



**Quarter One Performance report  
July – September 2023**

## **Purpose of this report**

This report provides for quarter one, a progress overview of initiatives and performance measures, where available, outlined in Pharmac's 2023/24 Statement of Performance Expectations.

## **Highlights quarter one**

- Pharmac and Te Whatu Ora Boards have signed a joint National Medical Devices Action Plan. The action plan outlines a relationship model and establishes aims, outcomes and actions associated with the procurement and use of hospital medical devices.
- It has also been agreed that Te Whatu Ora will fund parts of the medical device programme and second staff to help with change management and implementation. They will also work with us on improvements to our IT systems and an integrated contract management system.
- A proposal to list medical devices supplied by Philips New Zealand Commercial Limited has been finalised for consultation. This is the first provisional agreement for one of the significant suppliers within the medical imaging category and represents \$20 million annual Te Whatu Ora expenditure.
- Pharmac was named as one of the 10 agencies that improved the most in the 2022/23 Kantar Public Sector Reputation Index. The Kantar Public Sector Reputation Index is an annual survey of the general public and uses a globally validated reputation measurement framework to provide us with independent benchmarks of our reputation.
- Pharmac has joined an international collaboration of government health technology assessment (HTA) agencies. Together with partners from Australia, the United Kingdom and Canada, we are working to make health systems better by sharing HTA knowledge and expertise. Health technology assessment involves the careful review of medicines, vaccines, and devices to understand how well they work, how much they cost, and what impact they are likely to have on people's lives. The assessments are unbiased and reveal health, social, economic, and ethical impacts of the considered health technology.
- A new MoU has been signed by Pharmac and Te Whatu Ora. The new MoU sets out how Pharmac and Te Whatu Ora will work together to use health data especially in relation to data collection and sharing of non-commercially sensitive information, and the maintenance of good data governance.

## **Medicines spending highlights**

- Decisions were made in September to widen access from 1 October 2023 to antivirals to people who are vulnerable to severe infection from COVID-19, including those with disabilities and with one or more severe health conditions.

- Widened access to emicizumab (branded as Hemlibra) for the treatment of people with severe haemophilia A without factor VIII inhibitors. We expect that 115 people will access this treatment during the first year of funding, increasing to 140 people as they transition from other treatments. There are many children in this group.
- Widened access to ocrelizumab (branded as Ocrevus) as the first funded treatment for primary progressive multiple sclerosis. Ocrelizumab slows the progression of the condition, providing a higher quality of life, compared to current care for those living with primary progressive multiple sclerosis.
- Pharmac is transitioning to a trastuzumab biosimilar, Herzuma, from the currently funded brand, Herceptin, as a result of a competitive procurement process. The treatment is currently funded for people with metastatic HER2 positive breast cancer. The change to a biosimilar releases funds, enabling us to provide more treatment options for New Zealanders. By funding Herzuma we are able to widen access to trastuzumab for people with locally advanced or metastatic HER2 positive gastric, gastro-oesophageal junction and oesophageal cancer. Currently there is no targeted treatment for these types of cancer. This will provide 130 people a year with a longer and better quality of life.
- Pharmac is seeking bids from suppliers of two medicines, lenalidomide and pomalidomide, for use in the treatment of multiple myeloma. We understand there is a high unmet health need for people with multiple myeloma. As part of Pharmac's role to improve the health outcomes for New Zealanders, we are using this competitive process to increase access to these treatments.
- Pharmac has issued a Future Procurement Opportunity (FPO) for supply of oestradiol transdermal products in New Zealand. This is an early stage in government procurement processes that signals to suppliers that Pharmac is planning to issue a competitive process. It gives time to suppliers to prepare their pricing proposals. Supply issue of oestradiol patches has been disrupted over the past few years. Demand in New Zealand and globally for hormone replacement therapy (HRT) has continued to surpass the available supply, with suppliers reporting extraordinary increases in demand for oestradiol patches. The FPO indicates Pharmac's plan to seek bids from suppliers of a greater range of oestradiol presentations, including oestrogen gel products, to help alleviate supply pressures.
- In July, we announced our request for proposals (RFP) to fund Continuous glucose monitors (CGMs), insulin pumps and consumables. The RFP is now closed and proposals will be evaluated in the next quarter. This will be a significant step for Pharmac, enabling many of the 17,000 New Zealanders living with type 1 diabetes, to have funded access to these devices.

