

Australian Government

**Department of Health and Aged Care** Therapeutic Goods Administration

# Guidance on applying the 2021 Advertising Code rules

Part 9 – Price information

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# **Part 9 – Price information**

Read this section of the guidance together with Part 9 of the Code.

Prescription and pharmacist-only medicines contain a substance that is included in Schedule 3, 4 or 8 of the <u>Poison Standard</u> (but not in Appendix H). They are prohibited from being advertised to the general public.

Part 9 of the <u>Code</u> sets out the conditions in which the price of prescription and certain pharmacist-only medicines only can be lawfully advertised.

Only prices for registered medicines may be advertised. Price information about ingredients, chemical or therapeutic classes of ingredients or compounded medicines included in these schedules of the Poisons Standard must not be advertised.

The benefits of facilitating this information include to:

- promote competition amongst retailers
- provide additional information for consumers to consider when purchasing their medicines.

The conditions of Part 9 of the <u>Code</u> must be met for this form of advertising to be lawful.

#### Who can publish price information?

Price lists of prescription-only and pharmacist-only medicines can be made available to the public under certain conditions.

Price information can only be produced and distributed by:

- retail pharmacists or their agents
- pharmacy marketing groups
- certain authorised medical practitioners that are approved under section 92 of the <u>National Health Act 1953.</u>

Pharmacy marketing groups (banner groups) are permitted to provide price information on behalf of their marketing group. All applicable Code requirements must be met.

All other medical practitioners and health professionals cannot provide price information to the public.

## What format can price information be published in?

	Price information		Forms of advertising
ü	can be published or disseminated in	ü ü ü	Newspapers Magazines Leaflets Internet
û	can't be published or disseminated in	û	<ul> <li>Radio or television transmission, including pay and streaming services</li> <li>Digital or non-digital displays, including but not limited to displays: <ul> <li>in shopping malls outside individual pharmacies</li> <li>in or on public transport</li> <li>on billboards</li> </ul> </li> <li>Cinema advertising</li> </ul>
û	About unregistered medicines (products not on the ARTG)	û	cannot be advertised or included in a price list

**Note:** Special requirements are specified for online price information identified through a <u>search function</u>.

#### Search function price lists

Price lists can be published or disseminated through searchable functions such as an electronic sales system. In this instance the search result must only produce:

- a list of the names of the searched for medicine
- a list of medicines that contain a searched for ingredient.

The results must be in alphabetical order.

## How can price information be presented?

There are three conditions in the Code for how price information must be presented:

#### List size

A price list is intended to show a consumer what medicine they can purchase and at what price. This must be done in a way that does not influence the choice of a specific product.

The list of medicines must contain:

25 medicines or more

AND

- the name and contact details of the retailer who is selling the product listed.

#### Alphabetical order

Medicines must be listed in alphabetical order by either:

name of the medicine

OR

- the names of active ingredients

OR

- by schedule – see <u>medicine group</u> below.

#### Medicine group

Where the price list includes a range of medicines that are in different schedules of the <u>Poison Standard</u>, then the medicines can be grouped by schedule.

Each sub-list must contain three or more

- medicines from each schedule - in alphabetical order

AND

- the name of the person who entered to medicine on the <u>ARTG</u> (the sponsor).

### **Description of medicines in price information lists**

Section 34 of the Code provides for how medicines must be described in price information. They should be described using the name of the medicine as defined in:

- <u>Therapeutic Goods Order No. 91</u> Standard for labels of prescription and related medicines, or
- <u>Therapeutic Goods Order No. 92</u> Standard for labels of non-prescription medicines

as appropriate to the Schedule of the Poisons Standard for the medicine.

Price information for each medicine must include:

- u the strength of each active ingredient as it appears on the label of the medicine
- **ü** the dosage form in which the medicine is presented
- **ü** the quantity in the pack
- the price for the relevant number of units of the sponsor's standard pack
  - the relevant number of units of the sponsor's standard pack is either:
    - **§** one unit

OR

- Ithe maximum number of units that may be prescribed under the <u>Pharmaceutical</u> <u>Benefits Scheme</u> or <u>Repatriation Pharmaceutical Benefits Scheme</u>, where they permit more than one unit of the sponsor's pack to be prescribed.
- A price list may include a statement that a prescription is required for particular medicines.

## What do I avoid when presenting price information?

When preparing a price information list, you should avoid any presentation that may guide consumers to choose a particular medicine over another. That rule applies whether or not that particular medicine is also referred to in the price information.

