

31 August 2007

To All Pharmaceutical Suppliers, Medical Groups and Interested Parties

Consultation on a provisional agreement with Orion for the terms of listing of povidone iodine on the Pharmaceutical Schedule

PHARMAC and Orion have entered into a provisional agreement to amend the listing of povidone iodine in Section B of the Pharmaceutical Schedule and to list povidone iodine in Section H of the Pharmaceutical Schedule. It is anticipated that PHARMAC's Board (or Acting Chief Executive under delegated authority) will consider this proposal in September 2007.

Key aspects of the proposal are as follows:

1. It is proposed that the listing of povidone iodine in Section B of the Pharmaceutical Schedule be amended from 1 November 2007 as follows:

Pharmaceutical	Form	Strength	Pack Size	Brand	Proposed Price and Subsidy
Povidone iodine	Antiseptic solution	10%	500 ml	Riodine	\$6.20

Prices and subsidies are ex-manufacturer, ex-GST.

2. It is proposed that povidone iodine be listed in Part II of Section H of the Pharmaceutical Schedule from 1 November 2007 as follows:

Pharmaceutical	Form	Strength	Pack Size	Brand	Proposed Price
Povidone iodine	Antiseptic solution	10%	100 ml	Riodine	\$2.95
Povidone iodine	Antiseptic solution	10%	500 ml	Riodine	\$6.20

Prices and subsidies are ex-manufacturer, ex-GST.

3. The provisional agreement includes subsidy and delisting protection for both pack sizes above until 30 September 2010.

PHARMAC welcomes feedback on this proposal. If you wish to make comments on any aspect of this proposal for the PHARMAC Board to consider when making its decision on whether to accept this proposal, please forward them to PHARMAC (attention Mike Bignall) by **5pm, Friday 14th September 2007**. All comments submitted by this date will be considered. Alternatively, if you wish to discuss any aspect of this proposal further, you can contact me on (04) 916 7562 or by email: mike.bignall@pharmac.govt.nz.

Yours sincerely



Mike Bignall
Tender Analyst