

10 October 2008

Proposal for Recormon (erythropoietin beta), Rocaltrol (calcitriol oral liquid) and Rivotril (clonazepam injection and oral drops)

Proposal summary

PHARMAC and Roche have reached a provisional agreement that would alter the listings of erythropoietin beta (Recormon), calcitriol oral liquid (Rocaltrol) and clonazepam injection and oral drops (Rivotril) on the Pharmaceutical Schedule. Recormon is used in chronic renal failure, Rocaltrol is a Vitamin D supplement and Rivotril is an anti-epilepsy pharmaceutical. The changes include:

- A price/subsidy reduction for erythropoietin beta (Recormon).
- An agreement for calcitriol oral liquid (Rocaltrol) at the current price/subsidy.
- An agreement for clonazepam oral drops (Rivotril) at the current price/subsidy (and a listing in Section H).
- A price/subsidy increase for clonazepam injection (Rivotril).

These changes would take effect from 1 December 2008. Further details of the proposal can be found on the following pages.

Feedback sought

We welcome your feedback on this proposal. To provide feedback please submit an email, fax or letter by **5 pm, Friday 24 October 2008** to:

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All feedback received before the closing date will be considered when a decision is made on this proposal by PHARMAC's Board (or Chief Executive, acting under delegated authority).

Details of the Proposal

The proposal contains the following components:

Recormon (erythropoietin beta)

The decision, as notified on 11 August 2008 (in a notification letter titled "New migraine and ADHD treatment funding approved") to reduce the subsidy for erythropoietin beta (Recormon) from 1 July 2009 due to the application of reference pricing of

erythropoietin beta (Recormon) to erythropoietin alfa (Eprex) would be replaced with the following:

- The price and subsidy for Recormon (erythropoietin beta) in Section B and Part II of Section H of the Pharmaceutical Schedule, would be reduced from 1 December 2008 as follows (ex-manufacturer, excl. GST):

Pharmaceutical	Brand	Form and Strength	Pack Size	Current list price/subsidy	New list price/subsidy
Erythropoietin beta	Recormon	Inj 1,000 iu, pre-filled syringe	6	\$76.02	\$48.68
Erythropoietin beta	Recormon	Inj 2,000 iu, pre-filled syringe	6	\$152.04	\$120.18
Erythropoietin beta	Recormon	Inj 3,000 iu, pre-filled syringe	6	\$228.06	\$166.87
Erythropoietin beta	Recormon	Inj 4,000 iu, pre-filled syringe	6	\$304.08	\$193.13
Erythropoietin beta	Recormon	Inj 5,000 iu, pre-filled syringe	6	\$380.10	\$243.26
Erythropoietin beta	Recormon	Inj 6,000 iu, pre-filled syringe	6	\$456.12	\$291.92
Erythropoietin beta	Recormon	Inj 10,000 iu, pre-filled syringe	6	\$760.20	\$395.18

- Delisting and subsidy reduction protection would be provided to Recormon until 1 July 2011 meaning it would remain fully funded until at least 30 June 2011.
- A confidential rebate arrangement for Recormon would apply in Sections B and H of the Pharmaceutical Schedule.
- The brand name of Recormon may be changed at a future date to NeoRecormon.
- The 1,000 iu pre-filled syringe strength would be discontinued from 1 November 2008.

Calcitriol oral liquid (Rocaltrol Oral)

- The price and subsidy for Rocaltrol (calcitriol oral liquid) would continue in Section B and Part II of Section H of the Pharmaceutical Schedule, as follows (ex-manufacturer, excl. GST);

Pharmaceutical	Brand	Form and Strength	Pack Size	List price/subsidy
Calcitriol	Rocaltrol	Oral liquid 1 ug per ml	10 ml OP	\$39.40

Clonazepam injection and oral drops (Rivotril)

- The price and subsidy for Rivotril oral drops and injection in Section B and Part II of Section H of the Pharmaceutical Schedule would be as follows (ex-manufacturer, excl. GST):

Pharmaceutical	Brand	Form and Strength	Pack Size	Current list price/subsidy	New list price/subsidy
Clonazepam	Rivotril	Injection 1 mg per ml, 1 ml	5	\$9.36	\$19.00
Clonazepam	Rivotril	Oral drops 2.5 mg per ml	10 ml OP	\$7.38	\$7.38