



THE DRUG TARIFF 1990, AMENDMENT NO. 1

PURSUANT to section 99 of the Social Security Act 1964, the Minister of Health hereby gives the following direction.

ANALYSIS

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DIRECTION

1. Title and commencement—(1) This direction may be cited as the Drug Tariff 1990, Amendment No. 1, and shall be read together with and deemed part of the Drug Tariff 1990* (hereinafter referred to as the Tariff).
(2) This direction shall come into force on the 1st day of February 1991.

2. Interpretation—Clause 2 (1) of the Tariff shall be read as if there were inserted, in their appropriate alphabetical order, the following definitions:

“Practitioner's supply order” means a written order made by a practitioner for a requirement or requirements the practitioner expects to need for personal administration to patients under the practitioner's care or for use in emergencies;

“Special area” means an area for the time being declared to be a special area for the purposes of section 99 of the Social Security Act 1964 by the Minister by notice in the *Gazette*:”.

3. Charges for requirements—(1) Clause 5 (2) of the Tariff shall be read as if, before paragraph (c), there were inserted the following paragraphs:

“(ba) In the case of a requirement (other than an antibiotic, antidepressant, or antipsychotic, or a Class B controlled drug) prescribed on a prescription for a quantity sufficient for use for 1 month or more and dispensed in a quantity smaller than a quantity sufficient for use for 1 month, the amount (if any) by which all costs in fact incurred in dispensing the quantity dispensed, or any quantity or quantities dispensed earlier on the prescription, exceeds the sum of—

“(i) All costs that would have been incurred in dispensing the quantity dispensed, and any quantity or quantities dispensed earlier on the prescription, in quantities sufficient for use for 1 month (together with any necessary smaller final quantity); and

“(ii) All charges made under this paragraph in respect of any quantity or quantities already dispensed on the prescription:

“(bb) In the case of a requirement (other than an antibiotic, antidepressant, or antipsychotic, or a Class B controlled drug) prescribed on a prescription for a quantity sufficient for use for less than 1 month and dispensed in a quantity smaller than the quantity prescribed, the amount (if any) by which—

“(i) All costs in fact incurred in dispensing the quantity dispensed, or any quantity or quantities dispensed earlier on the prescription; exceeds

“(ii) The costs that would have been incurred in dispensing the quantity prescribed as 1 quantity:

“(bc) In the case of a requirement (other than an antibiotic, antidepressant, or antipsychotic, or a Class B controlled drug) prescribed for treatment for a period of less than 1 month (in this paragraph referred to as the latest period) in respect of a condition for which that requirement has been dispensed for treatment for a period that, when added to the latest period, is not less than 1 month, the amount (if any) by which all costs in fact incurred in dispensing (during the period of 1 month ending with the close of the latest period after the most recent dispensing of the requirement) the quantity dispensed, or any quantity or quantities of the requirement prescribed for treatment for that condition on any prescription, exceeds the sum of—

“(i) The costs of dispensing as a single quantity an amount of the requirement sufficient for treatment for that condition for 1 month; and

“(ii) All charges made under this paragraph during that month in respect of any quantity or quantities of the requirement prescribed for treatment for that condition already dispensed.”

(2) Clause 5 (5) of the Tariff shall be read as if, for the expressions “25” and “40”, wherever they appear, there were substituted, respectively, the expressions “10” and “15”.

4. Calculation of payments—(1) Clause 6 (1) of the Tariff shall be read as if, for paragraph (b), there were substituted the following paragraph:

“(b) Subject to subclauses (2) to (5) of this clause, subtracting \$15.”

(2) Clause 6 (2) of the Tariff shall be read as if, for the expression "\$2", there were substituted the expression "\$5".

(3) Clause 6 (2) (a) (i) of the Tariff shall be read as if, for the words "or regulation 5", there were substituted the words ", regulation 4A, regulation 5, or regulation 5A".

(4) Clause 6 (3) (a) of the Tariff shall be read as if, for the expression "25", there were substituted the expression "10".

(5) Clause 6 (3) (b) of the Tariff shall be read as if, for the expression "40", there were substituted the expression "15".

(6) Clause 6 of the Tariff shall be read as if there were added the following subclauses:

"(4) No sum shall be subtracted in calculating payment for a Class B controlled drug.

