



Sunday, 23 July 2017

Professor Stephen King (Chair)
Pharmacy Review (MDP 900)
Department of Health
GPO Box 9848
Canberra ACT 2601

Review of Pharmacy Remuneration and Regulation

Dear Professor King,

I write in response to the Review of Pharmacy Remuneration and Regulation – interim report. In particular to discuss the method of determining “rurality” used by the pharmacy industry, and its subsequent impact on pharmacy workforce availability.

I am a pharmacist living in Bendigo, Victoria. I have lived and practiced in regional or rural Victoria for 23 years. I have worked in Seymour, Bendigo, Rochester, Echuca and Inglewood in Victoria, as well as metropolitan Melbourne. I am currently employed (0.6EFT) as a resource development pharmacist with The Pharmacy Guild of Australia – Guild Learning and Development); and (0.4EFT) as the Rural Pharmacy Liaison Officer for northern Victoria with The University of Melbourne, Department of Rural Health, Shepparton. The following submission represents my personal views. It is not necessarily the position of either the Guild or the University of Melbourne.

I do not believe that the Pharmacy Access/Remoteness Index of Australia (PhARIA) is the best way to measure rurality in the community pharmacy sector, and I believe that other indices, more widely developed and used by other health professions, such as the Modified Monash Model (MMM), would be more appropriate for pharmacy.

In my role with The University of Melbourne I contributed to the review of 6CPA workforce programs being undertaken by HMA earlier this year. I prepared the attached submission to the workforce review that discusses the limitations of using PhARIA.

Succinctly:

- PhARIA is only used by the pharmacy profession. This makes comparison of performance and workforce information with other medical and health professions difficult. For example, the Department of Health, does not report numbers registered health professionals by PhARIA (it uses MMM and ASGC-RA).

- PhARIA classifies as urban/metropolitan many locations that would be considered “rural” by other criteria as; for example, Sale, Wangaratta, Murwillumbah, Goulburn, and Burnie.

This disadvantages pharmacies and pharmacists in these towns, it disadvantages pharmacy interns and disadvantages secondary students who aspire to scholarships to study pharmacy.

- Application of PhARIA requires the maintenance of a separate index, which is inefficient. An existing industry standard index such as Modified Monash Model, would provide a better measure of rurality, and easier cross-industry comparison, without the need to maintain a separate pharmacy-specific index.

Many pharmacies in rural areas that are categorised as PhARIA 1 experience substantial difficulties in attracting and retaining professional staff. The salaries they are required to pay, and the cost of recruiting these pharmacists are substantially greater than the corresponding professional costs incurred by metropolitan pharmacies. Remuneration for professional services paid to pharmacies outside of metropolitan areas should reflect these greater expenses.

I note that the interim report makes extensive reference to PhARIA throughout the document, especially when discussing pharmacy location rules (section 5.4) and Rural Pharmacy Maintenance Allowance (section 5.9). In option 5.8 the review considers application of a “10-kilometre area” as a criterion receiving Rural Pharmacy Maintenance Allowance. What does this mean? 10km diameter? 10km radius? or within an area of 10 square kilometres?

There are many measures of rurality used by industries in Australia (see following paper) and although we can argue over which is the best and most appropriate for an industry to use, distance to nearest competitor is not a recognised measure of rurality by any reference of which I am aware. Rural Pharmacy Maintenance Allowance and workforce incentives should be based on genuine, and widely recognised measures of rurality, that encompass the professional and business costs of pharmacy operation and service delivery in rural Australia.

PhARIA has severe limitations as a measure of rurality and the Review of Pharmacy Remuneration and Regulation provides the opportunity to move the Modified Monash Model as a measure of rurality, which will be more equitable for rural pharmacists and more consistent with other health professions and businesses.

Yours faithfully,



Kevin de Vries

Measuring rurality for pharmacy workforce purposes.

Kevin de Vries, Department of Rural Health, The University of Melbourne.

There are several measures of rurality that apply to health care education and workforce program funding in Australia. Although there is not unanimous agreement on what constitutes a “rural” location, a number of current and historical statistical algorithms exist which attempt to define rurality based on various parameters.

These classifications include:

- the Australian Standard Geographic Classification - Remoteness Areas (ASGC-RA),
- the Modified Monash Model (MMM), and
- the Pharmacy Access/Remoteness Index of Australia (PhARIA).

As indicated on the website of the Australian Institute of Health and Welfare¹, each classification system has strengths and weaknesses. The pharmacy profession generally uses the PhARIA

This author argues that for the sake of consistency, efficiency, equity of opportunity for students and to assist in measuring effectiveness of incentive programs across health disciplines, the classification used for pharmacy workforce programs should be consistent with those used for other health professions, ideally the Modified Monash Model.

The PhARIA

The Pharmacy Access/Remoteness Index of Australia (PhARIA) is a composite index which incorporates measurements of geographic remoteness, as represented by ARIA+, with a professional isolation component represented by the road distance to the five (5) closest pharmacies.² The PhARIA was designed for determination of rural and remote pharmacy allowances.

