



# Budget October 2022-23

This information is accurate as of 25 October 2022.

## Plan for Cheaper Medicines

This measure will reduce the Pharmaceutical Benefits Scheme (PBS) general patient maximum co-payment amount by \$12.50 from 1 January 2023. This means the maximum a general patient will pay for PBS medicines drops from \$42.50 to \$30.00. This doesn't include any manufacturer charges.

The existing Medicare Safety Net provisions and all prescriptions that currently count towards a patient's Safety Net will continue to do so. This is in line with the Australian Government's election commitment to ensure that no patient is worse off.

Under this measure, pharmacies have the option to offer patients an increased discount. This is for specific PBS prescriptions with a Commonwealth Price between the new co-payment of \$30.00 (indexed from 1 January 2024) and the old co-payment of \$42.50 (indexed from 1 January 2023). These discounted scripts will still count towards a patient's Safety Net.

Changes are also being made to ensure Closing the Gap patients will not need to pay any more to reach their Safety Net. A script with a Commonwealth price at or above the co-payment amount will have the script count toward the PBS Safety Net at a fixed value of \$42.50, rather than at the reduced \$30.00 co-payment. This will remain until the general patient co-payment is more than \$42.50 in the future through indexation.

Services Australia has been allocated \$1.2 million in 2022-23 and \$1.6 million over 4 years to support the implementation of this measure.

Find out more about [the PBS](#) on its website.

This measure is subject to the passage of legislation.

### **Who does this measure affect?**

This affects Medicare-eligible patients who pay the general co-payment for their PBS medicines, patients registered for Closing the Gap and pharmacists.

### **When will this start and finish?**

This will start on 1 January 2023 and is ongoing.