## Strategic Priorities

In our 2023/24 - 2026/27 Statement of Intent we introduced our new strategic framework. Our strategic priorities are the three key areas that shape improvements in the way we manage and invest in medicines and medical devices. We intend Te Tiriti o Waitangi, health equity, and collaboration and engagement to be key components of Pharmac's activities and initiatives. Underpinned by organisational excellence, they are integral to everything that we do.

The following framework outlines our strategic priorities, and the key factors that are woven throughout our work and are reported against in this quarterly report.



### Strategic Management of Combined Pharmaceutical Budget (CPB)

To achieve the best health outcomes for medicines, vaccines, medical devices and related products, we need to better optimise funding available and take a longer-term view of how and where we direct funding to achieve improved health outcomes and health equity.

#### The CPB investment pathway for budget 2024

A key Pharmac priority for the next three years is to use multi-year funding arrangements to take a longer-term view of spending decisions and the impact on the system. We are undertaking work now to assess what funding options are available for both new investments and unplanned expenditure when we need it. We are also considering the right mix of spending decisions across the breadth of the business.

We are currently working with Manatū Hauora on future budget options for both the CPB and on the workforce implications (and impact on our operating budget) of these options. We intend that this will be part of a wider programme of work to support the development of the next 3-year Government Policy Statement (GPS), coming into effect from July 2024.

## Responding to COVID-19

### *Vaccines*

Pharmac is now responsible for the management of COVID-19 vaccines, including funding, eligibility, procurement, and supply.

This change follows the transfer of responsibilities from Manatū Hauora as of 1 July 2023 and the adjustment to the Combined Pharmaceutical Budget (CPB) to integrate the previously separate funding for COVID-19 treatments and vaccines.

### *Treatments*

Pharmac continues to be responsible for New Zealand's portfolio of COVID-19 treatments.

On 20 September 2023 the [decision was made to change the criteria for COVID-19 antiviral treatments](#) to include disabled people and people with one or more health conditions that have resulted in severe frailty or vulnerability. These changes were implemented on 1 October 2023.

## Expenditure is tracking slightly over target

CPB forecast expenditure is tracking slightly over budget. This is not unusual this early in the financial year and we are working on options to manage expenditure and meet budget at year end.

## Summary of SPE initiatives

SPE Initiative	Progress	Comment
Scope strategic CPB investment pathway for Budget 2024	On track	Preparation underway for Budget 2024, including projected work and high-level costings for the CPB and operating budgets. Engagement with Manatū Hauora and Treasury continues.
Progress number of medicines investments focused on health needs of Māori and improving health equity	On track	Māori health considerations are an integral part of Pharmac's Factors for Consideration (our decision making framework) (are applied throughout our assessment and transaction process. There are currently four transactions of note that will have considerable positive impact for Māori.
Update/adapt commercial activities to accommodate the expansion in Pharmac's scope	On hold	The recent appointment of a new Principal Engagement Advisor will drive forward this mahi.

Work more collaboratively with the health sector and other stakeholders on service and workforce implications of our investments	On track	Collaboration is ongoing, across both organisations at multiple different levels.
Explore with Te Whatu Ora how we can improve hospital medicines management	On track	
Work with Te Whatu Ora on improvements to Pharmaceutical schedule as part of Health Sector Agreements and Payments programme	On track	Work underway with Te Whatu Ora as part of Health Sector Agreements and Payments programme

## Enhanced assessment and decision making

We continue to make improvements to how we assess and make funding decisions. Proactive steps are underway to incorporate more diverse perspectives, strengthen understanding of Māori, Pacific peoples, consumers, and those with lived experience, increase the transparency of our decision-making, and make our assessment and decision-making processes faster, clearer and simpler.

### Incorporating Te Tiriti o Waitangi and equity in our decision making

In addition to incorporating a stronger health equity perspective to our decision-making, we are in the process of updating the guidance we provide to pharmaceutical companies about the information we need to consider equity at all steps in our process. This means that we will receive better information about whether the priority populations identified in the interim Government Policy Statement (iGPS) have a high level of need for a treatment for a particular condition, and whether a new treatment will address that need.

Getting this information when we receive an application helps us better identify which proposals will address health inequities, so that we can accelerate the process of obtaining clinical advice, assessing and funding these when budget allows.

