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INCREASING COSTS OF MEDICINES UNMANAGEABLE BETTER ACCESS AUSTRALIA CALLS FOR A REDUCED PBS CO-PAY AS PART OF 2022-23 BUDGET

Better Access Australia (BAA) is calling on the federal government to [#MindTheGap](#) in the affordability of healthcare as part of its 2022-23 Budget.

[BAA's Pre-2022-23 Budget Submission](#) highlights the growing gap in the affordability of time to access, and the affordability of cost to access for patients seeking healthcare in Australia and is asking for six key reforms as part of the 2022-23 federal Budget.

Making medicines more affordable on the Pharmaceutical Benefits Scheme (PBS) is one of those six recommendations. *Better Access Australia* is calling for a reduction in the general PBS co-payment from \$42.50 to \$20 per script for some patients and freezing indexation on PBS co-pays and safety nets as Australians face the challenge of growing inflation and wage stagnation.

On 1 January 2022, the Government increased the price individuals or families earning over \$61,100 pay for their PBS medicines by \$1.20 to \$42.50 per script. On that same date they increased the safety net for these families back to 2019 levels wiping out the value of the Government's [2019 Cheaper Medicines](#) initiative to reduce the general safety net to more affordable levels.

“Right now, Australians are paying some of the highest co-payments for subsidised medicines in the world. Only the US, Canada and Switzerland charge patients more” Better Access Australia Chair Felicity McNeill said

“With 40.4% of people aged 15-44 managing a chronic health condition, too many in the community are facing high costs to manage their health.¹

“In a family of four where mum and dad are managing arthritis, high blood pressure and depression whilst also managing asthma and diabetes treatments for their children, the daily affordability of the medicines they need is increasingly out of reach. Families are rationing access to their health care and that needs to stop.

“Waiting to fill 36 scripts before your medicines are made affordable is not a luxury of time and luxury of cost many can afford. No individual, parent or child should be going without their medicines because they're managing their monthly household budget and waiting for their safety net to bring the cost of their medicines down.

“Non-compliance with medicines for chronic conditions risks acute and longer-term complications. It's not good for the health of the community or the health of our health system.

“*Better Access Australia* is asking the Government to introduce a mid-tier co-payment of \$20 for individuals and families earning less than \$136,000 per annum – the current threshold for Family Tax Benefit A for a family of three kids.

“As [Pharmacy Guild research has shown](#), people are not filling their scripts. Our PBS system is lacking the nuance of access needed. The gap between the concessional and general co-payment both in access and cost has become too stark.

“Over 1 in 3 scripts on the PBS are now fully funded by patients, and with the government recently passing legislation to increase the costs patients will be charged for many medicines on top of this \$1.20 price hike, we need to do better for individuals and families falling through this access gap.

“Introducing a mid-tier co-payment better spreads the burden of making medicines affordable between the community and the government.

However, as the recent hikes in PBS co-payments and safety net costs show, the inflationary pressures the community is facing in the affordability of their healthcare is a problem for everyone.

“With a 20 cent increase for concessional patients and \$1.20 for general patients, the effects of Australia’s growing inflation rate is very real. It is what has wiped the benefits of the 2019 Cheaper Medicines Legislation.

“COVID lockdowns have reduced job security and eaten into household savings. That’s why *Better Access Australia* is also asking the Government to freeze indexation on PBS co-payments and safety nets for five years to ensure that while cost of living increases and wages stagnate, the community can still afford their medicines.

“A health economy can only be built if Australians can afford to looking after their health.”

For more information read our 2022-23 Pre-Budget Submission in full [here](#).

Media contact: Timothy Davies | **M:** 0466 640 539 | **E:** tdavies@betteraccessaustralia.org.au

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ⁱ Australian Institute of Health and Welfare, [Chronic conditions and multimorbidity - Australian Institute of Health and Welfare](#), September 2020