



THE DRUG TARIFF 1990, AMENDMENT NO. 13

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

DIRECTION

1. Title and commencement—(1) This direction may be cited as the Drug Tariff 1990, Amendment No. 13, 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 1993.

(3) For the purpose of its application after the commencement of this direction, the Tariff shall have effect as if the amendments effected to it by this direction and the Drug Tariff 1990, Amendment No. 12 (as amended by this direction) are the only amendments that have ever been made to it.

(4) Subclause (3) of this clause does not affect the validity or consequences of anything done before the commencement of this direction.

2. Calculation of payments for requirements—(1) The Tariff shall be read as if, for clause 6, there were substituted the following clauses:

“6. Calculation of payments for requirements other than hypodermic syringes and hypodermic needles—Except in the case of a requirement supplied on a bulk supply order or practitioner’s supply order, payment for a requirement (other than a hypodermic syringe or hypodermic needle) when dispensed shall be calculated by adding together—

“(a) Where the contractor does not compound it from ingredients, the selling price; and

*S.R. 1990/326

Amendment No. 1: *(Revoked)*
 Amendment No. 2: *(Revoked)*
 Amendment No. 3: *(Revoked)*
 Amendment No. 4: *(Revoked)*
 Amendment No. 5: *(Revoked)*
 Amendment No. 6: *(Revoked)*
 Amendment No. 7: *(Revoked)*
 Amendment No. 8: *(Revoked)*
 Amendment No. 9: *(Revoked)*
 Amendment No. 10: *(Revoked)*
 Amendment No. 11: *(Revoked)*
 Amendment No. 12: S.R. 1992/329

“(b) Where the contractor compounds it from ingredients, at the option of the contractor, either—

“(i) The total selling price of its ingredients; or

“(ii) For each ingredient, the average ingredient price (if any) for the time being agreed by the Director-General and Pharmacy Guild of New Zealand (Inc.) for the purposes of this paragraph; and

“(c) Whether or not it is dispensed in a container,—

“(i) The amount specified in the Second Schedule to the Pricing Schedules for the average container charge; and

“(ii) If it is dispensed in a container with a child-resistant closure, the amount specified in that schedule for such a closure; and

“(d) The appropriate professional fee set out in the Third Schedule to the Pricing Schedules; and

“(e) If it is the residue of a quantity of a Class B controlled drug that was prescribed as an initial supply but could not, at the time of initial dispensing, be supplied in that quantity, the appropriate additional fee set out in that schedule; and

“(f) The amount (if any) of GST payable in respect of the dispensing of the requirement,—

and, subject to clause 6B of this direction, subtracting \$15.

6A. Payments for hypodermic syringes and non-disposable hypodermic needles—Payment to a contractor for hypodermic syringes, and non-disposable needles for hypodermic syringes, shall be computed by adding together—

“(a) The importer’s selling price for them; and

“(b) 42.31 percent of that price; and

“(c) The appropriate professional fee,—

and, subject to clause 6B of this direction, subtracting \$15.

6B. Abatements—(1) Subject to subclauses (3) to (8) of this clause, in the calculation under clause 6 or clause 6A of this direction of payment for a requirement, only \$4 shall be subtracted if—

“(a) The person for whom it is prescribed is a group 2 cardholder; and

“(b) The prescription concerned is either endorsed to that effect by the practitioner concerned or (where the contractor concerned is satisfied that the endorsement or lack of endorsement of the practitioner is erroneous) endorsed to that effect, and initialled, by the contractor; and

“(c) The prescription relates only to requirements prescribed for the person.

(2) Subject to subclauses (4) to (8) of this clause, in the calculation under clause 6 or clause 6A of this direction of payment for a requirement, only \$3 shall be subtracted if—

“(a) The person for whom it is prescribed is a high use cardholder, a group 1 cardholder, or a dependent child of a group 1 or group 2 cardholder; and

“(b) The prescription concerned is either endorsed to that effect by the practitioner concerned or (where the contractor concerned is satisfied that the endorsement or lack of endorsement of the practitioner is erroneous) endorsed to that effect, and initialled, by the contractor; and

“(c) The prescription relates only to requirements prescribed for the person.

