ASMS
ASSOCIATION OF SALARIED MEDICAL SPECIALISTS
TOI MATA HAUORA

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Tēnā koe Brendan

Supporting transitional funding for newly funded cancer treatments in private hospitals and clinics

Thank you for the opportunity to provide feedback on the above the consultation.

About Toi Mata Hauora

Toi Mata Hauora (the Association of Salaried Medical Specialists) is the union for senior salaried doctors and dentists and has over 6,000 members. We promote, protect and support the interests of our members in all aspects of their working lives. We also advocate for an equitable, accessible public health care system that meets the needs of all New Zealanders.

We have sought feedback on this proposed change from our members who work in oncology and haematology. Based on feedback, we have significant concerns about this proposal.

In short:

- Patients must have access to publicly funded cancer medicines within clinically acceptable timeframes. For this to occur, significant investment is needed to scale up medical oncology and haematology services in the public system.
- The current proposal is unlikely to create extra capacity for patient treatment due to workforce constraints. It will simply shift some of the existing capacity to the private system, where patients will need to fund infusion costs out-of-pocket.
- We note that although the proposal may currently only impact a small number of patients, future funding decisions could mean the policy impacts a large number of patients.
- The proposal risks inequities in access growing, where those who can afford the infusion costs can access care before those who are relying on public provision. Loss of FTE to private would exacerbate this, making public waiting lists longer.
- We note the Minister sought advice about opening access to publicly funded drugs even wider than transitional arrangements for newly-funded cancer medicines. This would pull FTE from the public sector to support increased provision in private, reducing access for the majority of New Zealanders who utilise publicly provided care. It would also mean more New

Zealanders with cancer would be under pressure to pay out-of-pocket costs for infusions, to receive cancer treatment within clinically acceptable timeframes.

- These risks would be significant if the scheme was widened in future to include all cancer medicines (rather than transitional access). That would establish a system where a patient's ability to receive timely cancer care would depend on whether they could afford the out-of-pocket infusion costs.

Further detail is provided below.

Capacity in the public system

In 2024, the Government provided a budget injection to Pharmac to fund a number of different cancer medicines. Toi Mata Hauora welcomes the increased funding for the Pharmaceutical budget and widened access to medicines for New Zealanders with cancer.

However, inadequate resource was allocated to Te Whatu Ora to increase the staffing, infusion capacity, and equipment for medical oncology services across the country to meet increased demand. Furthermore, public oncology services have seen increasing demand over a number of years, without an increase in resources to meet that demand. As a result, waiting lists for First Specialist Assessments, and for cancer treatment, are growing. Our members are increasingly needing to manage deteriorating patients, who are unable to access chemotherapy infusions in clinically acceptable timeframes.

This is unacceptable and represents a significant failure to invest in a planned and coordinated way to enable the public system to meet the needs of cancer patients, including those eligible for newly funded cancer medicines. Whenever a new cancer drug is funded, it must be accompanied by an increase in the full package of care (staffing, infusion space, pharmacy) so that patients can actually receive the medicines within clinically acceptable timeframes.

This policy change appears an attempt to increase capacity in a way that will require or even encourage patients to foot the bill for the cost of infusions, if they want to increase their chance of timely cancer care. In Toi Mata Hauora's position, all patients eligible for publicly funded cancer care should be able to access that treatment in a timely manner in the public system. The root causes of bottlenecks in the public system must be addressed with urgency – including staffing and physical space.

Members have provided feedback that the proposal to allow publicly funded cancer medicines to be administered in private settings is unlikely to meaningfully alleviate pressure on the public system, and may compound it further, with negative impacts for patients. In particular:

- The capacity of oncology pharmacists in the public system has been stretched for some time, with bottlenecks occurring due to constraints in staffing and the physical space in which to store medicines. The proposal expects Te Whatu Ora to dispense cancer medicines to private hospitals and clinics, with no increased resource in terms of oncology pharmacists or physical storage space to do so. This will exacerbate bottlenecks, impacting capacity in both public and private.
- A proportion of patients receiving treatment for cancer in the private system will have complications (e.g neutropenia, colitis). Not all private hospitals provide support for patients in these scenarios, and patients must be admitted to public hospitals to manage. There has

been no uplift signalled for public hospital emergency departments or oncology wards to cope with an uplift in demand from patients requiring acute care in the public system.

