers to utilise biosimilar brands in treatment

naïve patients, the majority of prescribers continue to prescribe the reference medicine. The uptake and prescribing of biosimilar medicine remains relatively low, evidenced by over 50% of pharmacies receiving only 1-10 biosimilar medicine prescriptions per month.

“What is your level of confidence and preparedness of biosimilar substitution and dispensing?”

Figure 19a: Level of confidence on biosimilar substitution (n=360)

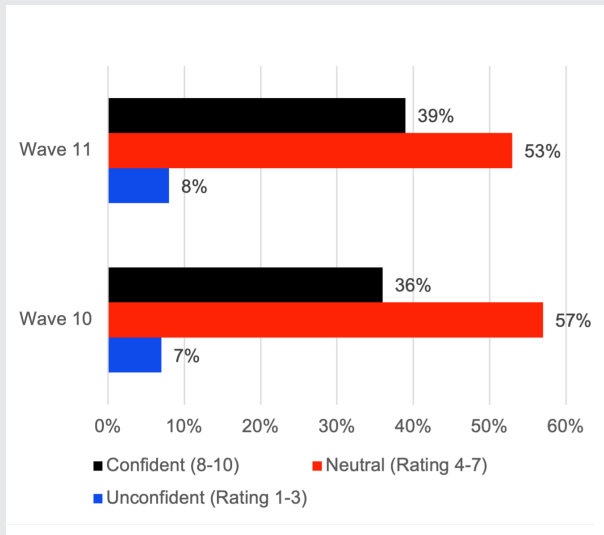
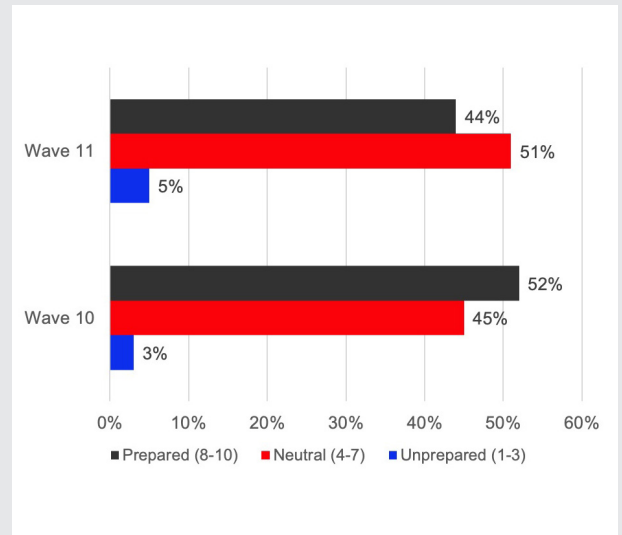


Figure 19b: Level of perceived preparedness to dispense biosimilars (n=360)



While pharmacist confidence levels in biosimilar substitution have increased by 3% (39% in wave 11, up from 36% in wave 10), it is concerning that their perceived level of preparedness in dispensing of biosimilar medicines has decreased by 8% (44% in wave 11, down from 52% in wave 10). Unremarkably

pharmacists continue to remain overall neutral in their confidence (53%) and preparedness (51%) for biosimilar substitution and dispensing. Could it be that the biosimilars market is plateauing and if at such a low level what are the future implications of this?

EXPERT COMMENTARY

“Preparedness to dispense biosimilars has decreased significantly while level of confidence to substitute has only increased slightly. These are not promising signs for biosimilar adoption which is critical to PBS sustainability.”

John Montgomery

Conclusion

The 11th UTS Pharmacy Barometer of October 2021 shows that..

- The **UTS Pharmacy Barometer** was **139.5**, doubling over the past seven years and highlighting the increasing optimism pharmacists have in the profession despite all the recent challenges.
- Optimism and confidence are high, pharmacists are utilising the financial stimuli provided by the 7th CPA and during COVID-19 to further enhance their business opportunities moving forward.
- Pharmacists' efforts over the past 18 months have been recognised and slight remuneration increases have been demonstrated.
- COVID-19 has been challenging resulting in changes to business and professional operations. Pharmacists are adapting well to these ongoing changes and developing strategies moving forward to be better prepared.
- Collaboration with other health care providers does not appear to be widespread practice with only 3 in 5 pharmacists having some sort of collaborative activity. Greatest collaboration is occurring between pharmacists and GPs and pharmacists and aged care settings.
- Stagnation of the confidence and preparedness of pharmacists' role in the provision of biosimilars is concerning given they account for one of the PBS' largest expenditures.

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