### Improving the transparency of our decision-making

We continue to improve transparency. We began to release our Technology Assessment Reports (TARs) in 2022.<sup>1</sup> The TAR is our health economic analysis, used to determine the cost-effectiveness of a medicine. People who are interested can see all the information we have considered in the TAR.

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<sup>1</sup> TARs available at <https://pharmac.govt.nz/news-and-resources/order-publications/technology-assessment-reports-tars/>

We have produced and proactively released summaries of decision making documents for several medicines of high public interest including trikafta and continuous glucose meters.

We proactively publish information on our website about funding decisions and supply issues.

### **Expert advice**

We have a range of committees that provide us with expert advice to support the decisions we make. This includes experts who provide us with clinical advice, consumer advisers, and specialist advisers covering a range of many topics. Key committee work undertaken in the quarter included:

- Mental Health Committee (July)
- Cancer Treatments Advisory Committee (July)
- Pharmacology and Therapeutics Advisory Committee (PTAC) (August)
- Tender Clinical (September)
- Neurological (September)
- Diabetes tech RFP evaluation (September).

As part of supporting our expert advice committees, we ensure that advice is drawn from a diverse range of backgrounds who can bring both evidence-based perspectives and insights about how our decisions impact the people of New Zealand.

### **Improving the efficiency of our decision-making**

Making robust and evidenced-based decisions can be a lengthy process. The time taken to make a decision on a funding application includes the time needed to assess and rank the application and is dependent on the amount of funding made available by Government. Our aim is to focus on making improvements to those areas that are within our sphere of control, which is largely in the assessment and ranking space.

This first quarter of 2023/24 has seen more ranking decisions than any other quarter in the last ten years. A total of 79 proposals were ranked.

Recently, we have sought to make process efficiency gains through consideration of right-sizing of assessments. In this quarter we have focused on advancing rapid analyses for ranking applications and rapid assessments aimed at reducing the backlog. We are also reviewing the process for reviewing clinical advice records looking for efficiencies.

We have worked on making improvements to our PharmConnect software, which will make it easier for the public to keep up to date with the progress of funding applications. An independent review of our use of the software made recommendations and we continue to address those.

We have also strengthened our management reporting capability (using the QLIK tools), which we are now using to track applications, proposals, decision-making times, and the backlog of applications.

## Reducing the backlog of applications and proposals

The current combined backlog (both applications and proposals) sits at 286 – a slight reduction compared with the previous quarter. While we remain focused on reducing the backlog, our efforts have been hampered through an increasing volume (and increasing complexity) of applications and proposals received.

Proposal and Application Backlog Timeline



## Timeliness of funding assessment<sup>2</sup>

The timeliness of funding assessment (previously referred to as time to rank is a measure of the time from date of receipt of an application to the date it is placed onto one of our priority lists – Options for Investment, Cost Neutral/Cost Saving or Recommended for Decline. While the average may fluctuate, depending on which proposals are prioritised, we anticipate a reduction in the average as the backlog of applications awaiting ranking lessens and our processes become more efficient.

Proposals Average Months to Rank by First Ranking Date



Note: Proposals flagged with an invalid first ranking date, are a bundle, withdrawn, or marked as do not publish, are not included above.

<sup>2</sup> Previously referred to as Time to rank.



Note

- 'Cumulative average = removed to ensure consistency with our external (annual) reporting.

**Time to Decision**

Time to decision measures reports on the time from a funding application being received to a decision on whether to fund is made. The time to decision increased substantially in the most recent quarter (average 77.1 months) compared with the previous quarter (average 27.5 months), as shown in the yellow line in the graph below. This is because the 6 proposals with decisions made in the most recent quarter were received longer ago, on average, than the 3 proposals with decisions made in the previous quarter. As noted earlier, the time to decision includes the time to assess and rank a proposal and decisions to approve a proposal are dependent on the amount of funding provided by the Government. Decisions to decline proposals do not have this funding constraint.

**Proposal Average Months to Decision by First Decision Date**



*Note: Proposals flagged with an invalid first decision date, are a bundle, withdrawn, or marked as do not publish, are not included above.*

Note

- 'Cumulative average = removed to ensure consistency with our external (annual) reporting.
- Average = average time to decision for funding proposals decided on during the quarter, regardless of when the application was received.
- Average received 5 years = average time to decision for funding proposals decided on during the quarter, only for applications received in the previous 5 years.

