

08 June 2004



Pharmaceutical Management Agency

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To: Medical groups and other interested parties

DECLINING AN APPLICATION FOR LISTING ARCOXIA (ETORICOXIB) ON THE PHARMACEUTICAL SCHEDULE

PHARMAC has received a submission to list Arcoxia (etoricoxib) on Section B of the Pharmaceutical Schedule:

Chemical	Brand	Supplier	Strength/Presentation	Price per 10 tablets
Etoricoxib	Arcoxia	Merck Sharp and Dohme	120 mg capsules	\$18.80

Price listed is ex manufacturer, exclusive of GST

This submission was examined by PTAC (Pharmacology and Therapeutics Advisory Committee) at its November 2003 meeting. The submission is for use of etoricoxib for treatment of acute gouty arthritis, in patients who have not responded to, or cannot tolerate, Non-Steroidal Anti-Inflammatory Drugs (NSAIDs). PTAC recommended that the application for listing etoricoxib on the Pharmaceutical Schedule be declined. Other COX-2 inhibitors have been discussed by PTAC several times between 1999 and 2003, and in October 2003 PHARMAC's Board declined applications to list three other COX-2 inhibitors.

Etoricoxib is not considered to be a high priority for investment compared to other pharmaceuticals awaiting funding. PHARMAC has conducted extensive assessment of the benefits, costs and cost-effectiveness of various COX-2 inhibitors for osteoarthritis and rheumatoid arthritis. This analysis suggests that COX-2 inhibitors provide little (if any) additional clinical benefit over traditional NSAIDs and at significantly higher cost. The net cost of funding etoricoxib would be approximately \$190,000 to \$620,000 for the year ending June 2005.

PHARMAC notes that an increasing amount of evidence suggests that the gastrointestinal advantage of these medications has been overstated, and that they provide little (if any) additional benefit to older medicines such NSAIDs, colchicine and corticosteroids. PHARMAC considers that the wide range of NSAIDs currently available on the Pharmaceutical Schedule are suitable alternative treatments to COX-2 inhibitors in the majority of cases. We also note that recent evidence suggests that there is potential for an increased risk of adverse cardiovascular events associated with COX-2 inhibitors.

Should the PHARMAC Board decline this application it would not preclude its inclusion in further contractual arrangements at a future date. Rather, it clearly indicates that PHARMAC is not actively progressing funding for COX-2 inhibitors at this time.

PHARMAC staff intend to submit a proposal to the PHARMAC Board in July 2004, recommending that this application be declined. This letter serves as formal notification of that intention so that you may provide comment for consideration by the PHARMAC Board. If you would like to provide any comments for the consideration of the Board on this proposal, please forward them to Sophie Dalziel (Therapeutic Group Manager Intern) at PHARMAC by **5 pm Wednesday, 23 June 2004**.

Yours sincerely

Stuart Bruce
Acting Chief Executive