Pharmacies are categorised according to a six-level scale (Table 1):

Table 1: PhARIA remoteness categories

Category	Accessibility/Remoteness
Category 1	Highly Accessible
Category 2	Accessible (Group A)
Category 3	Accessible (Group B)
Category 4	Moderately Accessible
Category 5	Remote
Category 6	Very Remote

The Rural Pharmacy Liaison Officer Program is funded by the Australian Government Department of Health and Ageing as part of the Sixth Community Pharmacy Agreement.

The Program is delivered throughout Western, Northern and Eastern Victoria in partnership by The University of Melbourne and Monash University.



One inconsistency of the PhARIA index compared to other measures of rurality (ASGC-RA and MMM) is the adoption of the “8 pharmacy rule” in determining the PhARIA category of a town or community. This “8 pharmacy rule” provides that centres with 8 or more pharmacies are reclassified into Category 1 regardless of their location.³ This has the effect of classifying all urban centres with a large number of existing pharmacies as highly accessible.

Pharmacies in these locations may possibly be “highly accessible” for consumers, but they can still be challenging places in which to practice. They may be locations with low pharmacist availability; they have real costs associated with travel to access continuing professional development activities; or they may be located many hundreds of kilometres from the nearest capital city. These and other factors can lead to feelings of personal and professional isolation for health practitioners working in such communities.

Pharmacy programs subject to PhARIA criteria

Several pharmacy rural workforce programs funded through the Sixth Community Pharmacy Agreement apply rural criteria to the program rules and eligibility.⁴ These are listed in the table below.

Table 2: Pharmacy rural workforce development programs

Program	Rural criteria
Continuing Professional Education (CPE) Allowance	PhARIA 2-6 only
Emergency Locum Service	PhARIA 2-6 only
Intern Incentive Allowance for Rural Pharmacists	PhARIA 2-6 only
Intern Incentive Allowance for Rural Pharmacies – Extension Program	PhARIA 4-6 only
Rural Pharmacy Liaison Officer (RPLO) Programme	Not specified
Rural Pharmacy Maintenance Allowance (RPMA)	PhARIA 2-6 only
Rural Pharmacy Scholarship Scheme	PhARIA 2-6 only
Rural Pharmacy Student Placement Allowance	PhARIA 2-6 only

Inconsistencies across rural classifications

When PhARIA classifications are compared with ASGC-RA and MMM some notable inconsistencies are observed (Table 3). Many towns which are arguably “rural” in character, either by nature of their distance from a capital city, population size, or economy dependent on agriculture are classified as PhARIA 1.

The author believes that many of these communities could offer an excellent rural learning experience for students, and he contends that some of this effect is attributable to the PhARIA specific “8 pharmacy rule”.

Table 3: Rural classifications of select rural and regional locations

Town	PhARIA (1-6 scale)	ASGC-RA 2011 (1-5 scale)	Modified Monash Model (1-7 scale)	Population ⁵	Distance from state capital city ⁶
Bairnsdale	2	3	4	14,271	281km
Ballarat	1	2	2	99,841	116km
Bendigo	1	2	2	92,888	153km
Burnie	1	3	3	27,699	323km
Devonport	1	2	3	30,497	279km
Geraldton	1	3	3	39,825	417km
Goulburn	1	2	3	23,005	194km
Kyneton	2	2	5	9,351 ^(SA2)	88km
Launceston	1	2	2	86,633	199km
Lismore, NSW	1	2	3	29,413	738km
Mackay	1	2	2	84,455	952km
Mildura	1	3	3	50,011	542km
Murwillumbah	1	2	2	8,579 ^(SA2)	808km
Sale	1	2	4	14,716	216km
Shepparton	1	2	3	49,371	190km
Taree	1	2	3	26,390	321km
Wangaratta	1	2	3	18,158	251km
Warrnambool	1	2	3	33,979	257km
Tamworth	1	2	3	42,255	405km

ABS "Significant Urban Area" population estimates have been used, except where these data are unavailable, in which case SA2 data is provided. This is indicated in the table.

Impact of application of PhARIA criteria on student undergraduate experiences

Although there is no rural criteria applied to the conduct and operation of the RPLO program, the criteria applied through the Rural Pharmacy Student Placement Allowance has the effect of limiting where students are placed by their teaching university.

The Rural Pharmacy Student Placement Allowance provides for reimbursement of travel expenses and accommodation to the student, via their university. Teaching universities generally do not place students in PhARIA 1 towns because students are unable to claim reimbursement for costs associated with transport and accommodation for a PhARIA 1 student placement.

This has the effect of denying students the opportunity for shared placement experiences and interprofessional teaching alongside other medical, nursing and allied health students who can be placed in these PhARIA 1 towns without such restrictions.