## Summary of SPE initiatives

SPE Initiative	Progress	Comment
Bring more diverse voices into all stages of our assessment and decision making	Off track	Our performance metrics show that there continues to be an under-representation of Māori and Pacific Peoples in our advisory committees compared with the proportion of the total population. We are working to address this.
Continue to make consumer appointments to our expert advisory network	On track	Consumer members have been included on committees, on tender panels.  Ongoing engagement with sector partners in assessments of applications with service impacts.
Continue to make our assessment and decision-making timelier and more efficient	On track	Will be significant consideration of right-sizing of assessments – this has been apparent in the latest quarter, where the Health Economists have focused a lot on advancing rapid analyses to ranking (OFI, CN, Decline lists). <sup>3</sup>
Continue to make our assessment and decision-making process more transparent	On track	We proactively publish information on our website about funding decisions and supply issues. PTAC and SAC meeting records are now structured with relevant Factors for Consideration headings. <sup>4</sup> Over past 12-18 months, we have had more in-depth discussions around modelling with suppliers, including sharing TARs and CUA models to aid transparency. <sup>5</sup>
Develop a plan for the review of Pharmac's decision-making framework (Factors for consideration)	On hold	To be considered in early 2024.
Increased focus on collaborating and working in partnership with the health sector to support implementation of our decisions	On track	This report includes a number of examples of collaboration with Te Whatu Ora and Te Aka Whai Ora. Collaboration is ongoing, across both organisations at all levels.
Develop our approach, with health sector partners, on assessing whether our decisions achieve the outcomes expected	On track	We will engage with Mānatū Hauora next quarter to assess an outcomes framework – and identify future performance metrics.

<sup>3</sup> OFI = Options for investment, CN = cost neutral.

<sup>4</sup> PTAC = Pharmacology and Therapeutics Advisory Committee, SAC = Specialist Advisory Committees.

<sup>5</sup> TARs = Technology Assessment Reports, CUA = cost utility analysis.

## Strategic management of medical devices

We have built strong foundations for medical device contracting and procurement since commencing this responsibility in 2012. Working in collaboration with our sector partners, there are significant opportunities to maximise health benefits to New Zealanders by implementing an integrated approach to the strategic management of hospital medical devices, which drives better value and more consistent and equitable access.

Pharmac, Te Whatu Ora, and suppliers continue to work towards a new way of managing medical devices used or supplied in hospitals. As the contracts are finalised, Te Whatu Ora will be able to determine the mix of products that offers the best value, the priority populations who are best served, and where changes to usage may be required to achieve this. While there remains future work to be done to develop the next steps, working together with Te Whatu Ora will help to deliver an effective and integrated, system-wide approach that will secure better health outcomes for New Zealand.

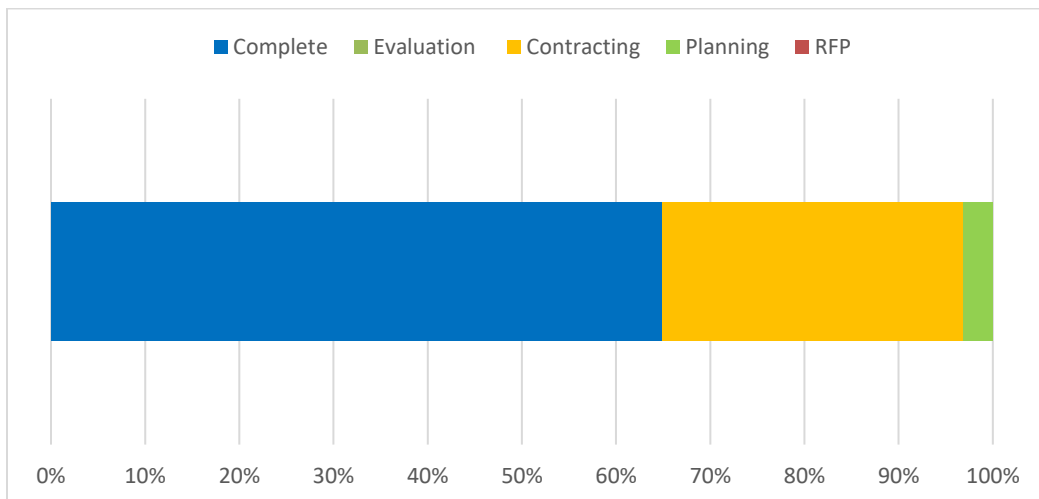
### Funding update

There have been significant agreements achieved during quarter one, resulting in more devices on the schedule.

