

29 January 2024

Media release

New Pharmacy Council Disciplinary Levy and Annual Practising Certificate Fee

The Pharmacy Council's Disciplinary levy and Annual Practising Certificate (APC) fee will increase by a total of \$75 (including GST) for most practitioners and will take effect from the new recertification year starting from 1 April 2024.

The new combined fee will be \$925 (including GST), which reflects just over a three percent rise to the APC fee and a 50 percent rise to the Disciplinary Levy.

Chief Executive Michael Pead says that Council believes it has achieved a critical balance of protecting public safety through high quality regulation, which it must do under the Health Practitioner Competence Assurance Act (HPCA Act), while minimising the cost to the profession.

"In reaching its decision Council carefully considered the extent and costs of its increasing workload to meet its 13 regulatory functions. We recognise that our decision will not be welcome, but Council would like to reassure the profession that we are always mindful of costs and are working to stay within last year's expenditure budget despite growing requirements. We are working even harder to improve efficiency and make cost savings where we can."

A significant part of Council's work is responding to notifications in relation to competence, conduct or the health of a practitioner. Mr Pead says that the substantial rise in the Disciplinary Levy is needed to cover the growing number and complexity of these cases, which have led to an increase in costs to meet all legal obligations. While Council has previously used reserves in its Disciplinary Fund to cover increased costs, the limited reserve has been fully spent and needs to be replenished.

"When our compliance team receives a notification, it undertakes a risk assessment to identify whether the pharmacist presents a risk to public health and safety. At the same time, Council considers whether there are any questions raised about a pharmacist's competence, health, or conduct. Most complaints and notifications can be resolved without statutory action when pharmacists are willing and able to address the questions about their practice, of their own accord or with assistance from Council.

A smaller proportion of complaints raise questions about the appropriateness of a pharmacist's conduct or the safety of their practice which are referred to a Professional Conduct Committee (PCC)."

The PCC, which is independent of Council, has statutory powers to investigate. If the evidence shows a charge of professional misconduct is likely to be proven, the PCC can lay a charge against the pharmacist to the Health Practitioners Disciplinary Tribunal (HPDT).

The work of the PCC and HPDT incurs costs including legal costs, secretariat costs and those relating to the use of facilities and technology.

"Ultimately professional discipline helps to protect the public and strengthens the profession's contribution towards improving the health and wellbeing of our communities."

The APC fee covers the costs associated with general Council activities such as registration, setting qualifications, and accreditation of education programmes, which have required increased employee costs and resources to undertake this work.

Mr Pead says that in terms of resources, Council's third largest cost is technology which has increased significantly and unavoidably, with Microsoft licences rising by 20 percent in 2023/24, along with the need to invest more to do cyber security reviews and action initiatives to mitigate cyber attacks.

Council's current work programme includes new education programmes requiring accreditation, embedding new competency standards, and an Assessment Centre review to align with new accreditation standards. The new competency and accreditation standards both take effect from 1 April 2024.

Mr Pead says that every decision Council makes, including financial decisions, is driven by its mandate to protect public safety by maximising the competence of pharmacists to reduce the risk of harm.

"We work alongside the profession wherever possible to achieve these objectives, and we appreciate the ongoing commitment of pharmacists to practise safely to support the health and wellbeing of our communities."

Council has published material from the fee consultation process on its <u>website</u> including a document to further explain its decision, and responses to questions and issues raised by professional associations.

For more information please contact: Daphne Atkinson, Senior Communications Advisor, d.atkinson@pharmacycouncil.org.nz

[ends]