

## Outcome from 2020-21 proposed APC fee and budget consultation

Thank you for considering the Pharmacy Council's consultation document on the proposed 2020-21 Annual Practising Certificate (APC) fee, and to those individuals and organisations who made submissions.

The Pharmacy Council has decided to approve an 0.88 percent increase to the Annual Practising Certificate fees for the year beginning 1 April 2020. For most practitioners, this represents an increase of \$7 (including GST) from the previous year.

Council members reviewed each of the submissions individually prior to considering its decision and, in some cases, Council consulted further with submitters to clarify the issues raised.

Of note, Council was concerned that a substantial proportion of submissions demonstrated some misunderstandings about Pharmacy Council's functions and how its role differs from representative bodies such as the Pharmaceutical Society and the Pharmacy Guild.

The Pharmacy Council is a regulatory body charged with ensuring that pharmacists practice safely and effectively, with the primary goal of protecting public safety. This is required by law under the Health Practitioners Competence Assurance Act 2003 (HPCAA). The APC fees paid by practitioners fully fund the execution of the Pharmacy Council's regulatory functions such as accreditation and monitoring of education institutions and programmes, administration and review of practitioner competence for annual practicing certificates, and competence reviews. These functions are detailed in Section 118 of the HPCAA.

The Pharmacy Council's role is distinct from that of advocacy groups like the Guild and the Society which provide membership services and benefits, negotiate pharmacy service design, and how such services are funded (including pharmacists remuneration etc.), and engage with government on behalf of the profession.

The Pharmacy Council receives no government funding and manages its operations on a full cost recovery basis. The Pharmacy Council's financial and APC years are not aligned, so APC fees must be set at levels enough to sustain its operations and workplan over two financial years. Working reserves are held in order to ensure cashflows are available to enable ongoing operations.

The Pharmacy Council's final audited financial results for 2018-19 recorded a deficit of \$266K against a budgeted deficit of \$316K. Although the result was slightly favourable to our budget, our reserves from the prior year have decreased due to the deficit incurred.

## Fees approved by Council take effect on 1 April 2020

After considering its developing strategy, the work planned and budgeted over the next two years and the feedback from submissions received, the Pharmacy Council has approved the APC fee (including disciplinary levies) for the 2020-21 year as set out in the table below.

All other scheduled Council fees remain unaltered except for KAPS and CAOP examination fees which will be removed from Council's fee schedule as it will no longer be coordinating this for new applicants.

APC fee by Scope for 2020-21 (including GST)	Current APC fee	Increase from previous year	APC Fee from 1 Apr 2020
	\$	\$	\$
Pharmacist	793.62	7.00	800.62
Pharmacist Prescriber	883.62	7.91	891.53
Pharmacist Intern	482.95	3.90	486.85
Pharmacist APC (post 30 November)	264.53	2.06	266.59

### Submission Themes

Key themes noted from the submissions and either addressed in the commentary above or as part of the original consultation document were:

- Practitioner wages (and therefore related fee affordability) have not increased for some time;
- Practitioners sought greater understanding of the benefits provided to them by Council in return for payment of their APC fee;
- Part-time practitioners continue to express that they are disadvantaged through lack of available options for reduced APC fees;

Note: Council has previously considered this and presented an analysis as part of the consultation.

The remaining responses were comprised of practitioners and stakeholders who did not disagree with the increase; those who made no comment; and those who thought that 'bad' practitioners should be charged more.

The Pharmacy Council sincerely thanks everyone who made a submission. Council wishes to engage fully with practitioners and ensure pharmacists' perspectives are used to inform its regulatory approach. This feedback forms the basis of further discussion as Council works towards the achievement of its Strategic Plan.

Ngā mihi nui

**Michael A Pead**  
Chief Executive