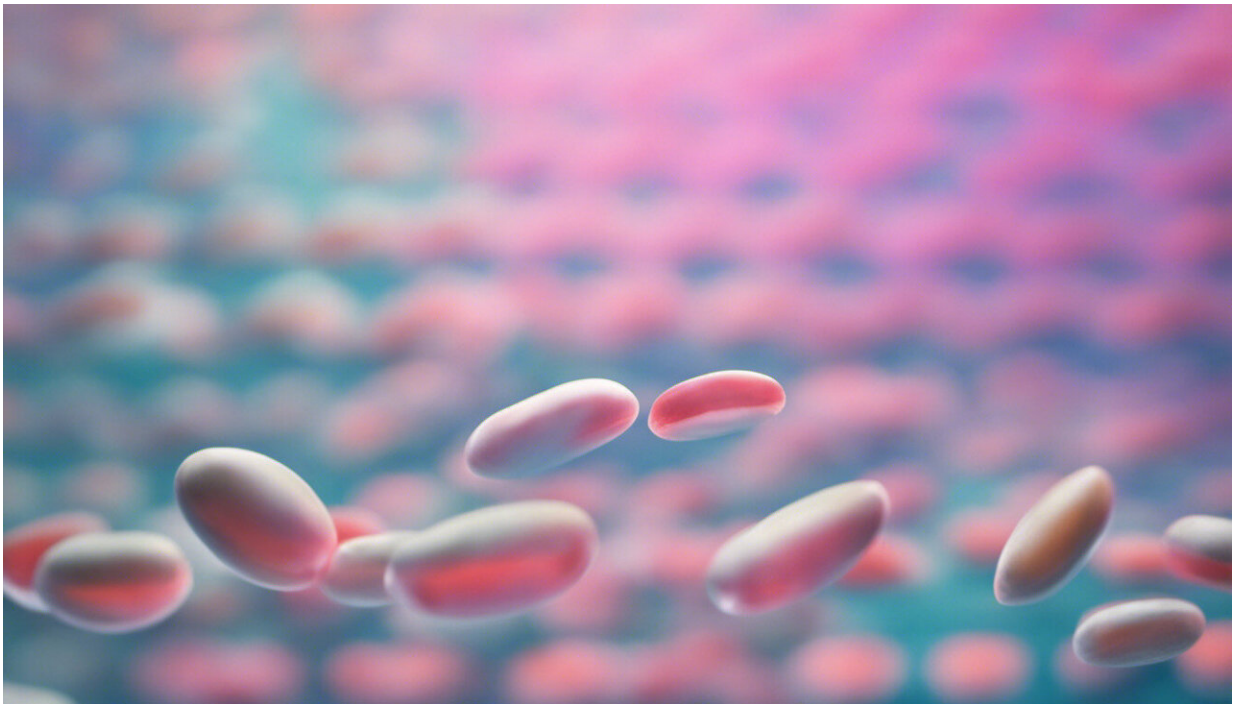


# Call for national approach on expensive new drugs

June 2 2016

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Credit: AI-generated image ([disclaimer](#))

Experts are calling for a national register of cost-effective drugs for public hospitals as medical advances push up the cost of the Pharmaceutical Benefits Scheme (PBS).

University of Queensland Associate Professor of Medicine Charles

Denaro said expensive new treatments posed a challenge for the health system.

"Each hospital has a formulary or register of drugs that can be used, but deciding whether to add an expensive new [drug](#) is problematic because hospital budgets are capped," he said.

"Decisions across Australia are haphazard and access to drugs might depend on where a patient lives.

"The annual cost of the PBS rose from \$6 billion in 2005 to \$9.15 billion in 2014 – an increase of just over 50 per cent," Dr Denaro said.

"Over the same time the cost of those programs within the PBS which subsidise the most expensive drugs doubled."

Dr Denaro said the increase in costs had largely been driven by expensive new biological therapies, antivirals for HIV and hepatitis C, and molecules used to treat some cancers.

"It is encouraging that medical advances are producing innovative new treatments but incredibly challenging to find funding while not re-allocating resources from other areas of health care," he said.

Professor Jennifer Martin, Chair of Clinical Pharmacology at the University of Newcastle, said more surveillance was required to assess the clinical outcomes of new drugs.

"Drug companies are less likely to fund definitive trials once the drug is on the market," Professor Martin said.

"There needs to be funding for independent assessment – and those drugs that don't live up to their initial promise should be considered for

removal from the PBS."

Professor Martin and Dr Denaro are recommending an electronic national register for all Australian hospitals, funded by the Commonwealth and regularly updated by a national committee.

"This would improve decision-making and provide uniform access to effective and cost-effective drugs for all Australians, regardless of where they live."

**More information:** The challenge of costly drugs. *Aust Prescr* 2016;39:72-4, 1 June 2016. [dx.doi.org/10.18773/austprescr.2016.037](https://doi.org/10.18773/austprescr.2016.037)

Provided by University of Queensland

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