

1 July 2004

To All Pharmaceutical Suppliers, Medical Groups and Interested Parties*By facsimile (1 page)***Consultation on the listing of MDS Diagnostics Limited's peak flow meters, spacer, and size 2 silicone masks**

PHARMAC and MDS Diagnostics Ltd have entered into a provisional agreement for the listing of Breath-A-Tech spacers, and Breath-A-Tech size 2 silicone masks on Section B of the Pharmaceutical Schedule from 1 September 2004, and the listing of Air-O-Breath peak flow meters following the expiry of the sole supply period for peak flow meters.

Air-O-Breath and Breath-A-Tech devices would be fully subsidised at the prices and subsidies outlined in the table below:

Chemical	Presentation	Product	Pack Size	Proposed price & subsidy
Peak flow meter	Low range	Air-O-Breath	1 meter	\$12.84
Peak flow meter	Standard range	Air-O-Breath	1 meter	\$12.84
Spacer device	250 ml	Breath-A-Tech	1 spacer device	\$12.50
Size 2 silicone mask for use with spacer device	Size 2	Breath-A-Tech	1 mask	\$3.50

Other features of this proposal include:

- Air-O-Breath peak flow meters would be listed available only on WSO with a restriction of 10 peak flow meters per WSO.
- Breath-A-Tech spacers and silicone masks would be listed available only on WSO with a restriction of 5 spacers or 5 masks per WSO.

If you wish to make comments on the proposal, please forward them to Natalie Ganley at PHARMAC by **4:00pm, 16 July 2004**.

Yours sincerely



Natalie Ganley
Therapeutic Group Manager