

EXPLANATORY STATEMENT

NATIONAL HEALTH ACT 1953

NATIONAL HEALTH (HIGHLY SPECIALISED DRUGS PROGRAM) SPECIAL ARRANGEMENT AMENDMENT (JUNE UPDATE) INSTRUMENT 2024

PB 55 of 2024

Purpose

This is the *National Health (Highly Specialised Drugs Program) Special Arrangement Amendment (June Update) Instrument 2024* (PB 55 of 2024) (this Instrument). The purpose of this Instrument, made under subsection 100(2) of the *National Health Act 1953* (the Act), is to amend the *National Health (Highly Specialised Drugs Program) Special Arrangement 2021* (PB 27 of 2021) (the Special Arrangement), to make changes to the Special Arrangement relating to the Highly Specialised Drugs (HSD) Program.

The amendments made by this Instrument reflect amendments to the *National Health (Listing of Pharmaceutical Benefits) Instrument 2024* (PB 26 of 2024), which commence on the same day. The *National Health (Listing of Pharmaceutical Benefits) Instrument 2024* (PB 26 of 2024) is made under sections 84AF, 84AK, 85, 85A, 88 and 101 of the Act.

Schedule 1 to this Instrument provides for the addition of a form of the listed drug ivacaftor and the addition of brands of the listed drugs azacitidine and plerixafor. It also provides for the deletion of forms of the listed drug raltegravir, the deletion of brands of the listed drugs ambrisentan, bosentan, lamivudine with zidovudine, and mycophenolic acid and for the alteration of circumstances in which a prescription may be written for the listed drugs ciclosporin, ivacaftor, mepolizumab, riociguat, and ruxolitinib under the Special Arrangement.

These changes are summarised, by subject matter, in the Attachment.

Authority

Subsection 100(1) of the Act enables the Minister to make special arrangements for the supply of pharmaceutical benefits.

Subsection 100(2) of the Act provides that the Minister may vary or revoke a special arrangement made under subsection 100(1).

Subsection 100(3) of the Act provides that Part VII of the Act, and instruments made for the purposes of Part VII have effect subject to a special arrangement made under subsection 100(1).

Consultation

The amendments made by this Instrument accord with recommendations made by the Pharmaceutical Benefits Advisory Committee (PBAC).

An ongoing and formal process of consultation in relation to matters relevant to the Special Arrangement includes the involvement of interested parties through the membership of the PBAC.

PBAC is an independent expert body established by section 100A of the Act which makes recommendations to the Minister about which drugs and medicinal preparations should be available as pharmaceutical benefits. PBAC members are appointed following nomination by prescribed organisations and associations from consumers, health economists, practising community pharmacists, general practitioners, clinical pharmacologists and specialists, with at least one member selected from each of those interests or professions. Remaining members are persons whom the Minister is satisfied have qualifications and experience in a field relevant to the functions of PBAC, and that would enable them to contribute meaningfully to the deliberations of PBAC. In addition, an industry nominee has been appointed to the PBAC membership. When recommending the listing of a medicine on the Pharmaceutical Benefits Scheme (PBS), PBAC takes into account the medical conditions for which the

medicine has been approved for use in Australia, its clinical effectiveness, safety and cost-effectiveness compared with other treatments.

Pharmaceutical companies were consulted throughout the process of changes to the listings on the PBS. This includes consultation through the PBAC process.

Further consultation for this Instrument was considered unnecessary due to the nature of the consultation that has already taken place in the decision to list the medications outlined under 'Purpose'.

Details of this Instrument are set out in the Attachment.

This Instrument commences on 1 June 2024.

This Instrument is a legislative instrument for the purposes of the *Legislation Act 2003*.

DETAILS OF THE NATIONAL HEALTH (HIGHLY SPECIALISED DRUGS PROGRAM) SPECIAL ARRANGEMENT AMENDMENT (JUNE UPDATE) INSTRUMENT 2024

Section 1 Name of Instrument

This section provides that the name of the Instrument is the *National Health (Highly Specialised Drugs Program) Special Arrangement Amendment (June Update) Instrument 2024* and may also be cited as PB 55 of 2024.

