

15 February 2008

Proposal for funding new products for malabsorption problems in children

PHARMAC is seeking public feedback on a proposal to fund new formulations of elemental formula used in the management of severe cow milk's allergy and multiple food protein intolerance. This proposal arises from a provisional agreement being reached for Neocate, Neocate LCP and Neocate Advance with the supplier, Nutricia.

If the proposal goes ahead, the new products would be funded from 1 April 2008.

Proposal summary

PHARMAC and Nutricia Limited have entered into a provisional agreement to:

- list Neocate LCP and Neocate Advance from 1 April 2008;
- continue the listing of Neocate from 1 April 2008;

Access to a subsidy for these products would be via the current Special Authority applying to elemental formula.

There are some differences in the formulation of each of the products:

- Neocate and Neocate LCP are suitable for infants up to 12 months of age;
- Neocate Advance is suitable for infants over the age of 12 months; and,
- Neocate LCP is enriched with long chain polysaturated fatty acids.

Feedback sought

We welcome your feedback on this proposal. To provide feedback on this proposal please submit it in writing by **5pm, Friday, 29 February 2008** to:

Maria Storey
Therapeutic Group Manager
PHARMAC
PO Box 10-254
Wellington 6143

Email: maria.storey@pharmac.govt.nz

Fax: (04) 460 4995

What will happen then?

All of the submissions we receive before the deadline will be considered by PHARMAC's Board (or Chief Executive, acting under delegated authority) when making a decision on whether to implement this proposal.

If the proposal is approved, it is anticipated that the proposed changes would take effect from 1 April 2008.

Details of the proposal

- Neocate, Neocate LCP and Neocate Advance would be listed in the “For Gastrointestinal and other Malabsorptive Problems” section of Section D of the Pharmaceutical Schedule at the following prices and subsidies:

Chemical	Brand	Form	Pack size	Price	Subsidy
Elemental Formula	Neocate	Powder	400 g OP	\$67.08	\$63.97
Elemental Formula	Neocate LCP	Powder	400 g OP	\$67.08	\$63.97
Elemental Formula	Neocate Advance	Powder	400 g OP	\$56.00	\$52.89

- Neocate, Neocate LCP and Neocate Advance would be subsidised for patients under the current Special Authority for “Infant formulae – For Gastrointestinal And Other Malabsorptive Problems”.