

Health, Community and Disability Services, Domestic and Family Violence Committee  
Parliament House  
George Street  
Brisbane QLD 4000

RE: Inquiry into establishing a pharmacy council and pharmacy ownership in Queensland

Dear Sir/Madam,

I am writing as a pharmacy owner concerned about the inquiry into pharmacy.

My name is Amin-Reza Javanmard, although most people simply refer to me as just 'Amin', and I have been the owner of Broadwater Pharmacy in Biggera Waters/Labrador since January 2010, which I run with my younger sister Leila, who is also a pharmacist. I have also been customer of the same pharmacy since I moved to across the road from what was then known as Brisbane Road Pharmacy as a very young child in 1986.

Since moving into the area I have helped my parents run a variety of family businesses in Biggera Waters and Labrador - including a corner store, a video rental store, a take-away pizza restaurant, and a car rental business - as well as assisted with the resettlement of refugees and new migrants (something I continue to do by assisting new arrivals in pharmacy and health-related matters in a volunteer capacity).

Prior to becoming a pharmacist, I graduated from the University of Queensland in 2002 with Dual Science/Arts degrees in Drug Design & Development, Journalism, and Psychology, and then delivered pizzas for a few years until I decided to retrain as a pharmacist, which lead me to where I am now. I graduated with a Masters of Pharmacy degree in 2007, having been a member of the team that won the inaugural Guild Student Business Plan Competition in the process, and became a registered pharmacist in 2008, working as a locum and employee pharmacist until the start of 2010.

This submission is lodged in my capacity as a practising pharmacist, community pharmacy proprietor, and as a volunteer involved with community resettlement of new arrivals to Australia. I declare that I ran as an independent candidate in the 2015 Queensland State Election in the seat of Broadwater, an independent candidate in the 2016 Queensland Local Council Elections in Division 4 of the Gold Coast City Council, and as a Greens candidate for the seat of Bonney in the 2017 Queensland State Election. I am also a current member of the Pharmacy Guild, and the Pharmaceutical Society of Australia.

While I understand that it is unusual for a businessperson to make the case for more regulation of their industry, I support the government setting up a pharmacy council in line with what exists in other Australian states. The current arrangements are out of step with arrangements in other states and territories, which is an issue given that pharmacists have been registered to practice nationally for a number of years now.

The peculiarity of the arrangements in Queensland is made all the more stark by the difficulties pharmacists practicing in this state have in getting answers for professional and legal questions such as the length of time prescription records are required to be kept, and whether they can be stored in digital formats. Such questions are easy to find answers for by pharmacists practicing in other states by referring to the website of the state's pharmacy council or equivalent.

Usually a quick Google search will give you the answer. Finding Queensland specific answers is much more difficult - and occasionally fruitless. It's not unusual to have to call numerous people in numerous offices of the Health Department over the course of a number of days and still not find anybody who knows anybody who knows the answer - or even where to find the answer. It's a situation often highlighted on Facebook groups for Early Career Pharmacists.

However, I am deeply concerned about the potential deregulation of pharmacy ownership laws. I believe that professional ownership of pharmacies by pharmacists represents the best way of achieving positive health outcomes for the community and society as a whole. I believe that any deregulation of current laws of ownership threatens the existence of independent, community-based pharmacies in Queensland like my own, and thus threatens the community benefits.

Under a corporate structure, the sole obligation of a company - particularly a listed company - conducting a pharmacy business is to return a profit to shareholders. There are many activities and services that my pharmacy does that perform an essential public service but would not be provided if returning a profit to shareholders was the primary concern of my business. However, my professional and ethical obligations as a registered pharmacist allow me to provide these services because my duty to uphold these obligations allow me to override the profit motive, which would not be possible to do were the business not owned by other pharmacists who have the same professional and ethical obligations.

The best example I can give is the dispensing of medications used to cure Hepatitis C.

At present, the dispensing of these medications on the PBS is not profitable. Sofosbuvir & velpatasvir combination tablets is currently subsidised by the PBS for dispensing in community pharmacies, and can cure all genotypes of Hepatitis C in as little as 3 months of treatment.

As of July 2018, the PBS pays my pharmacy \$22,217.17 (GST free) when we supply this medication. My pharmacy, as with all other pharmacies, must purchase this medication from our wholesalers inclusive of GST at \$24,350.27, and then claim \$2,213.66 refund when we lodge our Business Activity Statement. This cash flow shortfall must be carried by the business for up to 3 months, by which time this item will be dispensed another 2 times at least to complete the course. Financing this shortfall eliminates the \$81.10 on-paper profit from dispensing this life- and health-budget-saving medication.

Indeed, many pharmacies in my area are chosen not to supply medications like this because the costs of carrying this cash flow shortfall is too much to bare financially (which speaks to the highly competitive and efficient nature of the community pharmacy market under the current ownership rules), but I can guarantee that no pharmacy would agree to supply these medications under these arrangements if their only obligation was to make a profit for shareholders.

The cost savings to the community and greater health system from curing chronic Hepatitis C infections can run into the hundreds of thousands of dollars per patient when the expense of related diseases - liver cancer, liver failure and resultant transplants - is taken into account. Hepatitis Australia estimate that over 200,000 people have chronic Hepatitis C infections (<https://www.hepatitisaustralia.com/information-for-journalists/>). And that's before you even get into the saving in human misery. It is for these reasons my pharmacy chose to supply these medications to the detriment of our business - something I as a pharmacist would not be able to do in a corporate structure.