In your price information list do not use:

- rewards or offers
- embellishments
- promotional claims
- comparative statements
- any reference to therapeutic uses
- photographs or other reproductions of medicines
- **1** restricted representations in relation to any medicine
- different text sizes or fonts to draw attention to one product over others
- prescription or pharmacist-only medical devices.

For full details see the expanded form of this guidance in section 35 of the Code.

# Example Our prices will never be beaten - up to 70% off medicines! BarryBobs Paracetamol 500mg - 90 tablets - \$1.50 Beans Paracetamol 500mg + codeine 8mg – 40 tabs - \$11.99 Beans Paracetamol 500mg + codeine 15mg – 30 tabs - \$13.50 AppleTree amoxicillin/clavulanic acid 875/125mg - 12 capsules - \$10.95 BobCats Paracetamol 500mg + codeine 10mg - 30 tabs - \$11.50 Turnips Paracetamol 625mg + codeine 15mg - 50 tabs - \$21.89 Carrots Paracetamol 500mg + codeine 30mg - 25 tabs - \$20.70 - good for pain Beans blood glucose test strips - box 200 - \$10.99 Beans Pharmacy - 10 Bean Street Beansville NSW - 02 6123 1234 use of a claim out of alphabetical order includes a non-scheduled device (the test strips) less than 25 medicines included in list general promotional statements are not permitted price lists must not include medicines that are able to be advertised to consumers

# Medicines listed in the pharmaceutical benefits scheme (PBS)

Price lists which include a PBS subsidised medicine must include:

- an indication that the price is subsidised by the Australian Government
- the price only applies when prescribed for the medical conditions listed in the PBS Schedule for that medicine
  - that actual condition must not be mentioned.
- the total purchase price for the medicine. This may be the discounted PBS (full or concessional) price up to the extent permitted by the PBS
  - must be clearly identified as the general or concessional price.
    - **§** Both prices may be provided.

(BarryBobs Paracetamol 500mg).

#### How can a pharmacy marketing group publish price information?

Section 36 of the <u>Code</u> provides how a pharmacy marketing group can publish price information. This ensures that 'house brands' sold by a retail supplier cannot be given prominence over other comparable brands.

When their price list includes both:

- a PBS subsidised medicine with a brand premium or therapeutic group premium, and
- the group's own generic medicine

that price information list **must** also include at least one other benchmark price brand of that medicine (where such products exist).

#### Example

#### Beans Group Price List – PBS Listed Medicines

<u>Active Ingredient (Trade Name, Strength, Pack Size) – PBS discounted price (PBS concession price)</u>

Erythromycin (Beans generic erythromycin, 250 mg, 25 capsules) - \$17.50 (\$5.80\*)

Erythromycin (Original erythromycin, 250 mg, 25 capsules) - \$21.50 (\$12.80\*)

Telmisartan (Beans generic telmisartan, 40 mg, 30 tablets) - \$19.80 (\$5.80\*)

Telmisartan (Maroon telmisartan, 40 mg, 30 tablets) - \$21.80 (\$7.80\*)

Telmisartan (Original telmisartan, 40 mg, 30 tablets) - \$25.80 (\$10.80\*)

Telmisartan (Scarlet generic telmisartan, 40 mg, 30 tablets) - \$19.80 (\$5.80\*)

\*Purchase price is subsidised by the Australian Government for specific medical conditions as per the PBS schedule.

Available from Beans Pharmacies in Beansville, Mudville and Dustville.

- u the place where the goods may be purchased
- u presentation in alphabetical order by active ingredient
- in alphabetical order in reference to active ingredient
- Beans telmisartan 40 mg is a benchmark price brand and another benchmark price brand is included
- there is at least one other benchmark priced brand available for erythromycin that was not included
  - Apples generic erythromycin, 250mg, 25 capsules \$17.50 (\$5.80\*)
- there are fewer than 25 medicines in the list.

# **Version history**

Version	Description of change	Author	Effective date
V1.0	Original publication	Advertising and Compliance Education and Policy Section	June 2022
		Regulatory Compliance Branch	
V1.1	Minor updates, guidance on Samples and incentives (Part 7) and Restricted Representations (Part 8) published in separate documents.	Advertising and Compliance Education and Policy Section Regulatory Compliance Branch	February 2023

### **Therapeutic Goods Administration**

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