

DEPARTMENT OF HEALTH

NO. R. 914

21 AUGUST 2020

**MEDICINES AND RELATED SUBSTANCES ACT, 1965 (ACT NO. 101 OF 1965)**

**REGULATIONS RELATING TO A TRANSPARENT PRICING SYSTEM FOR  
MEDICINES AND SCHEDULED SUBSTANCES: (DRAFT DISPENSING FEE FOR  
PHARMACISTS)**

I, DR ZL MKHIZE, the Minister of Health have, on recommendation of the Pricing Committee, in terms of section 22G of the Medicines and Related Substances Act, 1965 (Act No. 101 of 1965) as amended, made the regulations in the Schedule.

Interested persons are requested to submit comments in writing, both on a compact disc and hard copy, on the proposed regulations within three months of publication of this notice to the Director-General: National Department of Health (**Attention to the Director: Pharmaceutical Economic Evaluations Directorate Room 2611, South Tower Civitas Building, Corner: Thabo Sehume & Bloed Streets Pretoria 0001**)

**SCHEDULE**

**Definitions**

1. In these regulations any word or expression to which a meaning has been assigned in the Act shall have such meaning and, 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; or
- (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 Medicines and Scheduled Substances published under 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, exclusive of VAT, as contemplated in section 22G of the Act to be charged by pharmacists, must:
- (a) Where the single exit price of a medicine or scheduled substance is less than one hundred and eighteen rand eighty cents (R118.80), the dispensing fee shall not exceed R15.80 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 one hundred and eighteen rand eighty cents (R118.80) but



less than three hundred and fifteen rand fifty three cents (R315.53), the dispensing fee shall not exceed R30.24 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 three hundred and fifteen rand fifty three cents (R315.53) but less than one thousand one hundred and four rand forty cents (R1104.40), the dispensing fee shall not exceed R86.11 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 one thousand one hundred and four rand forty cents (R1104.40), the dispensing fee shall not exceed R198.36 plus 5% of the Single Exit Price in respect of that medicine or scheduled substance.
- (2) The provisions of regulation 10 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 pharmacists 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 the sale of each medicine that clearly indicates the-
  - (i) dispensing fee charged; and
  - (ii) the single exit price.



**DR ZL MKHIZE, MP**

**MINISTER OF HEALTH**

**DATE:** 08/05/2020