Section 2 Commencement

This section provides that this Instrument commences on 1 June 2024.

Section 3 Authority

This section states that this instrument is made under subsection 100(2) of the *National Health Act 1953*.

Section 4 Schedules

This section provides that each instrument that is specified in a Schedule to the Instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to the Instrument has effect according to its terms.

Schedule 1 Amendments

The amendments in Schedule 1 involve the addition and deletion of forms of listed drugs, the addition and deletion of brands of listed drugs, and the alteration of circumstances in which a prescription may be written for various listed drugs available under the Special Arrangement. These changes are summarised below.

SUMMARY OF CHANGES TO THE HIGHLY SPECIALISED DRUGS PROGRAM MADE BY THIS INSTRUMENT

Form Added

<i>Listed Drug</i>	<i>Form</i>
Ivacaftor	Sachet containing granules 25 mg

Forms Deleted

<i>Listed Drug</i>	<i>Form</i>
Raltegravir	Tablet 25 mg (as potassium) Tablet 100 mg (as potassium)

Brands Added

<i>Listed Drug</i>	<i>Form and Brand</i>
Azacitidine	Powder for injection 100 mg (<i>AZACITIDINE EUGIA</i>)
Plerixafor	Injection 24 mg in 1.2 mL (<i>PLERIXAFOR EUGIA</i>)

Brands Deleted

<i>Listed Drug</i>	<i>Form and Brand</i>
Ambrisentan	Tablet 5 mg (<i>Ambrisentan Mylan</i>)
Bosentan	Tablet 62.5 mg (as monohydrate) (<i>Tracleer</i>) Tablet 125 mg (as monohydrate) (<i>Tracleer</i>)
Lamivudine with zidovudine	Tablet 150 mg 300 mg (<i>Lamivudine 150 mg + Zidovudine 300 mg Alphapharm</i>)
Mycophenolic acid	Tablet containing mycophenolate mofetil 500 mg (<i>Noumed Mycophenolate</i>)

Alteration of Circumstances in Which a Prescription May be Written

<i>Listed Drug</i>
Ciclosporin
Ivacaftor
Mepolizumab
Riociguat
Ruxolitinib

Documents Incorporated by Reference

<i>Listed Drug</i>	<i>Document incorporated</i>	<i>Document access</i>
Ivacaftor Riociguat	Approved Product Information/Australian Product Information/TGA-approved Product Information. The document is incorporated as in force on the day this Instrument takes effect, pursuant to paragraph 14(1)(b) of the <i>Legislation Act 2003</i> . This document provides health professionals with a summary of the scientific information relevant to the safe and effective use of a prescription medicine.	TGA-approved Product Information is available for download for free from the TGA website: https://www.tga.gov.au/product-information-0
Ciclosporin	Psoriasis Area Severity Index (PASI). The document is incorporated as in force on the day this Instrument takes effect, pursuant to paragraph 14(1)(b) of the <i>Legislation Act 2003</i> . The PASI is a widely used tool that enables measurement of the severity and extent of baseline and response of therapy in psoriasis.	The PASI calculation form is available for download for free from the Services Australia website: https://www.servicesaustralia.gov.au/ and forms part of the SA authority application process.

Riociguat **World Health Organization (WHO) Functional Classes for chronic thromboembolic pulmonary hypertension (CTEPH).** The WHO Functional Class system for CTEPH is available for download for free from the Pulmonary Hypertension Association Australia website: <https://www.phaaustralia.com/page/11/classification-of-pulmonary-hypertension>

The document is incorporated as in force on the day this Instrument takes effect, pursuant to paragraph 14(1)(b) of the *Legislation Act 2003*.

The WHO classification of tumours of haematopoietic and lymphoid tissues is a pathologic classification system for hematolymphoid neoplasms which is used as an international standard for oncologists and pathologists in determining diagnostic criteria, pathological features, and associated genetic alterations.

