

## **Temporary Suspension on Funding Agreements from 1 December 2011**

During October 2011, Counties Manukau District Health Board (CMDHB) sought feedback from the pharmacy sector and other interested parties on its proposal to temporarily suspend the issue of new funding agreements for community pharmacies in the CMDHB catchment area while a policy for access to community pharmacy funding agreements was developed. A majority of the feedback received from the sector was in support of the move and was also supportive of the development of a funding policy to support transformation in the sector.

After considering all feedback, CMDHB has made a decision to temporarily suspend the issue of funding agreements for new community pharmacies for a minimum of three months and up to a maximum of six months, during which time a policy will be developed that will define the requirements for access to funding agreements in the future. The effective start date of the new policy is 1 December 2011.

The effect of this decision is that no new base pharmacy funding agreements will be issued during the period of the suspension even if a pharmacy has been granted an operating licence by Medsafe. The exceptions are:

1. Any pharmacy that prior to 1 December 2011 received written approval from CMDHB to establish a new pharmacy and has made an application to Medsafe for a licence on the basis of that approval but a licence has not yet been issued.
2. Any existing licensed and funded pharmacy that is undergoing a change of ownership only.
3. Providers who can establish to the satisfaction of CMDHB that they made a substantial and irrevocable commitment to establishing a new pharmacy prior to 1 December 2011 in the reasonable expectation that a funding agreement would be forthcoming. Note: where an intended proprietor has contacted or met with the CMDHB's Pharmacy Service Manager to advise of their intention, but has not received formal approval for the establishment of that pharmacy, this does not constitute a reasonable expectation that a funding agreement would be forthcoming.

Further information can be found on the CMDHB website under Pharmacy Services [www.cmdhb.org.nz](http://www.cmdhb.org.nz) or by e-mailing the Manager, Pharmacy Services, [Lynanne.stanaway@middlemore.co.nz](mailto:Lynanne.stanaway@middlemore.co.nz).