
GOVERNMENT NOTICE

DEPARTMENT OF HEALTH

NO.....

.....2020

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) (a)where the single exit price of a medicine or scheduled substance is less than one hundred and seventeen rand and eighty five cents (R117.85), the dispensing fee shall not exceed R16.25 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 seventeen rand and eighty five cents (R117.85), but less than three hundred and fourteen rand and twenty four cents (R314.24), the dispensing fee shall not exceed R30.15 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 fourteen rand and twenty four cents (R314.24), but less than one thousand and ninety nine rand and eighty four cents (R1099.84), the dispensing fee shall not exceed R86.15 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 rand and ninety nine rand and eighty four cents (R1099.84), the dispensing fee shall not exceed R200.50 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 ZL MKHIZE, MP

MINISTER OF HEALTH

DATE: 26/01/2021