

3.11 Access to prescription medicines

This measure has two components:

- *Pharmaceutical Benefits Scheme expenditure per capita for Indigenous Australians*
- *not filling prescriptions due to cost.*

Data sources

Data for this measure come from Indigenous Pharmaceutical Benefits Scheme (PBS) expenditure estimates based on the national, continuing survey of general practitioner activity entitled Bettering the Evaluation and Care of Health, or BEACH. Two years of survey data, collected between April 2001 and March 2003, have been used in this analysis to estimate PBS expenditure. This information has been published in the report *Expenditures on health for Aboriginal and Torres Strait Islander peoples, 2001–02* (AIHW 2005).

Given the small sample of Indigenous Australians in BEACH and the problems with accurately identifying Indigenous status in this collection, these estimates need to be used with caution.

Since November 2002, Aboriginal and Torres Strait Islander people have been able to voluntarily identify through the Medicare system, however, limited numbers of Indigenous Australians are currently identified within Medicare data. Future reports may be able to use the voluntarily identified Medicare data.

There is currently no data source for statistics on not filling prescriptions due to cost for Indigenous Australians. This will be recommended for inclusion in the next National Aboriginal and Torres Strait Islander Health Survey.

Analyses

Pharmaceuticals expenditure

- Expenditure on pharmaceuticals for Aboriginal and Torres Strait Islander peoples in 2001–02 was estimated at \$66.2 million which represented 0.7% of total expenditure on pharmaceuticals in Australia (Table 3.11.1).
- The majority of expenditure on pharmaceuticals (\$42.3 million) was for benefit-paid pharmaceuticals.
- Per person expenditure for 2001–02 was estimated at \$144 for Indigenous people and \$475 for non-Indigenous people, which was a ratio of 0.3:1.

Table 3.11.1: Total and per person pharmaceuticals expenditure, by Indigenous status, current prices, 2001-02

PBS	Total expenditure (\$ million)			Expenditure per person (\$)		
	Indigenous	Non-Indigenous	Indigenous share (%)	Indigenous	Non-Indigenous	Ratio
Benefit-paid ^(a)	42.3	5,471.8	0.8	92.20	288.68	0.32*
Other pharmaceuticals	23.9	3,539.8	0.7	52.16	186.75	0.28*
Total pharmaceuticals	66.2	9,011.6	0.7	144.36	475.43	0.30*

* Represents results with statistically significant differences in the Indigenous/non-Indigenous comparisons.

(a) Includes estimates of benefits via the Pharmaceutical Benefits Scheme (PBS) and Repatriation Pharmaceutical Benefits Scheme (RPBS).

Source: AIHW 2005.

PBS expenditure

- In 2001-02, benefits to Indigenous Australians through the Pharmaceutical Benefits Scheme were estimated at \$34.3 million. Pharmaceutical benefits expenditures per person for Indigenous Australians were 37% of the non-Indigenous average (Table 3.11.2). The average shares of expenditure on mainstream pharmaceutical benefits were lower still, with a ratio of 0.22:1.
- In 1999 special provisions were introduced under section 100 of the *National Health Act 1953* for Indigenous Australians in remote areas where access to private pharmacies was poor. Clients of approved remote area Aboriginal Health Services (AHS) were able to receive PBS medicines directly from the AHS at the time of medical consultation, without the need for a normal prescription form, and without charge. Estimated expenditure on Indigenous Australians in 2001-02 on drugs dispensed under this Act was \$11.6 million. The estimated ratio of Indigenous to non-Indigenous expenditure per person was 5.24:1.

Table 3.11.2: Total and per person expenditure incurred by the Health and Ageing portfolio on the Pharmaceutical Benefits Scheme, by Indigenous status, 2001–02

