

PHARMAC

Pharmaceutical Management Agency

Media release

PHARMAC to review options for flu vaccine

PHARMAC will undertake a full review of the way it has purchased the subsidised influenza vaccine, Chief Executive Wayne McNee says.

This is the first year PHARMAC has purchased the subsidised influenza vaccine on behalf of the government, taking on the role from the Ministry of Health. A manufacturing error by French vaccine maker Sanofi-Pasteur has led to health officials having to examine a number of options for this year's subsidised flu campaign.

PHARMAC asked for proposals from vaccine suppliers in 2004, and chose to follow the Ministry of Health's previous approach of allocating sole supply to one company. The successful bid came from Merck Sharp and Dohme, sourcing a product made by French vaccine maker Aventis-Pasteur (now Sanofi-Pasteur).

"In selecting the MSD-Sanofi bid, PHARMAC looked at a number of issues including the company's record, the quality of its products and its commitment to the New Zealand market," Wayne McNee says.

"Sanofi-Pasteur is the world's largest maker of influenza vaccine, with about 40 percent of the global market. We were satisfied that it would be able to make the product to the requirements laid down by the World Health Organisation, and provide adequate supply for New Zealand."

However, in late February 2005 Australian testers detected a manufacturing error, and this was communicated to New Zealand officials through the manufacturer.

Wayne McNee says a review will now be undertaken to look at what other purchasing options are available, including the choice of supplier and whether to allocate supply to more than one company.

"Other countries use other purchasing models – for example in Australia there are two suppliers of subsidised vaccine," he says. "However, we have to bear in mind the size differential between Australia and New Zealand, and there may continue to be advantages in choosing just one supplier for New Zealand."

Wayne McNee emphasised that the current situation did not incur any additional costs to the New Zealand Government. The contract with MSD-Sanofi would see all additional costs met by the supplier.