A proposal to list medical devices supplied by Philips New Zealand Commercial Limited has been finalised for consultation. This is the first provisional agreement for one of the significant suppliers within the medical imaging category and represents \$20 million annual Te Whatu Ora expenditure.

There is currently \$543 million of an estimated \$850 million under agreement (approximately 64% - see chart below).

### Medical devices spend under agreement



We continue to work on large agreements that will bring our spend under agreement up quickly once entered. While we have not achieved the spend target, we consider the activity the team has undertaken to manage back price pressure to less than 1.5% of the spend under agreement in light of international and cross industry price pressure seen in 2022/23 as a strong achievement.

### **Funding and resource agreement with Te Whatu Ora**

We have agreed with Te Whatu Ora to share resources and also to work on improvements to our ICT systems and an integrated contract management system which will be funded by Pharmac.

### **Joint National Medical Devices Action Plan**

The National Medical Devices Action Plan between Pharmac and Te Whatu Ora has yet to commence implementation as we are awaiting confirmation of capacity in Te Whatu Ora teams to support the required work.

Both Pharmac and Te Whatu Ora have roles in the management of hospital medical devices. The action plan will help us to meet the clinical, strategic, and sustainability aims of both organisations, without unnecessary and accidental duplication.

The National Medical Devices Action Plan has five aims. These are:

- rationalising the range of hospital medical devices to meet clinical and strategic requirements
- reducing the emissions and the cost of supply, while increasing availability and visibility of hospital medical devices
- having all appropriate hospital medical devices covered by national contracts
- establishing a consistent national health technology assessment process to introduce new technology and to remove hospital medical devices
- having a consistent approach for single use vs reusing or reprocessing reusable medical devices.

## Summary of SPE initiatives

SPE Initiative	Progress	Comment
Finalise the Medical Devices List	On track	<p>Strategy development planning underway.</p> <p>Seeking clarity on potential to use Health sector catalogue and Spend Data Repository information. Timeframe for finalisation remains uncertain while planning.</p> <p>Seeking clarity on potential to use Health Sector Catalogue (HSC)/Spend Data Repository (SDR) information. Timeframe for finalisation remains uncertain while planning.</p> <p>Working with Te Whatu Ora to accelerate completion of Health Sector Catalogue to encourage remaining suppliers to complete work. Including HSC provisions in agreements.</p>
Manage the Medical Devices List	On track	<p>One category plan underway. This will inform strategy and approach to future category plans.</p> <p>Working to automate our work in progress document which will improve timeliness.</p>
Medical Devices investment management planning & transition	Off track	<p>Rescoping underway to determine milestones and timing given new seed funding agreement with Te Whatu Ora.</p> <p>Two pilot Health Technology Assessments underway in collaboration with Te Whatu Ora. These will inform how to approach future work.</p> <p>Stakeholder mapping complete. Developing relationship management plan.</p> <p>Additional funding is required in Budget 2024. The programme is feeding into the organisationally led process.</p>
Incorporate equity and taking a population-based view in line with Pae Ora into the medical devices work	Off track	<p>Initial Kapasa analysis completed. Capacity constrained for further work in other populations.</p>
Identify actions to implement Te Tiriti Policy	On track	<p>Actions underway include:</p> <ul style="list-style-type: none"> <li>• SLT and Board agreement to initial Te Tiriti accountabilities which reflect this policy:</li> <li>• review of Te Whaioraanga underway</li> <li>• strong relationships in place with Te Whatu Ora and Te Aka Whai Ora to ensure cross system alignment with the broader health system goals for Māori.</li> </ul>

SPE Initiative	Progress	Comment
Work collaboratively with health sector partners to continue to develop the approach for and transition to Investment Management	On track	Preparing for discussion with Te Whatu Ora on secondments as per resourcing agreement.  Implementation of Action Plan with Te Whatu Ora to be progressed.
Formalise partnerships that set our entities roles regarding medical devices investment, including clarity of sector approach to complex capital equipment.	On hold	Awaiting organisational level approach to MoU with Te Whatu Ora. Some discussion may occur via Action Plan with Te Whatu Ora.

## Organisational capability

We have a range of capability-based initiatives to align us with the Pae Ora (Healthy Futures) Act expectations. These are part of our strategic framework and are key factors throughout our work. Te Tiriti, Health Equity and Engagement and collaboration are underpinned by Organisational Excellence.

