

December 2005

From the chief executive

One of the hallmarks of PHARMAC's work over the past 12 years has been its ability to provide more access to new medicines while continuing to manage funding within the budget provided by District Health Boards. The 2005 year was no exception.

In 2004-05 we provided new or expanded access to 25 treatments, for conditions such as type 2 diabetes, schizophrenia, HIV/AIDS, hepatitis C and raised blood pressure. In all, about 7000 people were treated with newly-funded medicines, and these add to the hundreds of thousands of New Zealanders receiving subsidised medicine.



Full year expenditure was \$564.6 million, 0.07% within the budget of \$565 million. This continued PHARMAC's record for the past three years of managing expenditure to within 1% of the target figure.

In this financial year we are continuing our new investments programme, and this issue of inPHARMation outlines new medicines that have been funded and other activities we have been undertaking.

Wayne McNee

New medicine funding

Our new investments programme is continuing, with the last few months characterised by more medicines funding announcements. Most recently these funding decisions have included:

- **Adalimumab** – a new treatment for severe rheumatoid arthritis
- **Amlodipine** – widened access for this type of calcium channel blocker, a treatment for raised blood pressure
- **Entacapone** – a new treatment for Parkinson's Disease
- **Glatiramir** – a new treatment for multiple sclerosis
- **Low-dose aspirin** – a new presentation of aspirin specifically aimed at lowering cardiovascular risk
- **Oxaliplatin** – a drug used in DHB hospitals to treat colo-rectal cancer
- **Ropinirole** – a new treatment for Parkinson's Disease
- **Salmeterol** – more people are now able to access this long-acting asthma preventer inhaler

In addition to these decisions, a number of other pharmaceuticals are in the late stages of their assessment. We anticipate further funding decisions in the New Year.

Antipsychotic Workshops

Trends and issues in the use of atypical antipsychotic medications were the subject of a series of eight workshops involving psychiatrists throughout New Zealand during September and October.

The workshops were a collaboration between the Royal Australasian College of Psychiatrists and PHARMAC, and were attended by about 200 psychiatrists and people working in the field of psychiatry.

The workshops highlighted both the benefits and the side effect profile of the newer or 'atypical' antipsychotics, some of which were associated with metabolic disorders and diabetes, versus the older 'typical' agents.

Antipsychotic medications continue to be one of the fastest-growing areas of pharmaceutical usage in New Zealand, up from \$4.8 million in 1998 to \$47 million last year, with a 16.8% increase in atypical antipsychotic prescribing over the last year.

We Can Make a Difference

PHARMAC organised and jointly hosted a conference at Te Papa in September 2005 which involved representatives from many District Health Boards and Primary HealthCare Organisations.

The We Can Make a Difference conference emerged from discussions PHARMAC held with DHBs, which revealed that projects were being run in some areas that were duplicated in others. A workshop or conference was seen as an ideal vehicle to promote discussion and better co-operation between people working in the area of social marketing or health promotion.

The conference had a particular focus on ethnic health and cardiovascular disease, and has resulted in a number of new initiatives and positive relationships between groups and individuals.

Annual Review

PHARMAC's Annual Review looks at the trends and patterns in medicine use that are occurring in New Zealand. The theme of the 2005 Annual Review is transparency.

Significant trends noted in 2004-05 included:

- Rapid growth in the prescribing of statins for raised cholesterol
- Continued growth in the use of antidepressants and antipsychotic medicines
- A continuing decline in the use of hormone replacement therapy (HRT).

Overall prescription numbers grew 10.7 percent, nearly double the average growth rate. This is mainly because more people are having their prescriptions subsidised through low-cost Primary Healthcare Organisations.

Low medicine costs

A report published by the New York-based Commonwealth Fund shows that New Zealanders have some of the lowest personal costs for their medicine among developed countries.

The report showed that while most New Zealanders made some contribution to their medicine cost (primarily through co-payments), those costs tended to be small compared to other countries.

Overall the report showed that cost was less likely to be a barrier for New Zealanders accessing medicines than for people in most other countries.