

31 August 2006

To All Pharmaceutical Suppliers, Hospital Pharmacists, Medical Groups and Interested Parties

Proposal to list atazanavir (Reyataz) and pravastatin (Pravachol) in the Pharmaceutical Schedule

PHARMAC and Bristol-Myers Squibb Australia Pty Limited have entered into a provisional agreement for the listing of atazanavir (Reyataz) in Sections B and Part II of Section H of the Pharmaceutical Schedule and pravastatin (Pravachol) in Section B of the Pharmaceutical Schedule from 1 November 2006. We are now seeking feedback on this proposal. Details of the proposal are as follows:

Atazanavir (Reyataz)

- atazanavir would be listed in Sections B and H of the Pharmaceutical Schedule from 1 November 2006 at the following prices and subsidies (ex-manufacturer, excluding GST):

Pharmaceutical	Brand	Form	Strength	Pack Size	Price/ subsidy
Atazanavir sulphate	Reyataz	Capsule	150mg	60	\$568.34
Atazanavir sulphate	Reyataz	Capsule	200mg	60	\$757.79

- The listing of atazanavir in Section B would be subject to the following restrictions:

Special Authority for Subsidy - Form SA0779

Initial application - (Confirmed HIV/AIDS) only from a named specialist. Approvals valid without further renewal unless notified for applications meeting the following criteria:

Both:

- 1 Confirmed HIV infection; and
- 2 Any of the following:
 - 2.1 Symptomatic patient; or
 - 2.2 Patient aged 12 months and under; or
 - 2.3 Both:
 - 2.3.1 Patient aged 1 to 5 years; and
 - 2.3.2 Any of the following:
 - 2.3.2.1 CD4 counts < 1,000 cells/mm³; or
 - 2.3.2.2 CD4 counts < 0.25 × total lymphocyte count; or
 - 2.3.2.3 Viral load counts > 100,000 copies per ml; or
 - 2.4 Both:
 - 2.4.1 Patient aged 6 years and over; and
 - 2.4.2 CD4 counts < 350 cells/mm³.

Note

Subsidies for a combination of up to three anti-retroviral medications, including a maximum of two protease inhibitors. Combinations including ritonavir plus indinavir or

saquinavir **or atazanavir** will be counted as one protease inhibitor for the purpose of accessing funding to anti-retrovirals.

Initial application - (Percutaneous exposure) only from a named specialist. Approvals valid for 6 weeks where person with percutaneous exposure to blood known to be HIV positive.

Note

Subsidies for a combination of up to three anti-retroviral medications, including a maximum of two protease inhibitors. Combinations including ritonavir plus indinavir or saquinavir **or atazanavir** will be counted as one protease inhibitor for the purpose of accessing funding to anti-retrovirals.

Initial application - (Prevention of maternal transmission) only from a named general physician. Approvals valid for 1 year for applications meeting the following criteria:

Either:

- 1 Prevention of maternal foetal transmission; or
- 2 Treatment of the newborn for up to eight weeks.

Note

Subsidies for a combination of up to three anti-retroviral medications, including a maximum of two protease inhibitors. Combinations including ritonavir plus indinavir or saquinavir **or atazanavir** will be counted as one protease inhibitor for the purpose of accessing funding to anti-retrovirals.

Some antiretrovirals are unapproved or contraindicated for this indication. Practitioners prescribing these medications should exercise their own skill, judgement, expertise and discretion, and make their own prescribing decisions with respect to the use of a Pharmaceutical for an indication for which it is not approved or contraindicated.

Renewal - (Confirmed HIV/AIDS) only from a named specialist. Approvals valid without further renewal unless notified where the treatment remains appropriate and the patient is benefiting from treatment.

- atazanavir would be subject to a financial risk-sharing arrangement between PHARMAC and Bristol-Myers Squibb Australia Pty Limited.

Pravastatin (Pravachol)

- pravastatin would be listed in Section B of the Pharmaceutical Schedule from 1 November 2006 at the following prices and subsidies (ex-manufacturer, excluding GST):

Pharmaceutical	Brand	Form	Strength	Pack Size	Price/ subsidy
Pravastatin	Pravachol	Tablet	10mg	30	\$27.46
Pravastatin	Pravachol	Tablet	20mg	30	\$42.58
Pravastatin	Pravachol	Tablet	40mg	30	\$65.31

- The listing of pravastatin in Section B would be subject to the following restrictions:

Special Authority for Subsidy - Form SAXXXX

Initial application - (Confirmed HIV/AIDS) only from a named specialist. Approvals valid without further renewal unless notified for applications meeting the following criteria:

Both:

- 1 Confirmed HIV infection; and
- 2 Patient is being treated with an HIV protease inhibitor.

Other pharmaceuticals

- In addition, this provisional agreement continues the listing of a number of other pharmaceuticals in Sections B and H of the Pharmaceutical Schedule at current prices and subsidies (ex-manufacturer, excluding GST) as follows:

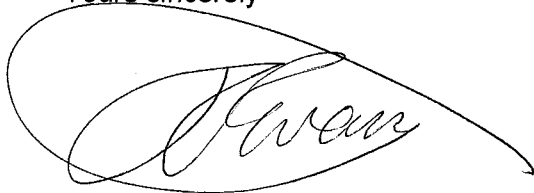
Pharmaceutical	Brand	Form	Strength	Pack Size	Price/ subsidy
Dicloxacillin sodium	Diclocil	Vial	500mg	5	\$5.45
Dicloxacillin sodium	Diclocil	Vial	1g	5	\$7.54
Hydroxyurea	Hydrea	Capsule	500mg	100	\$31.76
Megestrol acetate	Megace	Tablet	160mg	30	\$74.25
Triamcinolone acetonide	Kenacort A	Vial	10mg per ml, 5 ml	1	\$10.31
Triamcinolone acetonide	Kenacort A	Ampoule	10mg per ml, 1 ml	5	\$11.11
Triamcinolone acetonide	Kenacort A40	Ampoule	40mg per ml, 1 ml	5	\$28.09

- Bristol-Myers Squibb Australia Pty Limited would be permitted to discontinue supply of dicloxacillin sodium (Diclocil) with not less than six months' prior written notice to PHARMAC.

It is anticipated that the proposed changes, if approved by PHARMAC's Board, or Chief Executive under delegated authority, would take effect from 1 November 2006. If you wish to make comments for the PHARMAC Board to consider when making its decision

on whether to accept this proposal, please forward them to PHARMAC by **5:00 pm, 14 September 2006**. All comments submitted by this date will be considered.

Yours sincerely

A handwritten signature in cursive script, appearing to read "Jackie Evans", enclosed within a large, sweeping oval flourish.

Jackie Evans
Therapeutic Group Manager