Diagnostic tools referenced in the Instrument

The following standard medical diagnostic tools are referenced in the Instrument but are not intended to incorporate a document by reference.

Listed Drug	Diagnostic tool	Purpose and use in the Instrument	Reason this reference does not serve to incorporate a document
Riociguat	Right heart catheterization (RHC) composite assessment	RHC is a diagnostic procedure used to measure pulmonary artery pressures and thus evaluate whether a patient has pulmonary hypertension or not, and sometimes what is causing the pulmonary hypertension. RHC composite assessment is a range of haemodynamic assessment comprising the measurement of cardiac output, mixed venous oxygen saturation, mean pulmonary arterial pressure, pulmonary artery wedge pressure, right atrial pressure and right ventricular pressure. Measurement must be reported on as part of the authority application for a number of PBS listed drugs.	The RHC composite assessment is part of the standard diagnostic work-up for Pulmonary Arterial Hypertension and does not constitute a written record of information that must be referred to in order to determine whether statutory conditions have been met.
Riociguat	Echocardiography (ECHO) composite assessment	ECHO is an ultrasound of the heart used to estimate the pulmonary artery pressures using mathematical equations and thus evaluate whether a patient has pulmonary hypertension. ECHO composite assessment is a range of haemodynamic assessment comprising the measurement of pulmonary artery systolic pressure, right ventricular	The ECHO composite assessment is part of the standard diagnostic work-up for Pulmonary Arterial Hypertension and does not constitute a written record of information that must be referred to in order to determine whether statutory conditions have been met.

systolic pressure, right atrial pressure.

Measurement must be reported on as part of the authority application for a number of PBS listed drugs.

Riociguat

Six Minute Walk Test (6MWT)

To measure patient motor functioning (physical movement abilities) in any assessment of whether the drug is providing the patient with a clinically meaningful response to treatment.

The PBS restriction requires use of standardised measures of patient motor function in assessing whether the treatment has resulted in a clinically meaningful response, but only where it is practical to do so. Such measures are not limited to this particular instrument. Therefore the reference does not serve to incorporate a document.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

National Health (Highly Specialised Drugs Program) Special Arrangement Amendment (June Update) Instrument 2024

(PB 55 of 2024)

This Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Instrument

The purpose of this Instrument, made under subsection 100(2) of the *National Health Act 1953* (the Act), is to amend the *National Health (Highly Specialised Drugs Program) Special Arrangement 2021* (PB 27 of 2021) (the Special Arrangement), to make changes to the Special Arrangement relating to the Highly Specialised Drugs Program.

The pharmaceutical benefits supplied under the Special Arrangement are for the treatment of chronic conditions which, because of their clinical use or other special features, may only be supplied to patients receiving specialised treatment.

Human Rights Implications

This Instrument engages Articles 9 and 12 of the International Covenant on Economic Social and Cultural Rights (ICESCR), specifically the rights to social security and health.

The Right to Social Security

The right to social security is contained in Article 9 of the ICESCR. It requires that a country must, within its maximum available resources, ensure access to a social security scheme that provides a minimum essential level of benefits to all individuals and families that will enable them to acquire at least essential health care. Countries are obliged to demonstrate that every effort has been made to use all resources that are at their disposal in an effort to satisfy, as a matter of priority, this minimum obligation.

The UN Committee on Economic Social and Cultural Rights reports that there is a strong presumption that retrogressive measures taken in relation to the right to social security are prohibited under ICESCR. In this context, a retrogressive measure would be one taken without adequate justification that had the effect of reducing existing levels of social security benefits, or of denying benefits to persons or groups previously entitled to them. However, it is legitimate for a Government to re-direct its limited resources in ways that it considers to be more effective at meeting the general health needs of all society, particularly the needs of the more disadvantaged members of society.

