

16 November 2007

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

**Consultation on a provisional agreement with CSL Biotherapies Limited regarding the listing of various pharmaceuticals on the Pharmaceutical Schedule**

***The proposal***

PHARMAC and CSL Biotherapies have entered into a provisional agreement to amend the listing of the following pharmaceuticals in Sections B and Part II of H (where applicable) of the Pharmaceutical Schedule:

- Bumetanide (Burinex)
- Calcipotriol (Daivonex)
- Fusidic acid (Fucidin)
- Hydrocortisone butyrate (Locoid, Locoid Lipocream, Locoid Crelo)
- Hydrocortisone butyrate with chlorquinaldol (Locoid C)
- Hydrocortisone with natamycin and neomycin (Pimafucort)
- Hydrocortisone (Lemnis Fatty Cream HC)
- Oil in water emulsion (Lemnis Fatty Cream)
- Podophyllotoxin (Condyline)

PHARMAC is now seeking feedback on this proposal.

***What are the details of the proposal?***

Keys aspects of the proposal are as follows:

- It is proposed that the price and subsidy of the following pharmaceuticals in Section B of the Pharmaceutical Schedule are amended or maintained (where applicable) from 1 February 2008:

Pharmaceutical	Form	Strength	Pack Size	Brand	Current subsidy (price)	Proposed Price and Subsidy
Bumetanide	Tablet	1 mg	100	Burinex	\$16.36	\$16.36
Calcipotriol	Cream	50 µg per g	30 g OP	Daivonex	\$22.44	\$20.76
Calcipotriol	Cream	50 µg per g	100 g OP	Daivonex	\$62.58	\$57.89
Calcipotriol	Ointment	50 µg per g	30 g OP	Daivonex	\$22.44	\$20.76
Calcipotriol	Ointment	50 µg per g	100 g OP	Daivonex	\$62.58	\$57.89
Calcipotriol	Solution	50 µg per ml	30 ml OP	Daivonex	\$22.47	\$20.78
Calcipotriol	Solution	50 µg per ml	60 ml OP	Daivonex	\$37.54	\$34.72
Fusidic acid	Tablet	250 mg	12	Fucidin	\$34.50	\$34.50
Hydrocortisone butyrate	Lipocream	0.1%	30 g OP	Locoid Lipocream	\$5.00	\$5.00
Hydrocortisone butyrate	Lipocream	0.1%	100 g OP	Locoid Lipocream	\$15.00	\$15.00
Hydrocortisone butyrate	Ointment	0.1%	100 g OP	Locoid	\$15.00	\$15.00

Pharmaceutical	Form	Strength	Pack Size	Brand	Current subsidy (price)	Proposed Price and Subsidy
Hydrocortisone butyrate	Milky emulsion	0.1%	100 ml OP	Locoid Crelo	\$15.00	\$15.00
Hydrocortisone butyrate with chlorquinaldol	Cream	0.1% with chlorquinaldol 3%	15 g OP	Locoid C	\$3.49	\$3.49
Hydrocortisone with natamycin and neomycin	Cream	1% with natamycin 1% and neomycin sulphate 0.5%	15 g OP	Pimafucort	\$3.49	\$3.49 (\$4.40)
Hydrocortisone with natamycin and neomycin	Ointment	1% with natamycin 1% and neomycin sulphate 0.5%	15 g OP	Pimafucort	\$3.49	\$3.49 (\$4.40)
Hydrocortisone	Cream	1%	100 g	Lemnis Fatty Cream HC	\$2.44	\$2.44
Oil in water emulsion	Cream	n/a	500 g	Lemnis Fatty Cream	\$2.80	\$2.80
Podophyllotoxin	Solution	0.5%	3.5 ml OP	Condyline	\$32.00 (\$38.00)	\$33.60

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

- Burinex, Daivonex, Fucidin, Locoid and Condyline would have subsidy and delisting protection until 31 January 2011.
- Locoid C, Pimafucort and Lemnis Fatty Cream would be subject to a stock guarantee. It is anticipated that these brands would be discontinued following depletion:

Brand	Anticipated Depletion Date
Locoid C	February 2010
Lemnis Fatty Cream HC	February 2010
Lemnis Fatty Cream	February 2009

- There would be the following price reductions for Daivonex with effect from 1 February 2010:

Pharmaceutical	Brand	Strength	Pack Size	Price and subsidy from 1 February 2010
Calcipotriol	Daivonex	50 µg per g	30 g OP	\$20.20
Calcipotriol	Daivonex	50 µg per g	100 g OP	\$56.32
Calcipotriol	Daivonex	50 µg per g	30 g OP	\$20.20
Calcipotriol	Daivonex	50 µg per g	100 g OP	\$56.32
Calcipotriol	Daivonex	50 µg per ml	30 ml OP	\$20.22
Calcipotriol	Daivonex	50 µg per ml	60 ml OP	\$33.79

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

- The price for hydrocortisone with natamycin and neomycin (Pimafucort) would be increased from 1 February 2008. PHARMAC would apply reference pricing between this product and hydrocortisone butyrate with chlorquinaldol (Locoid C). Following the depletion of stock and subsequent discontinuation for Locoid C the price for Pimafucort would be reduced to match the subsidy (\$3.49).

- All of the above pharmaceuticals will be listed in Part II of Section H of the Pharmaceutical Schedule except hydrocortisone (Lemnis Fatty Cream HC), hydrocortisone butyrate with chlorquinaldol (Locoid C), hydrocortisone with natamycin and neomycin (Pimafucort) and oil in water emulsion (Lemnis Fatty Cream). The products listed in Part II of Section H would be listed at the same price as in Section B.
- Hydrocortisone butyrate (Locoid Lipocream and Locoid) would maintain its Hospital Supply Status until 30 June 2008.

### ***How do I make a submission?***

We are inviting feedback from anyone interested in this proposal. You can make submissions in writing to the addresses that follow. We welcome feedback by email, fax or post. The deadline for submissions is **5pm, Friday, 30 November 2007**.

By email: [mike.bignall@pharmac.govt.nz](mailto:mike.bignall@pharmac.govt.nz)

By fax: +64 (0) 4 460 4995

By mail: Mike Bignall, PHARMAC, PO Box 10-254, Wellington.

### ***What will happen then?***

All of the submissions we receive before the deadline will be taken into consideration before a recommendation is taken to PHARMAC's Board, or Acting Chief Executive under delegated authority. Submissions will also be provided to the decision maker when considering the recommendation. The PHARMAC Board, or Acting Chief Executive under delegated authority, will then make a decision on this proposal.

If a decision to accept this proposal is made, it is anticipated that the proposed changes would take effect from 1 February 2008.

### ***Where can I find more information?***

You can seek further information by calling Mike Bignall on +64 (0) 4 916 7562 or by e-mail [mike.bignall@pharmac.govt.nz](mailto:mike.bignall@pharmac.govt.nz).

We look forward to receiving your feedback on this proposal.

Yours sincerely



Mike Bignall  
Therapeutic Group Manager