Speed and simplicity – Australia Post offers a pharmacy home delivery service for vulnerable citizens

EXECUTIVE SUMMARY

Australia Post (AP) has implemented a next-day pharmacy home delivery service for vulnerable citizens, just one week after gaining project approval. The idea for a pharmacy delivery project originated from the Australian Department of Health and the Pharmacy Guild of Australia, which reached out to AP for support. Their goal was to reduce vulnerable citizens' exposure to COVID-19 by helping them stay at home. A dedicated and diverse project team was empowered to take decisions quickly, working days, nights and weekends where required. Designing a service that was as simple as possible and making use of existing products and systems (Express Post and the MyPost Business digital platform) were key to the success of this project.

As part of its response to COVID-19, AP has implemented a next-day pharmacy home delivery service for vulnerable citizens, just one week after gaining project approval. The focus of this commentary is to explore how this new postal health service was made available so rapidly, drawing on an interview with key members of staff from AP.

Posts have been involved in providing health services for many years, from the delivery of confidential medical reports to the collection of unwanted medicines for safe disposal. Given the immediate impacts of COVID-19 and the broader challenges of providing health services to populations in lockdown, Posts are in a strong position to support the broader national healthcare response. AP already plays an active role in the health sector, transporting medicines for retail clients, delivering non-prescription medicines to the public, and facilitating the distribution of blood donations in partnership with the Red Cross.

The idea for a pharmacy delivery project originated from the Pharmacy Guild of Australia, which lobbied the Australian government for funding to support home delivery of medicines, as it was concerned about the potential costs and workload impacts on pharmacies from the impending COVID-19 lockdown. In response, the Australian Government and Department of Health agreed to set aside 25 million Australian dollars (AUD) to support pharmacy home deliveries. The guild then approached AP for a solution and pricing to support the service. AP spent one week designing and pricing its solution. The guild and the ministry both agreed that AP's solution was fit for purpose and was aligned with the government's broader COVID-19 strategy. It was then implemented within one week.

The goal was for all vulnerable people to be able to request next-day doorstep (contactless) delivery of prescription medicines and essential supplies, in order to reduce their potential exposure to COVID-19. All pharmacies are able to claim back the costs of postage, and membership of the guild is not a requirement for participation. The government rebate was set at the equivalent of AP's price for the delivery of a 500-gramme article. While pharmacies are able to send larger and heavier items, they will only receive the government rebate for a 500-gramme article (7.77 AUD).

Within AP, a cross-functional Pandemic Response Team (PRT) was established to coordinate the organization's diverse responses to COVID-19 and to lead the rapid implementation of specific projects. Each PRT

representative was empowered to make key project decisions independently, while still using the standard daily management meetings to resolve any problems. One PRT work stream was the pharmacy home delivery project, which had a separate working group. Its members included staff specializing in postal products, operations, solution consulting, corporate strategy, systems, communications/media and marketing. It met daily, working days, nights and weekends where required.

This team followed the **broad strategy** of designing a service that was as simple as possible, making use of existing products and systems, and accepting that the product may need adjustment after its launch. In other words, it did not have to be perfect before setting it in motion. They recognized that the existing Express Post service could be adapted to deliver prescription medicines: all pharmacies will have to do (in addition to the standard preparation process for shipping) is to print their own green labels, identifying this as a pharmacy home delivery item. This service could be offered via the existing MyPost Business (MPB) digital platform, although some system changes were needed as the pharmacy home delivery has pricing and terms and conditions that are different to the standard MPB offers. For example, a common local delivery price was set for all Australian pharmacies, which is in contrast to the usual MPB pricing policy. It was also necessary to allow for differences in the needs of larger corporate pharmacy brands versus smaller independent pharmacies in some areas, i.e. consolidated invoicing and billing.

The key challenges for the project team fell into four themes: logistics, staffing, legal and safety. Providing a reliable cross-town Express Post pharmacy delivery service was challenging owing to broad restrictions related to the pandemic. Pressure to meet this deadline was reduced by introducing a 15.00 "cut-off" time for sending packages under this scheme, and by using a green label to assist staff in visually identifying these items. Delays were also minimized by ensuring that all operational

staff across the network were advised and trained to support this new service, requiring significant work by postal communications, product, strategy, sales and government liaison teams. The safety of postal workers and the broader community was also a major concern; AP was not legally permitted to transport certain drugs (for example, schedule 8) owing to their sensitive classification or designation as dangerous goods. The project team worked closely with in-house dangerous goods experts to understand the risks involved in the transportation of medication and to ensure pharmacies understood their responsibilities when participating in the scheme. This included preparing guidance on how to identify if a drug has been classified as a dangerous good, packaging requirements for safe transport, and declaration of these items on the label.

This project was implemented with **no additional external resources**; the 25 million AUD allocated to this service was limited to refunding the postage costs to pharmacies. Another success factor was the high attendance rate of AP staff during the pandemic (although many staff were working from home). This high rate was attributed in part to goodwill among staff, but very few postal workers have contracted the virus, reflecting low rates of confirmed infections or deaths for Australia more broadly.

During the interview, AP confirmed that it expected a permanent shift in customer behaviour, with greater levels of e-commerce activity (and parcel delivery) compared to 2019 levels. However, it remains to be seen whether this will translate into a **sustained and broader demand** from the public for postal health services. The government subsidy that covers the postage costs of prescription medicines for the vulnerable is unlikely to continue once the pandemic is over. What is clear, however, is that the service model developed by AP could easily be commercialized in the future to offer the public convenient delivery of prescription medicines at a charge, should there be sufficient demand.

CONCLUSIONS

It is interesting to note that although this service was introduced as a response to the pandemic, it could still be offered on commercial terms in a post-pandemic environment – thus supporting diversification of the post. Key success factors for the rapid and successful implementation of the project appear to have been:

- Simplification of information sharing processes;

- Empowerment of the project team to make key decisions;

- Willingness of staff to reorganize and work long or unsociable hours;

- Designing a service that was as simple as possible;

- Making use of existing products and systems;

- Accepting that the product did not have to be perfect before its launch, but could be improved over time.