Another example would be the provision of Blood Pressure checks.

These are a relatively simple health intervention we provide that can detect and monitor asymptomatic conditions that can lead to significant mortality like hypertension. All we need to provide the intervention is the equipment, time, and a system to record readings and provide referrals when required. It's a service that the public - and General Practitioners - expect we provide for free.

The truth of the matter is that the purchasing and maintenance of the equipment, and the staff time for training and conducting the checks mean that such services come with a real and opportunity cost for the business. A pharmacist performing a blood pressure check is unable to carry out other services and activities that are remunerated while they are performing the service

- this includes the time to actually carry out the check, interpret and explain the results to the patient, and - if required - triage and organise a referral for the patient.

The alternative for the patient would involve either purchasing their own blood pressure monitor, which can be a significant expense for someone on a fixed income - in which case they may still need assistance in interpreting the results, or making an appointment with a GP. If the GP does not bulk bill this will be at significant cost to the patient. If the GP does bulk bill, it will be free to the patient, but come at a significant cost to the taxpayer.

Me performing services to the community like this I feel I'm professionally obligated to provide at my own cost would, I believe, not be provided under a corporate model. This would lead to worse outcomes for patients in the Labrador/Biggera Waters area - particularly those who are of lower socio-economic status.

The socio-economic factors are important, as without location restrictions in place, a business providing health services under a corporate model of ownership would not rationally operate in an area such as the one I operate my pharmacy in as the return on investment would be significantly lower than in locations servicing a population with greater disposable income. Indeed, other businesses in my immediate area have shut down or relocated for this reason - and this includes a coffee shop, a newsagent, and a bottle shop!

In its place, we are now a distribution point for sharps kits under the Queensland Pharmacy Needle & Syringe program, which was set up to fill the hole left by the cutbacks to Needle exchange services that happened under the Newman Government. I can tell you now that it's not the type of service a corporation would provide for the state government in the form it currently operates. Not only is the remuneration poor (\$2.73 per pack), but the idea of attacking the type of customers most businesses go out of their way to NOT attract would be something a publicly-listed corporation would balk at.

Under the current business model health services are remunerated by the federal government in a manner that provides a disincentive to operate and provide complex services in lower socio-economic areas. In the case of General Practice, which does not have the location restrictions in place that pharmacies currently do, it is leading to the withdrawal of services by corporate players in these areas

(<https://www.smh.com.au/national/bulk-billing-clinics-turning-away-complex-patients-20180704-p4zpij.html>).

The same moral hazards also apply to any changes to ownership regulations that would result in an increased concentration of ownership of pharmacies in Queensland. Indeed, I feel that the

current ownership limit of six pharmacies per pharmacist has already resulted in a decrease in diversity of ownership and professional practice philosophies, to the detriment of the community. The risk of concentration of ownership is aptly demonstrated by the concentration of ownership amongst media companies, resulting in News Corp owning 70% of newspapers in the nation, and thus having an opportunity to influence public and political discourse on relevant matters, such as media ownership restrictions

(<https://www.gizmodo.com.au/2016/01/infographic-who-owns-what-media-in-australia/>). I feel it important to note that Ramsay Healthcare and associated entities donated \$110,000 to the LNP and associated parties in the 2015-16 financial year

(<http://www.abc.net.au/news/2017-02-01/australian-political-donations-searchable-database-2015-2016/8208090>) and \$145,550 in the preceding financial year

(<http://www.abc.net.au/news/2016-10-24/aec-political-donations-table/7959394>).

Similarly, I do not believe it is possible for these high levels of professional standards to be upheld in a situation where pharmacy ownership and management is undertaken by corporate entities, based on the recent experiences of General Practice and Medical Deputising Services run by listed entities. I note that the issue of abuse of the MBS by listed and private corporations has become such an issue that the federal government has needed to take action against some of their practices, even though Medicare's relationship is actually with the GP

(<https://www.australiandoctor.com.au/news/corporates-face-tough-new-laws-mbs-abuse>).

With regards to questions concerning the scope of pharmacists, I would support any extension of scope which allows me to provide the services my community needs. Delivering flu vaccinations through pharmacies is an excellent example of how pharmacists can improve the accessibility of important health services. This is particularly important in the case of my pharmacy, where we provide vaccination services on weeknights until 10pm and on weekends.

There is certainly scope for providing more services that allow myself and my pharmacists to support the urgent health needs of the community for conditions that are time-critical but do not require attendance at a hospital emergency department, such as shingles and simple urinary tract infections - particularly in light of the new restrictions on access to after-hours housecalls by doctors (<http://www.abc.net.au/news/2017-12-18/government-announces-gp-shakeup/9269778>).

Pharmacies play an essential role in the health system as primary health providers. This is particularly true of my pharmacy, which provides healthcare outside of standard business hours. While providing PBS medicines is the core of our business, I am also proud to provide quality advice, assistance, triage and care to members of my community - especially those who do not ordinarily come into contact with other medical professionals.

Ensuring the health of my patients is part of my role as a health professional and I am concerned that a move to deregulate community pharmacy would have predictable consequences that would undermine the care the current model provides to my community.

Many Thanks,

Amin Javanmard

Owner and Pharmacist - Broadwater Pharmacy

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