"(5) No sum shall be subtracted in calculating payment for a requirement dispensed for a person when the person usually lives in a special area."

5. Computation of selling price—Clause 8 (2) of the Tariff shall be read as if, for the expression "142", there were substituted the expression "142.4".

6. Payment for bulk supply orders—(1) Clause 13 (1) (b) of the Tariff shall be read as if, for the expression "46.54", there were substituted the expression "46.96".

(2) Clause 13 (1) (c) of the Tariff shall be read as if, for the expression "34.62", there were substituted the expression "35".

7. Claims on Department—Clause 16 of the Tariff shall be read as if, for subclause (1), there were substituted the following subclause:

"(1) Pursuant to regulations 14 and 15 of the regulations, a contractor who wishes to submit claims for payment shall do so in respect of any monthly or half-monthly period by submitting—

"(a) The prescriptions for all the requirements in respect of which any person is entitled to a pharmaceutical benefit, dispensed by the contractor during the period pursuant to a prescription; and

"(b) The orders for all the requirements dispensed by the contractor during the period pursuant to an order.

8. Payment for non-disposable syringes and needles—(1) Clause 18 (3) (a) (ii) of the Tariff shall be read as if, for the expression "46.75", there were substituted the expression "47.16".

(2) Clause 18 (3) of the Tariff shall be read as if, for paragraph (b), there were substituted the following paragraph:

"(b) Subject to subclauses (4) to (6) of this clause, subtracting \$15."

(3) Clause 18 (4) of the Tariff shall be read as if, for the expression "\$2", there were substituted the expression "\$5".

(4) Clause 18 (4) (a) (i) of the Tariff shall be read as if, for the words "or regulation 5", there were substituted the words ", regulation 4A, regulation 5, or regulation 5A".

(5) Clause 18 (5) (a) of the Tariff shall be read as if, for the expression "25", there were substituted the expression "10".

(6) Clause 18 (5) (b) of the Tariff shall be read as if, for the expression "40", there were substituted the expression "15".

(7) Clause 18 of the Tariff shall be read as if there were added the following subclause:

“(6) No sum shall be subtracted in calculating payment for items dispensed for a person when the person usually lives in a special area.”

9. Payment for plastic syringes—(1) Clause 19 (1) (a) (ii) of the Tariff shall be read as if, for the expression “46.75”, there were substituted the expression “47.16”.

(2) Clause 19 (1) of the Tariff shall be read as if, for paragraph (b), there were substituted the following paragraph:

“(b) Subject to subclauses (2) to (4) of this clause, subtracting \$15.”

(3) Clause 19 (2) of the Tariff shall be read as if, for the expression “\$2”, there were substituted the expression “\$5”.

(4) Clause 19 (2) (a) (i) of the Tariff shall be read as if, for the words “or regulation 5”, there were substituted the words “, regulation 4A, regulation 5, or regulation 5A”.

(5) Clause 19 (3) (a) of the Tariff shall be read as if, for the expression “25”, there were substituted the expression “10”.

(6) clause 19 (3) (b) of the Tariff shall be read as if, for the expression “40”, there were substituted the expression “15”.

(7) Clause 19 of the Tariff shall be read as if there were added the following subclause:

“(4) No sum shall be subtracted in calculating payment for a requirement dispensed for a person when the person usually lives in a special area.”

10. Period and quantity of supply for doctors’ and midwives’ prescriptions—(1) Clause 20 of the Tariff shall be read as if, for paragraph (a), there were substituted the following paragraphs:

“(a) In the case of a requirement other than a Class B controlled drug, payment may be made only for an amount of the requirement sufficient to provide treatment for a period not exceeding 3 months:

“(ab) In the case of a Class B controlled drug, payment shall be made only for an amount of the requirement—

“(i) Sufficient to provide treatment for a period not exceeding 7 days; and

“(ii) Dispensed pursuant to a prescription for an amount of the requirement sufficient to provide treatment for a period not exceeding 1 month.”

