

14 November 2008

Proposal relating to filgrastim, midazolam, mycophenolate mofetil and pegfilgrastim

PHARMAC and Roche Products (New Zealand) Limited have entered into an agreement relating to the supply of filgrastim (Neupogen) midazolam (Hypnovel), mycophenolate mofetil (Cellcept) and pegfilgrastim (Neulastim).

In summary, the proposal would result in:

- awarding Hospital Supply Status to the Neupogen brand of filgrastim;
- a reduction in the price and subsidy of midazolam injections;
- a reduction in the effective price and subsidy of mycophenolate mofetil through a rebate arrangement;
- a reduction in the effective price of pegfilgrastim through a discount on invoice; and
- subsidy and delisting protection being provided to the above products.

Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by 4 pm on **Friday, 28 November 2008** to:

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Fax: 04 460 4995

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

Details of the proposal

Filgrastim

- A new 480 µg pre-filled syringe presentation of filgrastim would be listed as a Discretionary Community Supply pharmaceutical from 1 January 2009.

- Neupogen would become the Hospital Supply Status (HSS) brand of filgrastim in Section H of the Pharmaceutical Schedule from 1 April 2009, with a Discretionary Variance limit of 1%, until 31 December 2011.
- Neupogen would have protection from delisting until 31 December 2012.

Midazolam

- The price and subsidy of the Hypnovel brand of midazolam injections would reduce from 1 January 2009 as follows (prices are ex-manufacturer and exclusive of GST):

Chemical	Presentation	Brand	Pack size	Current price and subsidy	Proposed price and subsidy
Midazolam	Inj 1 mg per mL, 5 mL	Hypnovel	10	\$12.65	\$10.75
Midazolam	Inj 5 mg per mL, 3 mL	Hypnovel	5	\$14.00	\$11.90

- Hypnovel would be protected from delisting and subsidy reduction until 30 June 2012.
- The Pfizer brand of midazolam would be reference priced to Hypnovel in Section B of the Pharmaceutical Schedule from 1 January 2009 as follows:

Chemical	Presentation	Brand	Pack size	Current price	Current subsidy	Proposed subsidy
Midazolam	Inj 1 mg per mL, 5 mL	Pfizer	10	\$14.73	\$12.65	\$10.75
Midazolam	Inj 5 mg per mL, 3 mL	Pfizer	5	\$19.64	\$14.00	\$11.90

Mycophenolate mofetil

- The price and subsidy of Cellcept as listed in Section B of the Pharmaceutical Schedule would remain unchanged.
- Cellcept would be subject to an additional rebate on community subsidies, which would reduce its effective price and subsidy.
- Cellcept would be protected from delisting and subsidy reduction until 30 June 2012.

Pegfilgrastim

- Neulastim would be listed in Section H of the Pharmaceutical Schedule from 1 January 2009 at \$1395.00 per injection (ex-manufacturer, excluding GST).
- Neulastim would be subject to a discount on invoice to reduce its effective price to DHB hospitals.
- Neulastim would be protected from delisting until 31 December 2012.