

Reference: OIA23-05019 Telephone: 6271 6270

e-mail: helpdesk-oia@pmc.gov.au

Ms Penny Shakespeare
Deputy Secretary
Health Resourcing Group
Department of Health and Aged Care

Dear Ms Shakespeare

Impact Analysis – Second Pass Final Assessment – Negotiation of a New Community Pharmacy Agreement (8CPA)

Thank you for your letter of 17 May 2024, submitting an Impact Analysis (IA) on the Negotiation of a New Community Pharmacy Agreement (8CPA) for formal Second Pass Final Assessment. I note the IA has been formally certified at the Deputy Secretary level consistent with the Australian Government Guide to Policy Impact Analysis ('the Guide').

The Office of Impact Analysis (OIA) appreciates the Department's efforts in preparing the IA for final assessment, and for the constructive engagement with the IA process. Our assessment is that the quality of the analysis in the IA is 'good practice'.

The IA addresses the seven questions and follows an appropriate policy development process commensurate with the significance of the problem and magnitude of the proposed intervention. In particular, the IA demonstrates a comprehensive understanding of the policy problem, the interventions available to government, and the views of external stakeholders.

To be considered 'exemplary' under the Guide, the IA would have benefited from:

- Further in-depth analysis on the flow-on and distributional costs and benefits of the policy options.
- A detailed discussion of the implementation risks of the policy, including their likelihood, consequences and how they will be managed.

Next steps

After a final decision has been announced, I ask that your agency work with the OIA to finalise this material for public release. This includes providing a copy of the IA in Word and PDF format for web accessibility purposes.

If you have any further queries, please do not hesitate to contact me.

Yours sincerely

Daniel Craig

A/g Executive Director
Office of Impact Analysis

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20 May 2024