### Te Tiriti

Our strategic framework ensures te Tiriti is an important element of all our strategic priorities. These initiatives are intended to ensure our organisation capability continues to grow.

Te Tiriti accountabilities have been assigned for the Board. The Senior Leadership Team has agreed to individual and collective te Tiriti accountabilities and the details are being finalised currently. The anti-racism project continues and the 12-month work programme is underway.

Te Pātaka Whaioranga is working to elevate our focus on te Tiriti and Te Ao Māori by building kaimahi capability and building Te Pou Hauora Māori. This currently includes access to te reo classes at both beginner and advanced beginner levels with classes run over four terms a year, as well as compulsory te Tiriti training which is offered twice a year. We hold mihi whakatau each month to welcome new kaimahi, have weekly waiata sessions and opportunities for karakia and whakawhanaungatanga are also provided.

Pharmac supports a range of scholarship opportunities for Māori working and studying in the health sector. The scholarships help us build relationships with Māori health organisations, while we help support Māori health practitioners.<sup>6</sup>

<sup>6</sup> More information about the scholarships can be found at <https://pharmac.govt.nz/te-tiriti-o-waitangi/programmes-to-support-maori-health/scholarships/>

## Summary of SPE initiatives

SPE Initiative	Progress	Comment
Prioritise giving effect to the health sector principles of Pae Ora, noting their significance for giving effect to te Tiriti, ensuring involvement of and engagement with Māori, and achieving Māori health equity	On track	Reported throughout this quarterly report.
Ensure the Board are meeting their te Tiriti accountabilities through a thorough and focused programme of work	On track	Board accountabilities assigned. Review needed given environmental changes (new members, health sector reforms, te Tiriti policy).
Ensure the Senior Leadership Team are meeting and committing to their organisational and individual directorate te Tiriti accountabilities	On track	Discussions held with SLT and some collective accountabilities agreed.  All SLT individual accountabilities to be in place by November.
Complete a full review of systemic bias/institutional racism as they relate to Māori across our work	On track	Directorate Anti-racism Champions 12-month work programme and training has started. Workshops were held in June and August.
Commence a full review and renewal of Te Whaioranga with Māori, noting the desirability of bringing this forward to ensure a strategy fit for purpose under the Pae Ora Act and the expiry of the current strategy in 2023.	On track	Workplan agreed with Kaituruki Māori for August 2023 – May 2024.

## Equity Policy

We made a commitment as part of our response to the Pharmac Review to develop and finalise an Equity policy. The Board considered a draft policy at its September meeting and will be approving the final policy at its November meeting. At the same time staff are developing an implementation roadmap to set specific actions that we will take to implement and progress the policy.

## Summary of SPE initiatives

SPE Initiative	Progress	Comment
Identify the best ways to ensure the perspectives and experiences of disabled people are included in our work, including through discussion with Whaikaha - Ministry of Disabled People	On hold	Established relationship with Whaikaha through work on COVID-19 antivirals and widened access.  Challenges of data availability discussed at sector level and improvements required.
We will make internal improvements to ensure our Pacific Responsiveness Strategy reaches all aspects of our work.	On track	Two Malae Te Manaaki Pacific Traversing Pacific Health Kaitiakitanga Project workshops have been confirmed for staff in October on Pacific Health, worldviews and social theories that impact Pacific peoples  Pacific Research Collective Gout Intervention – Met with government partners and Pacific leaders in September.

## Engagement and collaboration – progress quarter one

Engagement and collaboration are important to all our strategic priorities. We are developing a draft engagement strategy and implementation roadmap with the Board to consider the strategy in November.

We continue to proactively share updates on our work with external stakeholder, with 19 proactive media releases in Quarter one.

We use a variety of newsletters to share proactive information and increase transparency. Readership of these updates is increasing, with the open rates growing between editions. The Kauneke Update, Rērere Kōrero, and Device Advice newsletters are often opened multiple times, and forwarded through organisations – particularly within government organisations and advocacy groups.

These updates are in addition to the operational updates to health sector stakeholders about funding decisions and supply issues.

## Summary of SPE initiatives

SPE Initiative	Progress	Comment
Develop an engagement strategy that provides a clear high-level understanding of Pharmac's engagement approach that supports our strategic direction and Pae Ora.	On track	Context, principles framework content and strategy actions under development.



