

**PHARMAC Combined Pharmaceutical Budget (Actual from PHARMAC Annual Reports)**

Year Ending	as at 30 June (\$millions)											Comments
	2007 (A)	2008 (A)	2009 (A)	2010 (A)	2011 (A)	2012 (A)	2013 (A)	2014 (A)	2015 (est)	2016 (est)	2016 (est)	
\$millions												
<b>Key figures: Combined Pharmaceutical Budget</b>												
Annual pharmaceutical expenditure (net)	\$599.4	\$635.4	\$653.0	\$693.8	\$710.0	\$777.4	\$783.6	\$795.0	\$795.0	\$805.0	\$815.0	From Pharmac Strategic Intent
Number of funded prescriptions (millions)	31.9	33.9	35.3	37.1	39.7	41.1	42.2	41.8				
Percentage change from prior year		6.3%	4.1%	5.1%	7.0%	3.5%	2.7%	-0.9%				
Number of NZers receiving funded medicines	2.69m	2.9m	3.1m	3.2m	3.3m	3.3m	3.4m	3.4m				
Amount of savings achieved			\$32.6	\$41.5	\$76.2	\$57.4	\$56.5	\$52.2				
Number of new medicines funded		5	8	20	39	14	20	26				
Number of medicines with access widened		15	55	25	43	10	40	35				
Number of vaccines included within the CPB								12				
Number of additional patients benefitting from decisions				149,000	264,452	56,840	52,398	42,885				
<b>Key figures: Hospital Pharmaceuticals</b>												
Savings to DHB hospitals from annual tender						\$4.1						
<b>Pharmac Gross Spend*</b>												
<b>Split between</b>												
<b>Community</b>	\$738.5	\$750.3	\$762.5	\$752.4	\$821.9	\$927.6	\$925.1	\$955.9	\$955.9	\$960.0	\$970.0	2015 (est) is assumed to be the same as 2014 (A)
Total change from previous year		\$11.8	\$12.3	-\$10.1	\$69.5	\$105.7	-\$2.5	\$30.8	\$0.0	\$4.1	\$10.0	
Percentage change from previous year		1.6%	1.6%	-1.3%	9.2%	12.9%	-0.3%	3.3%	0.0%	0.4%	1.0%	
<b>Pharma Cancer Treatments</b>						\$68.5	\$72.9	\$72.5	\$72.5	\$76.1	\$79.9	Assume a 5% growth rate
<b>Vaccines</b>					\$12.9	\$6.4	\$43.2	\$42.0	\$42.0	\$44.1	\$46.3	Assume a 5% growth rate
<b>Nicotine</b>					\$12.9	\$6.4	\$5.8	\$5.7	\$5.7	\$6.0	\$6.0	Assume flat sales
<b>Rebates</b>	-\$139.1	-\$114.9	-\$109.5	-\$58.6	-\$115.8	-\$161.5	-\$139.4	-\$149.0	-\$149.0	-\$150.0	-\$155.0	Estimate
<b>DPF Movements</b>					\$3.9	\$11.3	-\$2.1	-\$11.9	-\$11.9	-\$5.0		Estimate
* Information Medicines NZ OIA request												
<b>PHARMAC Net Spend</b>	\$599.4	\$635.4	\$653.0	\$693.8	\$710.0	\$777.4	\$783.6	\$795.0	\$795.0	\$805.0	\$815.0	From Pharmac Strategic Intent
<b>Community Pharmaceutical spend (est)</b>												
Gross Community Spend	\$738.5	\$750.3	\$762.5	\$752.4	\$821.9	\$927.6	\$925.1	\$955.9	\$955.9	\$960.0	\$970.0	
less Pharma Cancer Treatments, Vaccines & Nicotine	\$0.0	\$0.0	\$0.0	\$0.0	\$12.9	\$74.9	\$121.9	\$120.3	\$120.3	\$126.3	\$132.3	
<b>Gross Pharmacy spend</b>	\$738.5	\$750.3	\$762.5	\$752.4	\$809.0	\$852.7	\$803.2	\$835.6	\$835.6	\$833.7	\$837.7	
less Rebates (total)	-\$139.1	-\$114.9	-\$109.5	-\$58.6	-\$115.8	-\$161.5	-\$139.4	-\$149.0	-\$149.0	-\$150.0	-\$155.0	
<b>Net Community Pharmaceutical spend (est)</b>	\$599.4	\$635.4	\$653.0	\$693.8	\$693.2	\$691.2	\$663.8	\$686.6	\$686.6	\$683.7	\$682.7	
