

18 November 2008

### **Full subsidy for erythropoietin beta (Recormon) will continue**

PHARMAC is pleased to announce the approval of a supply agreement with Roche which includes the following components:

- 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).

This means that the previously notified reference pricing of Roche's erythropoietin beta to Janssen-Cilag's erythropoietin alfa (Eprex) will no longer occur. Erythropoietin beta will remain fully subsidised.

### ***Details of the Proposal***

#### Recormon/NeoRecormon (erythropoietin beta)

On 11 August 2008 we notified a decision to reduce the subsidy for erythropoietin beta (Recormon/NeoRecormon) from 1 July 2009 through the application of reference pricing to erythropoietin alfa (Eprex). The notification letter can be found at [www.pharmac.govt.nz/2008/08/11/New%20migraine%20and%20ADHD%20treatment%20funding%20approved.pdf](http://www.pharmac.govt.nz/2008/08/11/New%20migraine%20and%20ADHD%20treatment%20funding%20approved.pdf)

We subsequently reached an agreement with Roche that has now been approved by PHARMAC's Board. This agreement means that the following will occur:

- The price and subsidy for Recormon/NeoRecormon (erythropoietin beta) in Section B and Part II of Section H of the Pharmaceutical Schedule, will 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 will be provided to Recormon until 1 July 2011.
- A confidential rebate arrangement for Recormon will apply in Sections B and H of the Pharmaceutical Schedule.
- The brand name of Recormon will change to NeoRecormon at some future time chosen by Roche.

#### Calcitriol oral liquid (Rocaltrol Oral)

- The price and subsidy for Rocaltrol (calcitriol oral liquid) will remain 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 will be as follows (ex-manufacturer, excl. GST):

<b>Pharmaceutical</b>	<b>Brand</b>	<b>Form and Strength</b>	<b>Pack Size</b>	<b>Current list price/subsidy</b>	<b>New list price/subsidy</b>
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

### ***Feedback Received***

These changes were the subject of a consultation letter dated 10 October 2008. We appreciate all the feedback that was received and acknowledge the time that people took to respond.

Responders were supportive of the proposal as it meant that patients currently being prescribed erythropoietin would not have to switch brands to retain a full subsidy.

### ***More information***

If you have any queries about these changes please contact the PHARMAC helpline on 0800 66 00 50 (9 am to 5 pm weekdays).