

Pharmaceutical Benefits Scheme (PBS) Safety Net Threshold changes – 18 January 2025

The Australian Government has made changes to its systems and guidance from 18 January 2025, and effective from 1 January 2025, in relation to PBS co-payment charges for 'threshold prescriptions' that exactly meet the PBS Safety Net threshold. A threshold prescription is a prescription that either exactly meets or exceeds the PBS Safety Net threshold amount.

For example, an eligible concessional patient has recorded a total value of 35 prescriptions at \$7.70, with the next prescription priced at \$7.70 exactly meeting the Safety Net threshold (\$277.20), which means that the patient should be issued an entitlement card and the prescription supplied at \$0.00 cost.

Prior to this change, guidance indicated that patients paid a reduced co-payment amount for any *subsequent* prescriptions after the threshold prescription that exactly met the PBS Safety Net threshold amount.

Section 49 (s49) of the Pharmaceutical Benefits Regulations prescriptions are treated as a single supply for Safety Net purposes, therefore if the value of the s49 supply (which consists of multiple co-payment amounts) meets or exceeds the relevant Safety Net threshold, a patient should only pay the relevant reduced co-payment (no co-payment for a concessional patient, \$7.70 co-payment for each original/repeat for a general patient).

For s49 prescriptions priced above the co-payment, patients pay the relevant number of co-payments, irrespective of whether the Commonwealth price calculations would make repeat supplies within the same dispense fall below the co-payment.

This change will impact Australians that have a prescription from 1 January 2025 onwards that exactly meets the PBS Safety Net threshold amount.

- Patients with a concessional entitlement are more likely to be impacted by the change, as the PBS Safety Net threshold amount is equivalent to exactly 36 prescriptions. These patients will now receive the 36th prescription for free (if no allowable discounts have been applied to previous prescriptions).
- General patients are less likely to be impacted by the change, as the Safety Net threshold amount (\$1,694.00 in 2025) is not equivalent to a set number of prescriptions.

Prescription Record Forms (PRFs) should show the threshold script has been issued, and the actual amount of co-payment that the patient has made, which could be \$0 or \$7.70 depending on if they are concessional or entitlement patients.

Additional information on the PBS Safety Net is available at:

[Pharmaceutical Benefits Scheme \(PBS\) | 5. The Safety Net Scheme](#)
[PBS Safety Net for pharmacists - Health professionals - Services Australia](#)

Example scenarios for the changes:

For reference – 2025 Safety Net threshold and co-payment amounts

General patient co-payment:	\$31.60
Concessional co-payment:	\$7.70
General patient Safety Net:	\$1,694.00
Concessional Safety Net:	\$277.20

General Patients: Scenario 1

- A general patient has recorded a total Safety Net value of 53 prescriptions at \$31.60 for a total of \$1,674.80.
- The 54th prescription, and subsequent prescriptions, are charged at the concessional rate (\$7.70).

General Patients: Scenario 2

- A general patient has recorded a total Safety Net value of \$1,662.40, exactly 1 general patient co-payment below the threshold.
- The next prescription with a value of \$31.60, and subsequent prescriptions are charged at the concessional rate (\$7.70).

Concessional Patients: Scenario 3

- A concessional patient has recorded a total Safety Net value of \$275.00.
- The next prescription is charged at no cost if:
 - an entitlement card in the same transaction as supply of the prescription, and
 - the claim is made through the Claims Transmission System (CTS).
- Subsequent prescriptions are charged at no cost.

Concessional Patients: Scenario 4

- A concessional patient has recorded a total Safety Net value of 35 prescriptions at \$7.70 for a total of \$269.50, exactly 1 concessional co-payment below the threshold.
- The 36th prescription is charged at no cost if:
 - an entitlement card in the same transaction as supply of the prescription, and
 - the claim is made through the CTS.
- Subsequent prescriptions are charged at no cost.

Section 49 of the Pharmaceutical Benefits Regulations (s49): Scenario 5

- A general patient has recorded a total Safety Net value of \$1,600.00, which is \$94.00 below the threshold.
- The next prescription is a section 49 prescription with 5 repeats, representing a single supply with a safety net value of \$189.60 (6 x \$31.60), and is charged at the concessional rate (6 x \$7.70 = \$46.20).
- Subsequent prescriptions are charged at the concessional rate (\$7.70).

Section 49 of the Pharmaceutical Benefits Regulations (s49): Scenario 6

- A concessional patient has recorded a total Safety Net value of 35 prescriptions at \$7.70 for a total of \$269.50, exactly 1 concessional co-payment below the threshold.
- The 36th prescription is a section 49 prescription with 5 repeats, representing a single supply with a safety net value of \$46.20 (6 x \$7.70), and is charged at no cost if:
 - an entitlement card in the same transaction as supply of the prescription, and
 - the claim is made through the CTS.
- Subsequent prescriptions are charged at no cost.

Section 49 of the Pharmaceutical Benefits Regulations (s49): Scenario 7

- A concessional patient has recorded a total Safety Net value of 32 prescriptions at \$7.70 for a total of \$246.40, exactly 4 concessional co-payments below the threshold.
- The 33rd prescription is a section 49 prescription with 5 repeats, representing a single supply with a safety net value of \$46.20 (6 x \$7.70), and is charged at no cost if:
 - an entitlement card in the same transaction as supply of the prescription, and
 - the claim is made through the CTS.
- Subsequent prescriptions are charged at no cost.

s49 Co-payments and Commonwealth Price for Reimbursement: Scenario 8

- Using a specific listing as an example: s49 repeat supply (being original and one repeat) for Kinson 100mg tablets – PBS Item code 1242J (AEMP = \$17.65).
- Price for Reimbursement if PBS subsidised – Under-copayment

Component	Calculation	Price
Wholesale price	AEMP 2 x \$17.65 + \$2.65 wholesale markup	\$37.96
Dispensing fee	\$8.67 per dispense	\$8.67
AHI (Markup)	2 x \$4.79	\$9.58
Total		\$56.21

- Patient Co-payment is $2 \times \$31.60 = \63.20 where standard discounting and under co-payment pricing can be applied.
- Amount to be recorded against a patient's Safety Net is the amount charged to the patient, less such items as additional patient charge.

Prescription Record Forms: Scenario 9

- An eligible concessional patient has recorded a total value (\$269.50) of 35 prescriptions at \$7.70.
- The next prescription priced at \$7.70 exactly meets the Safety Net threshold (\$277.20).
- Patient issued a Safety Net Entitlement Card and the prescription supplied at \$0 cost.
- The PRF needs to show 36 scripts dispensed, with a co-contribution of \$0 on the 36th script. Services Australia will accept the total value of \$269.50 as long as 36 scripts are recorded.