Total change from previous year		\$36.0	\$17.6	\$40.8	-\$0.6	-\$2.0	-\$27.4	\$22.8	\$0.0	-\$2.9	-\$1.0	
Percentage change from previous year		6.0%	2.8%	6.2%	-0.1%	-0.3%	-4.0%	3.4%	0.0%	-0.4%	-0.1%	
<b>NZ GDP (NZ\$)</b>												
<b>Net Community Pharmaceutical spend as a %</b>	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
<b>NZ Population '000</b>												
<b>Net Community Pharmaceutical spend as \$/head</b>	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
<b>Variance analysis from the prior year</b>	\$563.5	\$599.4	\$635.4	\$653.0	\$693.8	\$710.0	\$777.4	\$783.6	\$795.0	\$795.0	\$805.0	
<b>Volume changes</b>												
Volume increases (2013 includes volume increase in vaccines)	\$56.0	\$55.5	\$51.8	\$43.3	\$123.8	\$100.6	\$60.9	\$60.9	\$60.9	\$60.9	\$60.9	
Volume decreases	-\$14.4	-\$12.0	-\$9.5	-\$11.1	-\$17.0	-\$21.1	-\$22.7	-\$22.7	-\$22.7	-\$22.7	-\$22.7	
Increased access to medicines already funded	\$9.9	\$0.1	\$12.2	\$14.5	\$14.6	\$4.7	\$5.0	\$5.0	\$5.0	\$5.0	\$5.0	
Special restrictions removed	\$2.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
New investment	\$19.4	\$2.9	\$8.1	\$11.2	\$9.1	\$12.7	\$33.2	\$33.2	\$33.2	\$33.2	\$33.2	
Growth on new investments from 2007 to now	\$1.5	\$10.0	\$11.2	\$20.4	\$20.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
<b>Net volume changes</b>	\$74.7	\$56.6	\$73.8	\$78.3	\$78.3	\$130.5	\$96.9	\$76.4	\$76.4	\$76.4	\$76.4	
<b>Subsidy changes</b>												
Subsidy increases		\$4.6	\$4.6	\$7.5	\$8.3	\$6.2	\$5.5	\$1.9	\$1.9	\$1.9	\$1.9	
Subsidy decreases		-\$26.0	-\$27.5	-\$35.5	-\$64.7	-\$41.9	-\$39.3	-\$28.5	-\$28.5	-\$28.5	-\$28.5	
Savings from annual tenders		-\$2.8	-\$4.1	-\$5.7	-\$11.5	-\$15.7	-\$21.9	-\$11.1	-\$11.1	-\$11.1	-\$11.1	
Savings from alternative commercial proposals		-\$0.1	-\$1.0	-\$0.4	\$0.0	-\$0.9	-\$0.8	-\$0.3	-\$0.3	-\$0.3	-\$0.3	
De-listings		\$0.0	\$0.2	\$0.0	\$0.2	-\$5.4	-\$2.7	-\$1.0	-\$1.0	-\$1.0	-\$1.0	
Residual subsidy increases from prior year		\$0.0	\$3.0	\$6.2	\$13.3	\$13.9	\$10.0	\$6.9	\$6.9	\$6.9	\$6.9	
Residual subsidy decreases from prior year		-\$33.9	-\$10.2	-\$27.4	-\$13.6	-\$26.3	-\$22.2	-\$20.1	-\$20.1	-\$20.1	-\$20.1	
<b>Net subsidy changes</b>		-\$58.1	-\$35.3	-\$55.2	-\$68.0	-\$70.1	-\$71.4	-\$52.2	-\$52.2	-\$52.2	-\$52.2	
Additional rebates not included above		\$19.4	-\$3.7	\$22.2	\$2.0	-\$0.4	-\$5.9	-\$3.0	-\$3.0	-\$3.0	-\$3.0	
DFP Movement (not included in total in 2011)					\$3.9	\$11.3	-\$13.4		-\$9.8	-\$9.8		
<b>Total Expenditure for the year ending 30 June**</b>	\$599.4	\$635.4	\$653.0	\$693.8	\$710.0	\$777.4	\$783.6	\$795.0	\$806.4	\$811.4	\$811.4	
Total change from previous year		\$35.9	\$36.0	\$40.8	\$16.2	\$67.4	\$6.2	\$11.4	\$11.4	\$11.4	\$11.4	
Percentage change from previous year		6.4%	6.0%	6.2%	2.3%	9.5%	0.8%	1.5%	1.4%	1.4%	1.4%	
(** Pharmac sometimes include / exclude DFP movements)												