



## PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

### Election Costing Request Form

Details of request	
Party:	Australian Labor Party
Name of Policy:	Remove the chemotherapy co-payment
Date of request:	9 December 2014

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Fund co-payment expenses associated with chemotherapy drugs under the Pharmaceutical Benefits Scheme (PBS) that are injected or infused in NSW public hospitals, so patients do not face these expenses.
What is the purpose or intention of the policy?	A Labor Government will ensure chemotherapy is available free of charge in NSW public hospitals.
Has the policy been publicly released yet?	

Your estimated costing of the policy <sup>1</sup>						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	Other years <sup>2</sup> \$'000	Total \$'000
Impact on General Government Sector (GGS) net operating result <sup>3</sup>						
Impact on GGS capital expenditure <sup>4</sup>						
If different from above, impact on total State Sector net financial liabilities <sup>5</sup>						

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

<sup>2</sup> Please provide information on other years if spending occurs outside the forward estimate years and will be required to cost the policy.

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

<sup>5</sup> Only required if proposal is outside GGS. Negative for a reduction in net financial liabilities.

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	No.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>The policy only applies to injected or infused chemotherapy medications. The co-payments are made to the Commonwealth Government under PBS. The policy is for the NSW Government to fund these co-payments.</p> <p>Most chemotherapy drugs are highly specialised chemotherapy drugs (S100 drugs) which incur a co-payment of \$36.90 for the first prescription. Other non-specialised chemotherapy drugs may also be used and incur a co-payment of \$29.50 for the first prescription.</p> <p>Four or five drugs may be used in the first round of chemotherapy – which means five scripts and five co-payments and a possible cost to the patient of approximately \$180. The chemotherapy regime may also change during the treatment and the patient is charged another co-payment for any new chemotherapy drug.</p>
Is there a range for the costing or any sensitivity analysis that you have undertaken?	No.
Are there associated savings, offsets or expenses? If yes, please provide details.	...

<b>Administration of policy</b>	
Intended date of implementation:	1 July 2015.
Intended duration of policy:	Ongoing.
Who will administer the policy?	NSW Health.
Are there any specific administrative arrangements for the policy that need to be taken into account?	Payments are made to the Commonwealth Government under the Pharmaceutical Benefits Scheme. If feasible, please advise as to whether there are alternative means of removing the chemotherapy co-payments facing patients in NSW Hospitals.
Are there transitional arrangements associated with policy implementation?	No.

<b>If the policy is mainly an expenditure<sup>6</sup> commitment</b>	
Demand driven or a capped amount:	Consistent with existing arrangements for chemotherapy treatment.
Eligibility criteria or thresholds:	..

## **Attachment 1 – Remove the chemotherapy co-payment**

Patients having outpatient chemotherapy treatment in some public hospitals in NSW currently pay a one-off co-payment for chemotherapy medicines injected or infused via drip.

Four to five separate chemotherapy drugs may be used in the first round of chemotherapy so it is common for patients to have to pay approximately \$180 for their first chemotherapy treatment. And if the chemotherapy regime changes the patient pays another co-payment for every new prescription.

### **Policy Scope**

A Labor Government will provide chemotherapy treatment free of charge in all NSW public hospitals.