(2) Clause 20 of the Tariff shall be read as if there were added the following paragraphs:

“(f) Notwithstanding anything in this direction, a requirement (other than an antibiotic, antidepressant, or antipsychotic, or a Class B controlled drug) prescribed on a prescription for a quantity sufficient for use for 1 month or more, and dispensed in a quantity smaller than a quantity sufficient for use for 1 month, shall be a claim on the Department to the extent only that it would be if dispensed as a quantity sufficient for use for 1 month:

“(g) Notwithstanding anything in this direction, a requirement (other than an antibiotic, antidepressant, or antipsychotic, or a Class B controlled drug) prescribed on a prescription for a quantity sufficient for use for less than 1 month, and dispensed in a quantity smaller than the quantity prescribed, shall be a claim on the Department to the extent only that it would be if dispensed as 1 quantity:

“(h) Notwithstanding anything in this direction, a requirement (other than an antibiotic, antidepressant, or antipsychotic, or a Class B controlled drug) prescribed for treatment for a period of less than 1 month (in this paragraph referred to as the latest period) in respect of a condition for which that requirement has been dispensed for treatment for a continuous period that, when added to the latest period, forms a continuous period of not less than 1 month, shall be a claim on the Department to the extent only that the quantity of the requirement prescribed for treatment for that condition and dispensed during the period of 1 month ending with the close of the latest period would be a claim on the Department.”

11. Practitioner’s supply orders—Clause 25 of the Tariff shall be read as if, for subclauses (1) and (2), there were substituted the following subclauses:

“(1) Subject to subclause (2A) of this clause, notwithstanding anything in this direction, a practitioner may obtain, pursuant to a practitioner’s supply order and subject to any condition set out in Part II of the Schedule, any requirement set out in Part III of the Schedule, if the quantities ordered do not exceed those set out in Part III of the Schedule.

“(2) Subject to subclause (2A) of this clause, payment shall be made to the contractor on the presentation of the practitioner’s supply order, on a form supplied by the Department, if at the time of supply the order—

“(a) Is signed personally and dated by the practitioner; and

“(b) Sets out the practitioner’s address; and

“(c) Sets out in the practitioner’s own handwriting the requirements and the quantities of them (being quantities not exceeding those specified in Part III of the Schedule) ordered.

“(2A) Any order for a class B controlled drug or for buprenorphine hydrochloride shall be written on a controlled drug form supplied by the Department.”

12. Definitions of “Retail Pharmacy-specialist” and “Retail Pharmacy-specialist prescription”—Part I of the Schedule shall be read as if—

(a) There were omitted from clause 14 the words “, or practitioner’s supply order,” and “or practitioner’s supply order,”; and

(b) There were omitted from clause 15 the words “, or practitioner’s supply order,”.

13. Certain requirements deleted from Part II of Schedule to Tariff—Part II of the Schedule shall be read as if the requirements specified in the First Schedule to this direction were deleted.

14. Certain requirements added to Part II of Schedule to Tariff—Part II of the Schedule shall be read as if it included the requirements specified in the Second Schedule to this direction, and as if they were available to the extent specified in that schedule.

15. New Part III of Schedule to Tariff—The Schedule shall be read as if there were added the Part III set out in the Third Schedule to this direction.

SCHEDULES

Cl. 13

FIRST SCHEDULE

DELETIONS

Requirements	Conditions
Alprazolam tablets	Retail Pharmacy-specialist
Atropine sulphate single dose eye drops	Only on a practitioner's supply order
Baclofen	
Benztropine mesylate injection	Only on a practitioner's supply order
Benzylamine hydrochloride solution	Retail Pharmacy-specialist
Betamethasone sodium phosphate injection	Only on a practitioner's supply order
Castor oil single dose eye drops	Only on a practitioner's supply order
Chloramphenicol single dose eye drops	Only on a practitioner's supply order
Chlorhexidine gluconate obstetric cream	Only— (a) Maternity hospital; or (b) On a practitioner's supply order; or (c) On a prescription (d) In a quantity not exceeding 500 ml per form
Chlorhexidine gluconate solution 5 percent	Only— (a) Maternity hospital; or (b) On a practitioner's supply order; or (c) On a prescription (d) In a quantity not exceeding 100 ml per form
Cyclopentolate hydrochloride single dose eye drops	Only if not exceeding 1 percent strength, and on a practitioner's supply order
Cyproterone acetate tablets	Hospital Pharmacy-specialist
Dettol solution	Only— (a) Maternity hospital; or (b) On a practitioner's supply order; (c) In a quantity not exceeding 100 ml per form
Fluorescein sodium single dose eye drops	Only on a practitioner's supply order
Homatropine hydrobromide single dose eye drops	Only on a practitioner's supply order
Hyoscine hydrobromide single dose eye drops	Only on a practitioner's supply order
Intravenous fluids	Only if the requirement is prescribed for renal dialysis, maternity or post natal care in the home of the patient concerned and the order is endorsed accordingly
Iodine solution, weak BP	Only— (a) On the prescription of a practitioner; or (b) On a practitioner's supply order; or (c) On a bulk supply order
Ipecachuana functive	
Neomycin sulphate with polymyxin B sulphate and bacitracin zinc aerosol	Only on a practitioner's supply order
Neomycin sulphate single dose eye drops	Only on a practitioner's supply order
Phenylephrine hydrochloride single dose eye drops	Only on a practitioner's supply order
Pilocarpine nitrate single dose eye drops	Only on a practitioner's supply order
Rose bengal single dose eye drops	Only on a practitioner's supply order
Silver sulphadiazine with chlorhexidine digluconate cream	Only on a practitioner's supply order
Sodium chloride single dose eye drops	Only on a practitioner's supply order
Sulphacetamide sodium single dose eye drops	Only on a practitioner's supply order
Trimetaphan camsylate	Only on a practitioner's supply order
Tropicamide single dose eye drops	Only on a practitioner's supply order

