National Seniors Australia recognises the vital role of the Pharmaceutical Benefits Scheme (PBS) in ensuring affordable and accessible medicines for all Australians. In fact, such is the importance of affordable medicines, 55 per cent of the over 50s say that higher drug costs (as a result of a loss of government subsidies) will influence their vote.¹

The reality is many older Australians face financial strain from the cost of prescription medicines and some even skip doses to counter mounting costs.¹ Twelve per cent of those aged 65 plus and 20 per cent of Australians aged 50 to 64 reported such behaviour. The higher levels of such behaviour among younger groups is most likely related to their limited access to concession cards.

Among 3,188 respondents to a 2012 National Seniors survey, the number of people taking four or five and more prescription medicines increased with age. A 2009 snapshot survey also reported use of several medicines in 66 per cent of people aged 75 and older.² The reliance places this older group at greater risk of financial stress or skipping medications.

### The PBS Safety Net

Under the PBS Safety Net, once a patient’s out of pocket expenditure on prescriptions reaches the threshold, they are issued a PBS Safety Net card and become eligible for reduced prescription costs as indicated in the table below.³

<table>
<thead>
<tr>
<th></th>
<th>General patients</th>
<th>Concession card holders</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient contribution</td>
<td>Up to $36.10</td>
<td>$5.90</td>
</tr>
<tr>
<td>Safety Net threshold</td>
<td>$1390.60</td>
<td>$354.00</td>
</tr>
<tr>
<td>Safety Net patient contribution</td>
<td>$5.90</td>
<td>Free</td>
</tr>
</tbody>
</table>

### Exclusions from the PBS Safety Net threshold

Under the Safety Net 20 day rule, repeat prescriptions which are filled within 20 days of the earlier dispensing cannot count towards the PBS Safety Net threshold and full price must be paid if the threshold has been reached. If a higher-priced brand of medicine is requested, then the patient will need to pay more than the reduced amount for the prescription.
The facts on the PBS Safety Net threshold

**Inequity of access to the PBS Safety Net**

National Seniors is particularly concerned at the inequity of single pensioners, concession card holders and general patients on low incomes (set at the lower ATO threshold, currently $37,000) having to accrue the same level of out of pocket costs as a couple or a family with dependent children to become eligible for the Safety Net.

General patients on a low income must fill 39 prescriptions at the maximum PBS price of $36.10 while pensioners and concession card holders need to accrue 60 prescriptions at the full cost of $5.90 to become eligible for the Safety Net. Yet family members share this number of prescriptions among two or more people.

The single age pension of $733.70 per fortnight is 66 per cent of a couple’s pension of $1,106.20 per fortnight and is significantly less than that of a concession card holding family with dependents yet the single person would take longer to accumulate the required number of prescriptions to reach the PBS Safety Net threshold. Meanwhile the single person, including a concession card holder or self-funded retiree must cover all the costs of living on the one income.

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