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# GOVERNMENT NOTICE

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## DEPARTMENT OF HEALTH

No. R. 211

16 March 2015

### MEDICINES AND RELATED SUBSTANCES ACT, (101 OF 1965 AS AMENDED)

#### REGULATIONS RELATING TO A TRANSPARENT PRICING SYSTEM FOR MEDICINES AND SCHEDULED SUBSTANCES: DISPENSING FEE FOR PHARMACISTS

The Minister of Health has, on recommendation of the Pricing Committee, in terms of Section 22G (2) (b) of the Medicines and Related Substances Act, (No. 101 of 1965 as amended), made the regulations in the Schedule.

#### SCHEDULE

##### Definitions

1. In this schedule, "the Act" means the Medicines and Related Substances Act, 1965 (Act No. 101 of 1965) and any word or expression to which a meaning has been assigned in the Act shall have such meaning, unless the context indicates otherwise-

"**dispense**" means the supply of medicines based on a prescription to a patient or someone on behalf of the patient by a health professional authorized by law to supply medicines and includes-

- (a) the interpretation and evaluation of the prescription;
- (b) the selection, reconstitution, dilution, labelling, recording and the actual supply of the medicine;

- (c) the provision of information and instructions to ensure safe and effective use of a medicine by a patient; and
- (d) the provision of information as contemplated in section 22F (1)(a) of the Act.

**“dispensing fee”** means a fee determined in terms of these regulations, exclusive of Value Added Tax, that may be charged to dispense a medicine; and

**“the Regulations”** means the Regulations Relating to the Transparent Pricing System for Medicine and Scheduled Substances published in terms of Government Notice No. R1102 of November 2005, as amended.

#### **Amendment of Regulation 10**

2. The following regulation is hereby substituted for Regulation 10 of the Regulations:

“10. (1) The appropriate dispensing fee as contemplated in Section 22G (2) (b) of the Act to be charged by a pharmacist, must be calculated as follows:

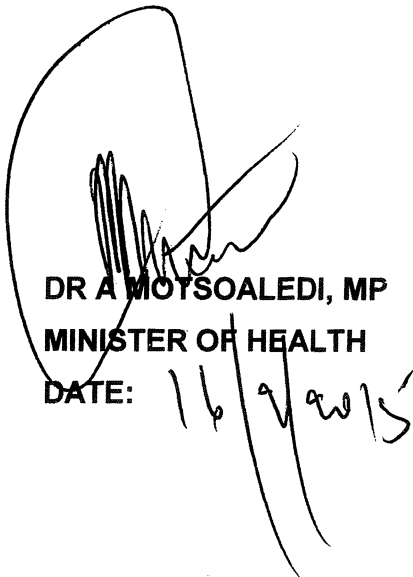
- (a) where the single exit price of a medicine or scheduled substance is less than eighty five rand and sixty nine cents (R85.69), the dispensing fee shall not exceed R7.04 plus 46 % of the single exit price in respect of that medicine or scheduled substance;
- (b) where the single exit price of a medicine or scheduled substance is greater than or equal to eighty five rand and sixty nine cents (R85.69) but less than two hundred and twenty eight rands and fifty six cents (R228.56), the dispensing fee shall not exceed R18.80 plus 33 % of the single exit price in respect of that medicine or scheduled substance;

- (c) where the single exit price of a medicine or scheduled substance is greater than or equal to two hundred and twenty eight rand fifty six cents (R228.56) but less than seven hundred and ninety nine rands and ninety nine cents (R799.99), the dispensing fee shall not exceed R59.83 plus 15 % of the Single Exit Price in respect of that medicine or scheduled substance;
- (d) where the single exit price of a medicine or scheduled substance is greater than or equal to seven hundred and ninety nine rands and ninety nine cents (R799.99), the dispensing fee shall not exceed R140.00 plus 5% of the Single Exit Price in respect of that medicine or scheduled substance.

This fee which is exclusive of VAT represents a maximum dispensing fee and doesn't preclude dispensers from charging a lower fee to be added to the SEP of a medicine or scheduled substance thus resulting in a final price to be paid by the consumer.

- (2) The provision of sub-regulation (1) must be reviewed annually by the Minister after taking into account-
  - (a) the need to ensure the availability and affordability of quality medicines and scheduled substances in the Republic;
  - (b) annual inflation rates published periodically by Statistics South Africa;
  - (c) information supplied by pharmacists in accordance with guidelines determined by the Minister from time to time by Notice in the Gazette; and
  - (d) any other information the Minister may deem necessary to consider.

- (3) A pharmacist dispensing a medicine must-
- (a) by means of a clearly displayed notice in the pharmacy, inform members of the public of the maximum fee structure used by such pharmacist to determine the dispensing fee; and
  - (b) provide an invoice in respect of each medicine which clearly indicates the-
    - (i) dispensing fee charged; and
    - (ii) single exit price.



**DR A MOTSOLEDI, MP**  
**MINISTER OF HEALTH**  
DATE: 16/3/2015