SECOND SCHEDULE

Cl. 14

ADDITIONS

Requirements	Conditions
Alprazolam tablets	Retail Pharmacy-specialist
Baclofen	Month restriction
Benzotropine mesylate injection	Retail Pharmacy-specialist
Benzylamine hydrochloride solution	Retail Pharmacy-specialist prescription
Betamethasone sodium phosphate injection	Only—
Chlorhexidine gluconate obstetric cream	(a) Maternity hospital; or
	(b) On the prescription of a practitioner
	(c) In a quantity not exceeding 500 ml per form
Chlorhexidine gluconate solution 5 percent	Only—
	(a) Maternity hospital; or
	(b) On the prescription of a practitioner
	(c) In a quantity not exceeding 100 ml per form
Cyproterone acetate tablets	Hospital Pharmacy-specialist prescription
Dettol solution	Only—
	(a) Maternity hospital; or
	(b) In a quantity not exceeding 100 ml per form
Intravenous fluids	Only if the requirement is prescribed for renal dialysis, maternity or post natal care in the home of the patient concerned and the prescription is endorsed accordingly
Iodine solution, weak BP	Only—
	(a) On the prescription of a practitioner; or
	(b) On a bulk supply order
Ipecachuana tincture	
Silver sulphadiazine with chlorhexidine digluconate cream	Only on a prescription

THIRD SCHEDULE

Cl. 15

NEW PART III OF SCHEDULE TO TARIFF

"PART III

"Requirements that may be obtained on a practitioner's supply order

Requirement	Maximum Quantity Allowed
Adrenaline injection	5
Aminophyllin injection	5
Amoxicillin trihydrate capsules 250 mg	30
Amoxicillin trihydrate granules for oral liquid 125 mg per 5 ml 100 ml	2
Amoxicillin sodium injection	5
Atropine sulphate injection	5
Benzathine penicillin injection	5
Betamethasone with betamethasone sodium phosphate injection	5
Betamethasone sodium phosphate tablets	30

