

19 November 2008

Proposal relating to water for injection and bupivacaine with adrenaline

PHARMAC and AstraZeneca Limited have entered into an agreement relating to the supply of water for injection and bupivacaine with adrenaline (Marcain).

In summary, the proposal would result in:

- a reduction in price for Marcain from 1 July 2009;
- awarding Hospital Supply Status to the Marcain brand of bupivacaine with adrenaline from 1 October 2009 until 30 June 2011;
- a listing for the AstraZeneca brand of water for injection in Section B and Section H of the Pharmaceutical Schedule from 1 July 2009;
- subsidy and delisting protection for water for injection until 30 June 2012.

Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by 4 pm on **Tuesday, 2 December 2008** to:

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Email: andrew.davies@pharmac.govt.nz

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

Bupivacaine with adrenaline

- Following inclusion in the recent Alternative Commercial Proposal process, Marcain with Adrenaline would become the Hospital Supply Status (HSS) brand of bupivacaine with adrenaline in Section H of the Pharmaceutical Schedule, with a Discretionary Variance limit of 1%, from 1 October 2009 until 30 June 2011 at the following prices:

Chemical	Presentation	Brand	Price
Bupivacaine hydrochloride with adrenaline	Inj 0.5% bupivacaine hydrochloride with 1:200,000 adrenaline, 20 ml, 5 vials	Marcain with Adrenaline	\$115.40
Bupivacaine hydrochloride with adrenaline	Inj 0.25% bupivacaine hydrochloride with 1:400,000 adrenaline, 10 ml, 5 vials	Marcain with Adrenaline	\$134.76

Water for injection

- AstraZeneca's brand of water for injection, 5 ml ampoule and 10 ml ampoule, would be listed in Part II of Section H, and in Section B of the Pharmaceutical Schedule at the following price and subsidy from 1 July 2009:

Chemical	Presentation	Brand	Pack size	Current price and subsidy	Proposed price and subsidy
Water for Injection	5 mL	AstraZeneca	50	\$9.31	\$10.51
Water for Injection	10 ml	AstraZeneca	50	\$10.38	\$11.32

- AstraZeneca's water for injection would be protected from delisting and subsidy reduction until 30 June 2012.