

Unapproved Pharmacies

An approved pharmacist must supply pharmaceutical benefits ‘at’ premises in respect of which the pharmacist is approved (commonly referred to as ‘approved premises’). In addition, an approved pharmacy may also supply pharmaceutical benefits ‘from’ the approved premises, see subsection 90(5AA) and paragraph 99(3)(b) of the *National Health Act 1953* (the Act). The Government’s policy position is that the term ‘from’ is intended to mean where the prescription is presented and dispensed at the approved premises and subsequently delivered to the customer, for example to the customer’s residence (including a nursing home).

Any supply of pharmaceutical benefits ‘at’ or ‘from’ premises which are not approved is therefore considered to be a breach of the pharmacist’s approval and the conditions of approval, determined by the Minister under paragraph 90A(1)(f) of the Act.

Depot arrangements

A ‘depot’ arrangement is where, in a rural or remote location that has no access to a pharmacy, a non-pharmacy acts as a collection point to receive prescriptions from customers and transfer those prescriptions to an approved premises. The prescription is subsequently dispensed at the approved premises and then delivered to the customer’s residence or to the depot for collection by the customer. The Department’s position is that these arrangements are not contrary to the Act.

However, a depot cannot be a pharmacy, and so should not carry any prescription medication or be involved in the dispensing of medication supplied as a pharmaceutical benefit. The Government’s policy position is reflected in the second reading speech for the National Health Amendment (Pharmaceutical Benefits) Bill 2016 in Parliament by the former Minister for Health, the Hon Sussan Ley, who clarified that the supply of pharmaceutical benefit medicines must not occur at or from a pharmacy that is not approved unless, following disaster or exceptional circumstances, a permission has been granted by the Secretary under section 91A of the Act. If an approved pharmacist wishes to supply pharmaceutical benefits at premises in respect of which the pharmacist is not approved, the pharmacist must apply for and be approved in respect of those other premises before they commence supply of and claiming for pharmaceutical benefits.

In addition, some state law regulates how depot arrangements operate.

Compliance Activity

The Department takes the supply of pharmaceutical benefits from pharmacies that are not approved and the claiming of those benefits through an approved pharmacy very seriously and reviews any allegations made and conducts appropriate compliance activity. This may include referral to the Pharmaceutical Services Federal Committee of Inquiry (the Committee) for investigation. The Committee reports to the Minister for Health, who may reprimand the approved pharmacist in question, or suspend or revoke their approval.