Pharmaceutical benefits	Total expenditure (\$ million)			Expenditure per person (\$)		
	Indigenous	Non-Indigenous	Indigenous share (%)	Indigenous	Non-Indigenous	Ratio
Mainstream PBS^(a)						
GP prescribed	19.4	3,452.7	0.6	42.36	182.15	0.23
Specialist prescribed	3.1	712.0	0.4	6.64	37.56	0.18
Doctor's bag	0.1	9.7	1.2	0.26	0.51	0.50
<i>Total mainstream PBS</i>	<i>22.7</i>	<i>4,174.3</i>	<i>0.5</i>	<i>49.46</i>	<i>220.23</i>	<i>0.22</i>
Drugs dispensed under Section 100 of the <i>National Health Act</i>						
Remote area AHS	10.9	1.2	90.0	23.77	0.06	373.95
Other Section 100 drugs ^(b)	0.7	90.5	0.8	1.59	4.77	0.33
<i>Total</i>	<i>11.6</i>	<i>91.7</i>	<i>11.3</i>	<i>25.36</i>	<i>4.84</i>	<i>5.24</i>
Total pharmaceutical benefits	34.3	4,266.0	0.9	234.63	634.26	0.37

* Represents results with statistically significant differences in the Indigenous/non-Indigenous comparisons.

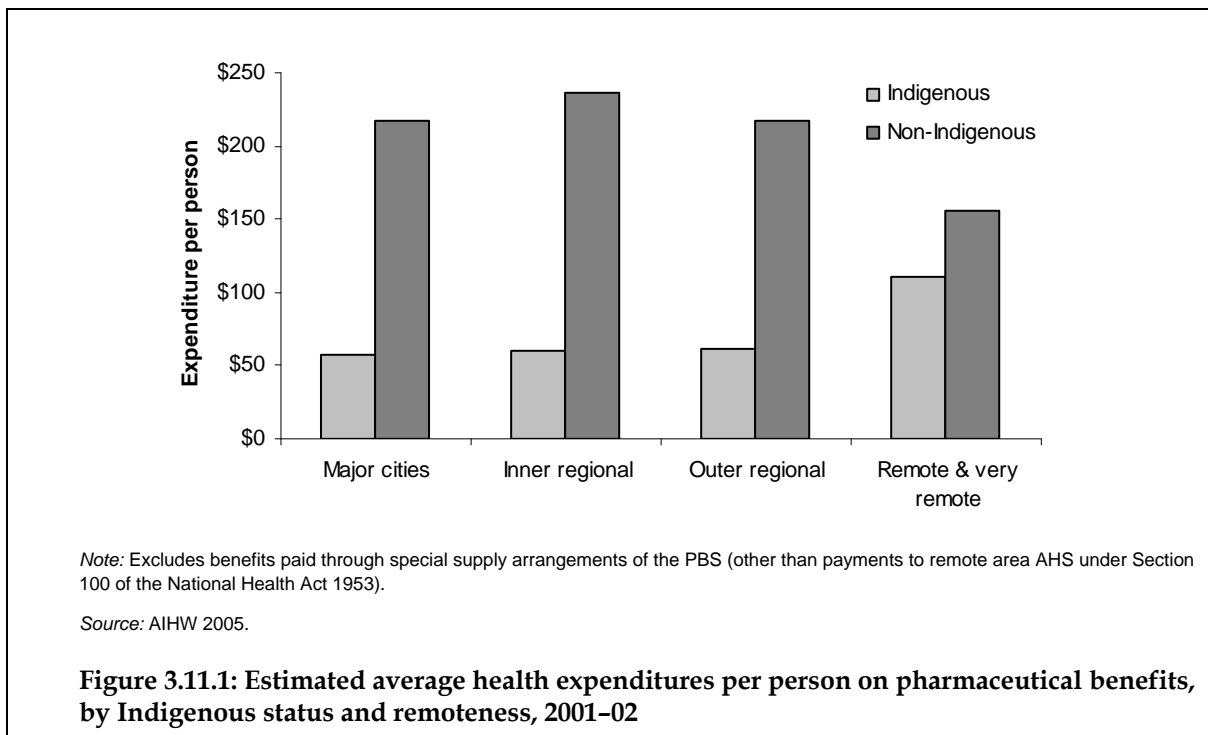
(a) Excludes expenditure through RPBS.

(b) Excludes highly specialised drugs dispensed from public and private hospitals.

Source: AIHW 2005.