The Right to Health

The right to the enjoyment of the highest attainable standard of physical and mental health is contained in Article 12(1) of the ICESCR. The UN Committee on Economic Social and Cultural Rights (the Committee) has stated that the right to health is not a right for each individual to be healthy, but is a right to a system of health protection which provides equality of opportunity for people to enjoy the highest attainable level of health.

The Committee reports that the 'highest attainable standard of health' takes into account the country's available resources. This right may be understood as a right of access to a variety of public health and health care facilities, goods, services, programs, and conditions necessary for the realisation of the highest attainable standard of health.

Analysis

This Instrument advances the right to health and the right to social security by ensuring that the amendments to the *National Health (Listing of Pharmaceutical Benefits) Instrument 2024* (the Listing Instrument), that affect the pharmaceutical benefits that may be supplied under the Special Arrangement, are made concurrently. This Instrument provides for the addition of a form of the listed drug ivacaftor, and the addition of brands of the listed drugs azacitidine and plerixafor. It also provides for the deletion of forms of the listed drug the ivacaftor, and the deletion of brands of the listed drugs ambrisentan, bosentan, lamivudine with zidovudine, and mycophenolic acid.

The Listing Instrument determines the pharmaceutical benefits that are on the Pharmaceutical Benefits Scheme (PBS) through declarations of drugs and medicinal preparations, and determinations of forms, manners of administration and brands. The PBS is a benefit scheme which assists with advancement of these human rights by providing for subsidised access by patients to medicines. The recommendatory role of the Pharmaceutical Benefits Advisory Committee (PBAC) ensures that decisions about subsidised access to medicines on the PBS are evidence-based.

When a sponsor submits a request to delist a drug from the PBS, subsection 101(4AAB) of the *National Health Act 1953* requires that the Minister or their delegate obtain advice from the Pharmaceutical Benefits Advisory Committee (PBAC), an independent and expert advisory body, before varying or revoking declarations under subsection 85(2) so as to delist the drug. In these instances, one of the matters which the PBAC provides advice on is whether the delisting of a drug will result in an unmet clinical need for patients. The PBAC also considers whether the delisting of a form of a drug will result in an unmet clinical need for patients.

Written advice from the PBAC is tabled with the monthly amendments to the Listing Instrument. An unmet clinical need would arise when a currently treated patient population would be left without treatment options once a delisting occurs. Alternative treatment options could include using a different: form, strength or drug. The PBAC considered the delisting of drugs and forms of drugs in the abovementioned instruments, would not result in an unmet clinical need, except where indicated for a particular drug or form of drug below. Where the PBAC has identified an unmet clinical need, a Supply Only period has been/will be instituted as outlined below to allow opportunity for patients to transition to an alternative treatment option. The delisting of these items will not affect access to the drugs (or an alternative treatment if required), as affected patients will be able to access alternative medicines through the PBS, and the delisting is unlikely to have an effect on the amount patients pay for those drugs, as co-payment amounts are capped, ensuring their rights to social security are maintained. From 1 January 2024, these amounts are \$31.60 for general patients and \$7.70 for concession card holders.

If there are many brands of a listed drug and form, then the delisting of one brand will not adversely affect members of the public as they will be able to obtain any of the other equivalent brands. The deletion of brands in this Instrument will not affect access to the drugs, as affected patients will be able to access equivalent brands, at the same cost. Consequently, the brand delistings in this instrument do not result in an unmet clinical need. Note that delisting of maximum quantities, number of repeats, and pack sizes are equivalent to brand delistings.

The drug raltegravir in the forms tablet 25 mg (as potassium) (Isentress) and tablet 100 mg (as potassium) (Isentress) was requested to be delisted from the PBS Schedule by the sponsor. The PBAC noted there were no services in the last financial year and that there are multiple alternatives on the PBS Schedule. The PBAC advised the delisting of this form would not result in an unmet clinical need. These items were available on the PBS Schedule under Supply Only arrangements for a period of 6 months, allowing patients with a pre-existing valid prescription to access this item pending transition to an alternative treatment option.

Conclusion

This Instrument is compatible with human rights because it advances the protection of human rights.

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