

**EXPLANATORY STATEMENT**  
**NATIONAL HEALTH (REMOTE ABORIGINAL HEALTH SERVICES PROGRAM)**  
**SPECIAL ARRANGEMENTS AMENDMENT INSTRUMENT 2011 (NO. 1)**  
**INSTRUMENT NUMBER PB 48 of 2011**

**Purpose**

This instrument amends the *National Health (Remote Aboriginal Health Services Program) Special Arrangements Instrument 2010* (PB 65 of 2010) (the Principal Instrument).

This instrument increases the handling fee that is payable to an approved pharmacist or an approved hospital authority in respect of the supply of a pharmaceutical benefit to an approved Aboriginal Health Service in accordance with the Principal Instrument.

From 1 July 2011, the handling fee is increasing from \$2.74 to \$2.79. The handling fee is indexed annually (WCI9) with the increase provided through the Fifth Community Pharmacy Agreement.

The Principal Instrument is a special arrangement made under subsection 100(1) of the *National Health Act 1953* (the Act). For subsection 100(1) of the Act, the Principal Instrument makes a special arrangement for the supply to remote Aboriginal Health Services (AHS) of Pharmaceutical Benefits Scheme (PBS) medicines contained in Section 2 of the Schedule of Pharmaceutical Benefits, in force at the time of supply, excluding the following:

- Pharmaceutical benefit items supplied to medical practitioners as emergency drug supplies, as described in section 93 of the Act;
- Pharmaceutical benefit items for which special arrangements are in force under paragraph 100(1)(b) of the Act; and
- Pharmaceutical benefits items that are Schedule 8 drugs, as defined by the relevant State or Territory drugs and poisons legislation.

These Arrangements constitute a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

**Section 100 special arrangements and Part VII of the Act**

Subsection 100(1) enables the Minister to make special arrangements for, or in relation to, providing that an adequate supply of pharmaceutical benefits will be available to persons:

- (a) who are living in isolated areas: or
- (b) who are receiving treatment in circumstances in which generally available pharmaceutical benefits are inadequate for that treatment; or
- (c) if the pharmaceutical benefits covered by the arrangements can be more conveniently or efficiently supplied under the arrangements.

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

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

**Consultations**

These Arrangements have been made following the agreement of the Pharmacy Guild of Australia, as reflected in the Fifth Community Pharmacy Agreement. No further consultation was required because the amendment is minor and machinery in nature.

Medicare Australia (MA) has also been consulted to provide advice on the program management aspects for these arrangements because ordering and payment for the supply of PBS medicines under these Arrangements is managed by MA.