“(3) Subject to subclauses (4) to (8) of this clause, in the calculation under clause 6 of this direction of payment for a contraceptive prescribed on a prescription relating only to contraceptives prescribed for one person, only \$3 shall be subtracted.

“(4) Subject to subclauses (5) to (8) of this clause, in the calculation under clause 6 or clause 6A of this direction of payment for a requirement dispensed on any day, only \$2 shall be subtracted if the prescription concerned relates only to requirements prescribed for one person, and the contractor concerned—

“(a) Is satisfied that the person is, or is a member of, a family unit that has already obtained 20 or more requirements (being requirements in respect of which any amount is, subject to this clause, required by one of those clauses to be subtracted) in the year ending immediately before the 1st day of February following the dispensing of the requirement; and

“(b) Has endorsed the prescription to that effect and initialled it.

“(5) In the calculation under clause 6 or clause 6A of this direction of payment for a requirement dispensed on any day, no sum shall be subtracted if the prescription concerned relates only to requirements prescribed for one person, and the contractor concerned—

“(a) Is satisfied that the person is, or is a member of, a family unit that—

“(i) Has already obtained 20 or more requirements (being requirements in respect of which any amount is, subject to this clause, required by one of those clauses to be subtracted) in the year ending immediately before the 1st day of February following the dispensing of the requirement; and

“(ii) Comprises or includes a group 1 cardholder or a group 2 cardholder; and

“(b) Has endorsed the prescription to that effect and initialled it.

“(6) For the purposes of subclauses (4) and (5) of this clause, requirements prescribed on a prescription shall be treated as having been dispensed and obtained consecutively.

“(7) No sum shall be subtracted in the calculation under clause 6 of this direction of payment for a Class B controlled drug (other than methylphenidate hydrochloride or dexamphetamine sulphate).

“(8) No sum shall be subtracted in the calculation under clause 6 or clause 6A of this direction of payment for a requirement dispensed for a person when the person is resident in the Hokianga Ward of the Far North District.”

Given at Wellington this 15th day of December 1992.

M. WILLIAMSON,
Associate 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 1993, reduces the amounts that pharmacists may charge in respect of pharmaceutical requirements dispensed for people entitled to pharmaceutical benefits, increases the number of requirements for which a family unit must pay in any year before the amount payable is abated, and alters the circumstances in which no charge at all is to be made.

At present, group 1 cardholders, high-use cardholders, and dependent children of group 1 or group 2 cardholders, may be required to pay up to \$5 per requirement until their family unit has paid for 15 requirements in any year ending 31 January. They will now have to pay up to \$3 per requirement until their family unit has paid for 20 requirements.

The \$3 limit will also apply to prescription contraceptives (which are at present subject to a \$5 limit).

At present, group 2 cardholders may be required to pay up to \$7.50 per requirement until their family unit has paid for 15 requirements in any year. They will now have to pay up to \$4 per requirement until their family unit has paid for 20 requirements.

Patients who at present are required to pay up to \$20 per requirement until their family unit has paid for 15 requirements in any year will now have to pay up to \$15 per requirement until their family unit has paid for 20 requirements.

At present, no further charges may be made during the year once a family unit has paid for 15 requirements. But what happens once a family unit has paid for 20 requirements will now depend on whether or not it comprises or contains a group 1 or group 2 cardholder. A family unit that does not comprise or contain a group 1 or group 2 cardholder may be required to pay up to \$2 per requirement for the rest of the year. Only a family unit that comprises or contains a group 1 or group 2 cardholder will not be required to pay for any requirements for the rest of the year.

The complete exemption of residents of the Hokianga is continued.

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This direction is administered in the Department of Health.