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**Hon Ayesha Verrall**

Minister of Health

PRESS RELEASE

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## Helping with health costs: Prescription charge scrapped, providing cheaper medicine

The Chris Hipkins Government is reducing the cost of health care for New Zealand households by removing the \$5 co-payment for prescription medicines from July this year.

“An estimated three million people will no longer have to worry about the cost of collecting their medication,” Ayesha Verrall said.

“Removing the \$5 charge will make it easier and cheaper for New Zealanders to access the medicines they need, having a meaningful impact for many households, particularly those who have multiple prescriptions to fill on a regular basis.

“This will benefit a huge range of people including almost 770,000 New Zealanders over the age of 65 who received prescription medicines in the community last year.

“The \$5 charge can be a barrier to some New Zealanders getting the medicines they need, and this is especially the case at time when people are facing increasing pressures on household budgets.

“As a doctor, there were times when my patients did not collect their medication, and in fact we know more than 135,000 adults did not collect their prescription because of cost in 2021-22. This is particularly the case for low-income families, Māori, Pasifika peoples, and disabled New Zealanders.

“Free access to medicine will also relieve pressure on the health system. Removing the co-payment charge will help reduce the demand on hospitals and other health services.

“This investment comes on top of the major expansion of access to medicines under this Government. Since 2017, we’ve increased the medicines budget by 51 percent.

“The Government’s funding boost has allowed Pharmac to make an extra 212 funding decisions since 2017/18, including 75 new listings and the widening of access to 137 treatments.

“This Government is ensuring our health system provides equitable access for all New Zealanders, so they can get the health services when and where they need them, irrespective of where they live.

“This is another action we are taking towards that goal as we reform the health system,” Ayesha Verrall said.

Removing the \$5 co-payment will cost \$618.6 million over four years.

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