

28 October 2004

By facsimile (2 pages)

Level 14, Cigna House,
40 Mercer Street, PO Box 10-254
Wellington 6001, New Zealand
Phone 64 4 460 4990
Fax 64 4 460 4995
www.pharmac.govt.nz

To: All Pharmaceutical Suppliers, Medical Groups and Interested Parties

PROPOSAL FOR THE WIDENING OF ACCESS TO LETROZOLE (FEMARA)

PHARMAC has signed a provisional agreement with Novartis New Zealand Limited for amended listing terms for letrozole (Femara) on the Pharmaceutical Schedule which would be implemented from 1 December 2004. The key features of this proposal are as follows:

- 1) Access to letrozole would be widened through amendment to the Special Authority criteria in Section B of the Pharmaceutical Schedule. The proposed criteria are listed below (changes in strikethrough and bold):

LETROZOLE
Tab 2.5 mg

~~Additional subsidy by Special Authority – Retail pharmacy:~~

- ~~a) Approval to fully subsidise letrozole tablets is available for patients being treated for advanced breast cancer who are refractory to tamoxifen and who are unable to tolerate any one of the following:
–aminoglutethimide;
–megestrol acetate; or
–medroxyprogesterone acetate.~~
- ~~b) Prescriptions with a valid Special Authority (CHEM) number will be reimbursed the manufacturer's price identified in the Pharmaceutical Schedule.~~
- ~~c) Relevant specialists must make application.~~
- ~~d) Approvals are valid for three years.~~
- ~~e) Dispensed by retail pharmacy.~~

Additional subsidy by Special Authority - Retail Pharmacy

Initial application only from a relevant specialist. Approvals valid for 3 years for applications meeting the following criteria:

Both:

- 1. Patient is a postmenopausal woman; and**
- 2. Patient has hormone receptor positive advanced breast cancer (Stage IIIb, or metastatic Stage IV).**

Renewal only from a relevant specialist. Approvals valid for 3 years for applications meeting the following criteria:

The treatment remains appropriate and the patient is benefiting from treatment.

3) The ex-manufacturer price for letrozole (Femara) would be reduced from 1 December 2004 as follows:

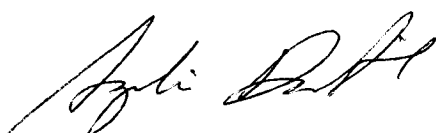
Chemical and presentation	Brand	Pack size	Current Price (ex-manufacturer, exclusive of GST)	Proposed price (ex-manufacturer, exclusive of GST)	Subsidy
Letrozole 2.5 mg tablets	Femara	30	\$230.70	\$200.00	\$146.46

4) The subsidy level would remain at the current level with a full subsidy to the ex-manufacturer price remaining available under Special Authority.

5) Letrozole would be listed in Section H Part V of the Pharmaceutical Schedule from 1 December 2004.

This proposal will be considered by the PHARMAC Board or by the Chief Executive under Delegated Authority in November 2004. If you have comments to make on this proposal and would like those comments to be considered by the PHARMAC Board or the Chief Executive please send them to Sophie Dalziel at PHARMAC **by 5 p.m. on Friday 12 November 2004**. The Board (or Chief Executive) will consider all comments received by this date.

Yours sincerely



Sophie Dalziel
Therapeutic Group Manager Intern