Develop principles that guide our engagement and hold us accountable to good engagement practice.	On track	As part of the engagement strategy development, engagement principles have been drafted that align with the Pharmac values. These will be reviewed further within Pharmac and external stakeholders such as CAC.
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## Organisational Excellence

We are growing our capability to align with our priorities. This includes making sure we can respond to both anticipated and unforeseen changes in our operating environment.

Our recruitment processes are constantly under review to help improve Māori representation in our organisation. Six percent of staff whakapapa Māori as at the end of 2022/23. Work also continues on a kaitiakitanga framework, looking at specific deliverables for all our kaimahi. This will be implemented in 2023/24 as part of a new performance management process.

An organisational ICT strategy and roadmap is being developed.

## Organisational excellence

SPE Initiative	Progress	Comment
Increased proportion of staff who are Māori experienced in mātauranga Māori and with close ties to whānau	Off track	6% of staff identify as Māori as at the end of 2022/23 against an internal Te Whaioranga target of 17% (which matches the proportion of Māori in the total population).
Implement a Māori capability development programme for all staff using Te Arawhiti guidelines	On track	Work continues on a kaitiakitanga framework, looking at deliverables for all our kaimahi. This will be implemented in 2023/24 as part of a new performance management process. Work on reviewing the P&C strategy will begin in 2024.
Complete our organisational equity policy to make clear how equity considerations relate to our work	On track	In progress, with consultation underway.
Adopt te Tiriti policy	On track	Te Tiriti policy implementation underway.
Work further to build an inclusive work environment where all people feel they belong and can be their best – supporting both our current workforce and helping to attract additional diversity when we recruit new staff	On track	We are committed to championing workplace inclusion and acknowledge that to do their best work, we must foster an environment where people are comfortable to be themselves and work in a way that best suits their individual needs.

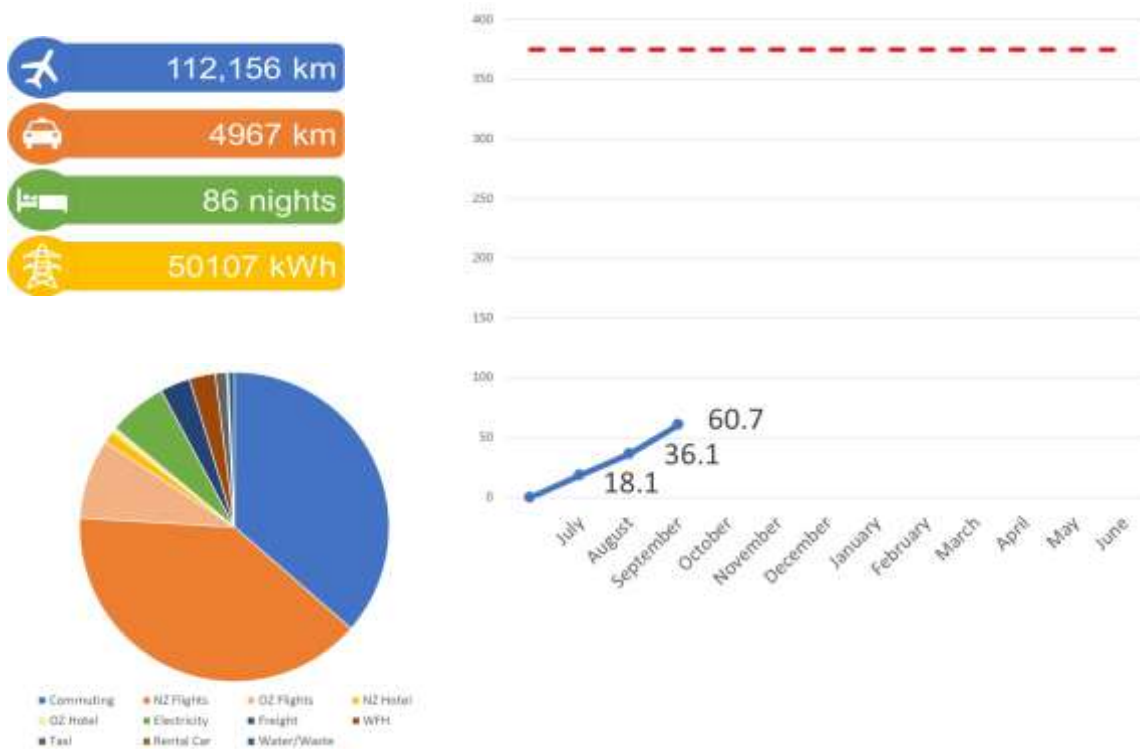
<p>Evaluate how our recent insight reports, and use of the underlying monitoring framework, have been received and utilised by other key agencies and stakeholders, to better understand the demand and clinical relevance of such reports.</p>	<p>On hold</p>	
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## Carbon emissions