THIRD SCHEDULE—continued

NEW PART III OF SCHEDULE TO TARIFF—continued

“PART III—continued

“Requirements that may be obtained on a practitioner’s supply order
—continued

Requirement	Maximum Quantity Allowed
Chlorpromazine hydrochloride injection ..	5
Contraceptives, condoms with or without a spermicidal agent	72
Contraceptives, diaphragms	1 of each size
Contraceptives, spermicidal agent	1 pack
Co-trimoxazole oral liquid 240 mg per 5 ml 80 ml	2
Co-trimoxazole tablets 480 mg	30
Desogestrel with ethinyloestradiol tablets ..	63 or 84
Dextrose injection	5
Diazepam injection	5
Diazepam rectal tubes 5 mg	5
Diclofenac sodium injection	5
Digoxin injection	5
Electrolyte powder for oral solution in sachets ..	3
Ergometrine maleate injection	5
Erythromycin or one of its salts or esters as capsules or tablets 200 mg or 250 mg	30
Erythromycin estolate oral liquid 125 mg per 5 ml 80 ml	2
Ethinyloestradiol with ethynodiol acetate tablets	63
Ethinyloestradiol with gestodene tablets ..	63 or 84
Ethinyloestradiol with levonorgestrel tablets ..	63 or 84
Ethinyloestradiol with lynoestrenol tablets ..	66 or 84
Ethinyloestradiol with norethisterone tablets ..	63 or 84
Ethinyloestradiol with norgestrel tablets ..	63
Ethynodiol acetate tablets	84
Ethynodiol acetate with mestranol tablets ..	63
Flucloxacillin sodium capsules 250 mg	30
Flucloxacillin sodium injection	5
Flupenthixol decanoate injection	5
Fluphenazine decanoate injection	5
Frusemide injection	5
Glucagon hydrochloride injection	5
Glyceryl trinitrate tablets	100
Hydrocortisone sodium succinate injection ..	5
Levonorgestrel tablets	84
Lignocaine hydrochloride injection	5
Loperamide hydrochloride capsules 2 mg ..	30
Medroxyprogesterone acetate 150 mg 1 ml ..	5
Mestranol with norethisterone tablets ..	63 or 84
Metoclopramide hydrochloride injection ..	5
Metronidazole tablets 200 mg	30
Morphine sulphate injection	5

THIRD SCHEDULE—*continued*NEW PART III OF SCHEDULE TO TARIFF—*continued*“PART III—*continued*”

“Requirements that may be obtained on a practitioner’s supply order
—*continued*”

Requirement	Maximum Quantity Allowed
Naloxone hydrochloride injection	5
Nefopam hydrochloride injection	5
Nefopam hydrochloride tablets	30
Norethisterone tablets 0.35 mg	84
Paracetamol oral liquid 120 mg per 5 ml 100 ml ..	2
Paracetamol tablets	30
Pentazocine hydrochloride tablets	30
Pentazocine lactate injection	5
Pethidine hydrochloride injection	5
Phenoxymethylpenicillin, potassium tablets 250 mg	30
Phenoxymethylpenicillin benzathine oral liquid	
125 mg per 5 ml 80 ml	2
Phenytoin sodium injection	5
Phytomenadione injection	5
Pipothiazine palmitate injection	5
Prednisone tablets 5 mg	30
Prochlorperazine maleate tablets 5 mg	30
Prochlorperazine mesylate injection	5
Promethazine hydrochloride injection	5
Salbutamol or salbutamol sulphate aerosol inhaler	5
Salbutamol sulphate injection 0.5 mg 1 ml ..	5
Salbutamol sulphate nebuliser solution 20 ml ..	1
Terbutaline sulphate oral liquid 100 ml ..	2
Tetracycline hydrochloride capsules or tablets 250 mg	30
Verapamil hydrochloride injection	5
Water for injections	5”

Dated at Wellington this 21st day of December 1990.

M. WILLIAMSON,
for Minister of Health.

EXPLANATORY NOTE

This note is not part of the direction, but is intended to indicate its general effect.

This direction, which comes into force on 1 February 1991 makes a number of amendments to the Drug Tariff 1990. Of these the most important are the increase of the existing \$5 and \$2 prescription charges to \$15 and \$5 respectively, and the reduction of the number of items for which charges must be paid in any year from 25 to 10 items for individuals and 40 to 15 items for families.

In addition,—

- (a) Contractors are required to submit to the Department of Health prescriptions for items valued at less than the prescription charge:
- (b) The pharmaceutical requirements that may be obtained on a practitioner's supply order are restricted:
- (c) Prescription charges for Class B controlled drugs are waived (thus protecting patients and their families by allowing them to obtain these drugs in small quantities without incurring extra costs):
- (d) Prescription charges are waived in respect of patients living in "special areas" specified by the Minister of Health:
- (e) Contractors will not be able to recover from the Department of Health, and will be able to charge patients, the extra costs resulting from dispensing in small quantities requirements (other than antibiotics, antidepressants, antipsychotics, and Class B controlled drugs) prescribed in larger quantities or for long term conditions:
- (f) Certain arithmetical amendments are made in relation to GST:
- (g) Deletions from and additions to the list of pharmaceutical requirements in Part II of the Schedule to the Tariff are made. Some deleted requirements have not disappeared, as they have been added again in a varied form.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 24 December 1990.

This direction is administered in the Department of Health.