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16 September 2020

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RE Official information request CDHB 10412

I refer to your email dated 9 September 2020 requesting the following information under the Official Information Act from Canterbury DHB. Specifically:

1. **How much of the total \$18M was allocated to Canterbury pharmacies (if indeed funds were allocated in this manner)?**
2. **How much has been spent to date (9/9/20)?**

The funding you refer to was announced by the former Minister of Health the Hon David Clark on 14 June 2020. DHBs wrote to all pharmacies on 22 July giving further information about the intended purpose of this funding – to support critical community pharmacy services – the eligibility criteria, and how pharmacies can apply (copy of this letter is attached as **Appendix 1**).

This funding is held by the Ministry, and pharmacies may apply for some of this funding via their DHB. None of this funding has been pre-allocated for Canterbury pharmacies – or for pharmacies of other DHBs.

Several Canterbury pharmacy owners have enquired with the DHB about this funding, and we have discussed with each their pharmacy's eligibility, and some discussions are continuing. To date (9 September 2020) no pharmacies in Canterbury have completed applications to the Ministry, accordingly none of this funding has yet been spent in Canterbury.

I trust this satisfies your interest in this matter.

Please note that this response, or an edited version of this response, may be published on the Canterbury DHB website after your receipt of this response.

Yours sincerely



Ralph La Salle
Acting Executive Director
Planning, Funding & Decision Support

22 July 2020

To community pharmacy owners

Kia ora

Government financial support for critical community pharmacy services in response to COVID-19

On 14 June the Government announced it was making available further support for various health services involved in responding to the COVID-19 outbreak. The commitment included an \$18 million fund to support a critical network of pharmacies to ensure continued access to medicines and the provision of pharmacist advice through 2020/21.

I am now providing further information for you about the criteria for funding, and how pharmacies can apply.

Which pharmacies are eligible for the funding?

To be eligible for funding, pharmacies need to be:

- critical for local community access to pharmacist services
- experiencing immediate real financial difficulty directly due to COVID-19.

What is a critical pharmacy?

Critical pharmacies are those for which the community they serve has no alternative provider available without overcoming significant additional barriers to access, such as travel time or cost. These may be, for example:

- the sole pharmacy serving a rural locality
- a pharmacy that leads the provision of services to a community with:
 - a significant Maori or Pasifika population
 - high levels of deprivation
 - high levels of mental ill-health or addiction
- a pharmacy that leads local provision of specialty services, such as for people in residential care.

DHBs are responsible for determining which pharmacies in their area are critical. This may be informed by service utilisation and population data, and will involve some judgement, using local knowledge of communities and their needs.

What evidence do I need to supply to show that I am in financially difficulty due to COVID-19?

You will need to supply financial evidence as requested by the DHB, on an ‘open-book’ basis, to show that the viability of your community pharmacy is seriously threatened and you have exhausted other financial support options to remain open, such as other government COVID-19 funding or a bridging loan.

Preparing this evidence may require information and advice from your accountant, similar to that which a bank might require on application for a commercial finance facility. This evidence will be assessed by DHB staff and advisors.

How much financial support is available, and for how long?

The amount and length of support for eligible pharmacies will be decided by the DHB, and will reflect the specific issues facing each eligible pharmacy. Funding is available immediately and may be provided up until June 30 2021.

A Letter of Agreement between the pharmacy and the DHB will set out the amount of funding paid, and the terms and conditions on which funding is being provided. Funding will continue while there is no change to the ownership or control of the pharmacy.

If necessary, pharmacies eligible for government support may also receive a contribution to the cost of accounting advice required to prepare their application. This would be paid after the Letter of Agreement had been issued.

What are my next steps if I wish to apply for the funding?

If you are in immediate real financial difficulty due to the impact of COVID-19, please get in touch with me to discuss further, and I will guide you through the application process.

We will then assess whether your pharmacy is critical to local service provision.

If this is the case, we will conduct a detailed assessment of your financial situation to determine whether you meet the financial viability criteria, and how best we can support you.

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Portfolio Manager, Pharmacy