This also has the effect of denying regional PhARIA 1 communities exposure to pharmacy undergraduates, and of depriving community pharmacies in regional PhARIA 1 towns the

opportunity to profile their professional practices and persuade students to return to the community after graduation.

Impact on scholarships for rural students

The PhARIA specific idiosyncrasies also impact on the eligibility of secondary students located in regional and rural locations wishing to apply for scholarships when entering an undergraduate course. Because of the different rules that apply to each health discipline, a student from, say, Mildura may find that s/he is eligible for a bonded medical scholarship, or scholarship for nursing or physiotherapy, but is ineligible for a scholarship to study pharmacy. This is inconsistent, confusing and inequitable, and does not serve to attract students living in these locations to a career in pharmacy.

Table 4: Eligibility criteria of health care scholarships

Rural scholarship scheme	Eligibility criteria
Grants for Rural and Remote Dental Students	Not metro area, low dentist:population ratio
Medical Rural Bonded Scholarship	Restricted to practice in ASGC-RA 2-5 areas for 6 years
NAHSSS Allied Health Undergraduate (Entry Level) Scholarships	ASGC-RA 2-5
NAHSSS Nursing Undergraduate General	“Rurality” is one of four criteria
NAHSSS Nursing Undergraduate Remote	ASGC-RA 4-5
Rural Pharmacy Scholarship Scheme	PhARIA 2-6

Questionable correlation between regional PhARIA 1 towns and areas of workforce sufficiency

Other 6CPA rural incentives such as the Intern Incentive Allowance for Rural Pharmacists, Continuing Professional Education (CPE) Allowance, and Emergency Locum Service exist to overcome barriers to practice in areas of workforce shortage. These incentives are intended to offset unique costs associated with working in these locations, and to serve to attract pharmacists to live and work in these locations.

It is the author’s experience that there are community pharmacies in these regional and rural PhARIA 1 towns which experience difficulty in attracting pharmacists and pharmacy interns to their practices.

In many cases these towns would be considered rural were it not for the effect of the “8 pharmacy rule” on these locations. Having eight or more pharmacies located in a city or town does not in itself serve to attract pharmacists and interns to a location. Nor does it overcome travel costs associated with maintaining CPD requirements and professional currency.

The author recommends that the consultants currently engaged to review the 6CPA rural workforce incentive programs look carefully at the correlation between non-capital city PhARIA 1

towns and absence of workforce shortage. It may be that such workforce issues would be better addressed if a criteria of MMM 3-7 was applied to these programs.

Inefficiency of maintaining PhARIA index

In addition to the abovenoted shortcomings of the use of PhARIA for pharmacy student undergraduate and internship workforce programs, it is inefficient for universities to implement and apply a rural classification index that is used exclusively by one health profession. Aligning all health disciplines, including pharmacy, to a common classification of rurality, for example the Modified Monash Model, would provide for consistency, efficiency and ease of comparison across medical, allied health and nursing workforce programs, scholarships and incentives.

Further, by uniting pharmacy with a rural classification system used by other health care professions, the need for The University of Adelaide to maintain a separate pharmacy specific index would be obviated.

Inability to effectively use Department of Health workforce statistics

The Australian Government Department of Health maintains and publishes health workforce data, based on AHPRA registrations. This information is published at:

http://www.health.gov.au/internet/main/publishing.nsf/content/health_workforce_data

Interrogating this data allows reporting on a number of geographical criteria, however PhARIA is not one of them (see right).



In order for meaningful comparison to be made between pharmacy location, employment need and pharmacist registration data then the pharmacy industry should be encouraged to use one of the geographic criteria for which data are more readily available.

Recommendation

There will always be argument around the margins of any rural classification system; however the profession of pharmacy is not well served by the use of the pharmacy-specific PhARIA classification of rurality.

- Use of the PhARIA restricts undergraduate students from genuinely rural placement experiences and interprofessional engagement in many towns including Geraldton, Goulburn, Lismore (NSW), Mildura, Murwillimbah, Sale, Shepparton, Taree, Tamworth, Sale and Wangaratta.
- Use of PhARIA for undergraduate and internship scholarship purposes creates inconsistencies between health care disciplines.
- PhARIA is inefficient, inequitable and inconsistent for universities to apply.
- There may many pharmacies in PhARIA 1 regional and rural locations which are experiencing high pharmacist workforce need. The incorporation of the “8 pharmacy rule” into the PhARIA works against workforce development objectives in these towns.
- Use of the PhARIA rural criteria is not compatible with published Health Workforce Data.

It is recommended that rural classification system used for pharmacy education purposes be aligned with those used by other health care disciplines, i.e. the Modified Monash Model.

About the author

Kevin de Vries is employed 0.4 EFT as a pharmacy academic with The University of Melbourne, Department of Rural Health (Shepparton). He is also employed (0.6 EFT) with The Pharmacy Guild of Australia, Guild Pharmacy Academy.

The comments above are Kevin's personal views and are not necessarily those of the University or the Guild.

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