- Some members in smaller centres have commented that in their region the private system is already at capacity, and the change is unlikely to increase access for patients eligible for treatment.
- As more new medicines are announced to become funded, there will likely be an increase in patients seeking care in private to expedite their treatment, with the intention of transferring back to public as funding is implemented and as space becomes available. Patients may be more likely to take this option when it is clear that public funding is imminent. To meet this increased private demand, medical oncologists and haematologists may decrease their hours in the public system and increase their hours in the private system. This risk of losing public capacity was highlighted in one of the Ministry's briefing documents, and would negatively impact those patients on public wait lists without the option to self-fund care, as well as those self-funding in private but eager to transition back to public.
- As access is for 12-months, a large proportion of patients will still need to transfer to the public system at the 12-month mark. This will likely mean patients transitioning to public over a 2-3 week timeframe (so the policy may delay transition, rather than prevent it). Public facilities will need dedicated, planned investment to increase capacity to cope with the increase of patients at this point.
- In short, the proposal does not lead to increased capacity to provide patient care, but to the same total amount of care being provided in different locations, with patients still needing to foot the bill for significant infusion costs to access timely care.
- We note that a briefing to the Minister looking at publicly funding all cancer drugs in private explained *"making this policy change would not increase volumes of cancer medicines provided in New Zealand, as only the location of treatments will change."*

We received feedback from members that increasing access for patients and facilitating safe care requires investment in medical oncologists and haematologists, nursing staff for infusions, oncology pharmacists, and increased physical space to store medicines in the public setting. Without this investment, patients will continue to face delays to receiving the required care.

Equity of access

The policy change raises concerning equity issues. Patients who are insured or can self-fund a period of treatment in private may choose to commence treatment in private if they are able to begin sooner than in the public system. Many of these patients (particularly those who are not covered by insurance) will seek to transfer to public where infusion costs are covered. There will be pressure on the public system to ensure a smooth transition in treatment regime, which may mean delaying treatment for other people already waiting on the public list and unable to self-fund to start in private. This potentially creates a two-tier waiting list and a system where those with more financial resources, will be prioritised for treatment.

We note that the Ministry's proactively released briefing documents included a risk that publicly funded drugs in private settings may decrease public capacity if FTE shifts from public to private, leaving those who cannot afford to pay privately waiting even longer for public care. The briefing stated:

"If there is significant impact on public hospital capacity, groups that are more reliant on public provision, including regional, rural and those with lower financial resources would be more likely to have their access to timely cancer care affected, given they have less ability to access or to pay for private options."

Although this briefing was about more open access to cancer drugs in private (rather than transitional access), an element of this risk remains. Given that public capacity is already stretched, any further stretch from losing public FTE to private will negatively impact those patients who already struggle to access timely care.

We note that a section under the heading *"some people will not benefit from transitional access"* in the Ministry's briefing on the current proposal has been redacted under the proviso of confidential advice to government. We are concerned that information on who won't benefit from the change, has been withheld. Such information is in the public interest.

Potential to broaden the scheme

The initial briefing to the Minister included information on making publicly funded cancer medicines more openly available in private settings (e.g, not simply transitional access). Toi Mata Hauora would strongly oppose any future moves in this direction, as it would result in:

- Loss of public FTE to private, meaning public oncology capacity would decrease and patients would wait longer for care.
- No increased capacity or increases in the treatment provided, as the same workforce is providing care. Instead, some capacity would shift to private, where people would have to self-fund infusions. This would result in significant out-of-pocket costs for those who could afford it, and decreased access to care for those who could not afford it.
- We reiterate that public medical oncology and haematology services must be scaled up to ensure the public can access newly funded medicines in a timely fashion, without suffering substantial out of pocket costs. When new cancer drugs are funded, the whole package of care must be funded.

Nāku noa, nā

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