We are required by the Carbon Neutral Government Programme (CNGP) to measure and report on our greenhouse gas (GHG) emissions. This supports the goals of the Nationally Determined Contribution to reduce net GHG emissions to 50 per cent below gross 2005 levels by 2030.<sup>7</sup>

As an organisation, we must reduce our carbon emissions by 21 percent by 2024/25 and 42 percent by 2029/30. Pharmac falls into Tranche 2 for the CNGP. This means 2022/23 is our first mandatory reporting year.

### Measure 20 Reduce Pharmac carbon emissions



<sup>7</sup> This is New Zealand's commitment to the Paris Agreement which describes the effort to limit the temperature increase to 1.5°C above pre-industrial levels.

## Appendix One

### Summary of performance measures

No.	Performance measure	2022/23 Result	2023/24 Result
1	Number of New Zealanders receiving funded medicines.	3.97 million	Result available August 2024
2	Number of new medicines funded.	20	Q1 = 2
3	Access is widened to an increased number of medicines that are already funded.	22	Q1 = 4
4	Number of New Zealanders benefiting from new medicines funded or widened.	364,954	Q1 = 6,814 estimated new patients
5	Access of medicines compared to subsidy	From 2013, the number of medicines (volume) and the range of medicines (mix) have increased over time	Result available August 2024
6	Number of COVID-19 treatments funded	145,664	As of 16 October 2023, a total of 181402 courses of oral antiviral treatments have been dispensed (135,840 of nirmatrelvir with ritonavir and 45,562 of molnupiravir).
7	Number of patients receiving COVID-19 treatments	n/a	As of 16 October 2023, a total of 181,402 courses of oral antiviral treatments have been dispensed <sup>8</sup>
8	Access to medicines for priority populations.	n/a	Result available August 2024
9	Time to funding decision	26.4 months	Quarterly progress reported above. Annual averages will also be calculated at year end.
10	Time to rank applications	21.5 months	Quarterly progress reported above. Annual averages

<sup>8</sup> Numbers relate to the number of courses since we first had supply in 2022 (total since these treatments have been available).

No.	Performance measure	2022/23 Result	2023/24 Result
			will also be calculated at year end.
11	Timeliness of Exceptional Circumstances decisions (NPPA)	46% decisions were made within 10 working days	See graph below
12	Timeliness of PTAC and other specialist advisory committee records being published	PTAC = 108 working days SAC = 108 working days	See graphs below
13	Increase in the number of hospital medical devices on the schedule/list for Te Whatu Ora hospitals to access/purchase	63%	Q1 = As of 1 September 2023, the Pharmaceutical Schedule includes approximately 163,000 contracted line items from over 100 suppliers. 64%.
14	Develop a methodology to show value to New Zealanders/Health system from hospital medical devices by 30 June 2024	n/a	Result available January 2024.
15	Increased public trust in Pharmac	93	Result available August 2024.
16	Māori trust and confidence in Pharmac	Achieved. While the result has levelled in the last 12 months, we have seen a rise over a four year period.  Advocates 21% Critics 31%	Result available August 2024.
17	Consumer engagement (Stakeholder experience)	n/a	Result available August 2024.
18	Assessment of bias and racism	n/a	Directorate anti-racism Champions appointed and 12-month work programme and training has started. Workshops were held in June and August.
19	Proportion of Māori and other under-represented groups in Pharmac's workforce, and advisory groups compared with the proportion of the total population	Pharmac Board = 33%  PTAC and Specialist Advisory Committees 3%  Consumer Advisory Committee = 33%	Q1 = No change.

No.	Performance measure	2022/23 Result	2023/24 Result
		Responsible Use Advisory Group = 12.5%	
20	Reduce Pharmac carbon emissions	Total greenhouse gas (GHG) emissions 302 tCO <sub>2</sub> -e	See graph in Organisational excellence section.