

Communiqué

16 November 2016

The Victorian Pharmacy Authority (the "Authority") met on 8 November 2016 at the Authority offices.

Annual Report 2015-16

The Authority's sixth Annual Report was tabled in Parliament on 12 October 2016 and is now available on the Authority's [website](#).

Recent media reports about pharmacy ownership

The Authority is aware of recent media reports referring to commercial arrangements with pharmacies and apparent moves by non-pharmacist corporations to enter pharmacy ownership.

In Victoria, pursuant to the *Pharmacy Regulation Act 2010* ("the Act") a person must not own or have a proprietary interest in a pharmacy business unless the person is (a) a registered pharmacist, (b) a company registered under the Corporations Act whose directors are all registered pharmacists, and in which all the shares and beneficial and legal interest in those shares are held by registered pharmacists, or (c) an eligible friendly society.

Section 11 of the Act makes void a provision in any commercial arrangement in respect of a pharmacy or pharmacy business that gives to any person other than the person licensed under section 38 to carry on the pharmacy business—

- a) the right to control the manner in which the pharmacy business is carried on; or
- b) the right of access to books of accounts or records kept in respect of that business, otherwise than for the purpose of determining whether or not the conditions of the relevant document are being complied with; or
- c) the right to receive any consideration that varies according to the profits or takings in respect of the business.

The Act does not prevent a pharmacy owner from entering into a commercial arrangement with a third-party service provider or banner group, provided such arrangements comply with the Act.

The Authority is also aware of media coverage suggesting that certain corporate entities use their corporate structures to get around state/territory pharmacy ownership legislation.

The Authority has and will continue to monitor commercial arrangements that pharmacies have with third parties to ensure that the provisions of the Act are upheld.

Recent Panel Hearings

The Authority held three Panel Hearings in October. The following is a summary of some of the matters considered during these hearings.

Case 1.

The proprietor was found to have failed to comply with the Act and/or there was a failure of good pharmacy practice at the registered premises in that there was:

- Failure to ensure that records of all transactions in Schedule 8 poisons showed the true and accurate balance of each Schedule 8 poison remaining in their possession after each transaction;
- Failure to store returned and unwanted Schedule 8 poisons in a Schedule 8 poisons safe;
- Failure to maintain dedicated prescription reception and counselling points fitted with opaque privacy screens;
- Failure to provide sufficient pharmacist staff to meet the expected dispensing workload on Saturdays;
- A display of Schedule 3 poisons containing codeine that did not meet the requirements of the Authority's Guidelines.

The proprietor was reprimanded and a condition placed on their licence requiring quarterly self-audits to be submitted to the Authority. The panel also determined that the pharmacy be reinspected at the proprietor's cost, the fee being \$322.35.

Case 2.

The proprietor was found to have failed to comply with the Act and/or there was a failure of good pharmacy practice at the registered premises in that there was:

- Failure to ensure that records of all transactions in Schedule 8 poisons showed the true and accurate balance of each Schedule 8 poison remaining in their possession after each transaction;
- Failure to store Schedule 8 poisons in a Schedule 8 poisons safe;
- Failure to monitor the drug refrigerator with a continuously recording thermometer such as a data logger in accordance with VPA Guidelines;
- Failure to maintain privacy and confidentiality when disposing of records and containers;
- Failure to comply with the VPA Guidelines for the storage and/or possession of keys to the controlled drug safe.

The proprietor was reprimanded and required to submit further evidence to the Authority to demonstrate that the matters had been rectified.

Case 3.

The proprietor was found to have failed to comply with the Act and/or there was a failure of good pharmacy practice at the registered premises in that there was:

- Failure to ensure that records of all transactions in Schedule 8 poisons showed the true and accurate balance of each Schedule 8 poison remaining in their possession after each transaction;
- Failure to maintain the premises in a clean and hygienic manner pursuant to Schedule 1 of the *Pharmacy Regulation Act 2010*, having previously certified that the matter had been rectified.

The proprietor was cautioned and a condition placed on their licence requiring quarterly self-audits to be submitted to the Authority.

Toni Riley
Chair
16 November 2016