PBS expenditure by remoteness

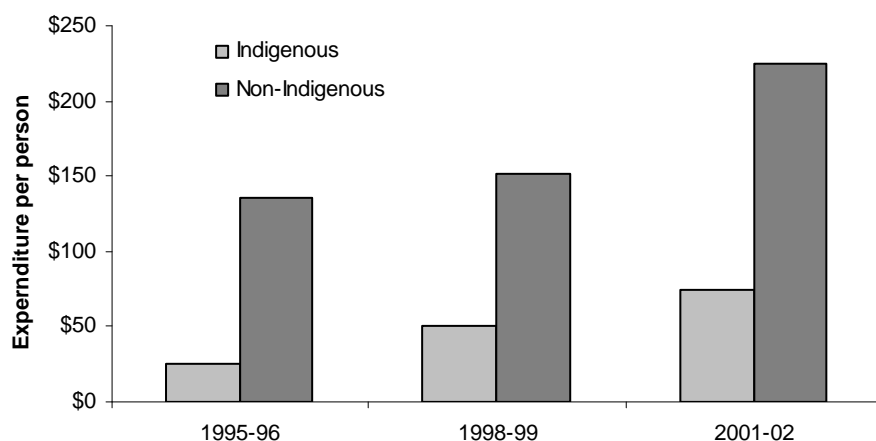
- In 2001–02, PBS expenditures on Aboriginal and Torres Strait Islander people were greater in more remote areas where the section 100 arrangements apply (\$111 per person) than in major cities (\$57 per person) (Figure 3.11.1).
- Average PBS expenditures for Indigenous Australians were lower than non-Indigenous people across all remoteness categories. The differences were most marked in the major cities, inner regions and outer regions where rate ratios were around 0.3:1.



PBS expenditure over time

Changes in expenditure over time should be interpreted with caution due to differences in methodology used to calculate some Indigenous expenditure estimates for the different time periods.

- The estimates of average expenditure per person for the Indigenous population by the Australian Government on the PBS between 1995-96 and 1998-99 almost doubled from an estimated \$25.64 in 1995-96 to \$50.46 in 1998-99.
- Expenditure increased by another 48% between 1998-99 and 2001-02 from \$50.46 to \$74.82.
- The Indigenous to non-Indigenous expenditure ratios were higher in 2001-02 than in 1995-96 (0.33 compared to 0.19) (Figure 3.11.2).



Notes

1. Does not include RPBS benefits for veterans.
2. The 1995-96 estimate for Indigenous Australians is based on the revised price estimate of \$9.3 million for PBS benefits for Indigenous Australians in 1995-96 (AIHW 2001: 42), down from \$9.8 million (Deeble et al. 1998:21). That revision reduced the current price per person estimate from \$26.64 to \$25.28.

Source: AIHW 2005.

Figure 3.11.2: Average health expenditure per person by the Australian Government, on PBS, constant prices, 1995-96, 1998-99, 2001-02

Data quality issues

Expenditure data

BEACH estimates

Indigenous PBS expenditure estimates are calculated for the expenditure report using BEACH data by Indigenous status. Given the small sample of Indigenous Australians in BEACH and the problems with accurately identifying Indigenous status in this collection, these estimates need to be used with caution.

Per capita estimates indicate average PBS expenditure per head for the whole of the reference population. They do not indicate average expenditure for those who have accessed PBS.

Medicare data

A voluntary Indigenous identifier was introduced into the Medicare database from November 2002. As at 1 July 2005, 84,867 people had identified as Aboriginal, Torres Strait Islander or both in the Medicare database. As these data improve, it will be possible to utilise this identifier to undertake PBS expenditure calculations using the PBS database.

References

AIHW (Australian Institute of Health and Welfare) 2001. Expenditures on health services for Aboriginal and Torres Strait Islander peoples, 1998-99. AIHW cat. no. IHW 7. Canberra: AIHW.

AIHW 2005. Expenditures on health for Aboriginal and Torres Strait Islander peoples, 2001–02. Health and Welfare Expenditure Series no. 23. AIHW cat. no. HWE 30. Canberra: AIHW.

Deeble J, Mathers C, Smith L, Goss J, Webb R and Smith V 1998. Expenditures on health services for Aboriginal and Torres Strait Islander peoples. AIHW cat. no. HWE 6. Canberra: AIHW, Department of Health and Family Services and National Centre for Epidemiology and Population Health.