

9 February 2009

Agreement with Roche for filgrastim, midazolam, mycophenolate mofetil and pegfilgrastim

PHARMAC is pleased to announce the approval of an agreement with Roche Products Limited. The proposal will result in:

- Hospital Supply Status for 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.

This agreement arose as a result of our Alternative Commercial Proposal process, in which we invite alternatives to tendering.

Details of the decision

Filgrastim

- The 480 µg pre-filled syringe presentation of filgrastim will be listed as a Discretionary Community Supply pharmaceutical from 1 March 2009.
- Neupogen will have Hospital Supply Status (HSS) from 1 June 2009, with a Discretionary Variance limit of 1%, until 31 December 2011.
- Neupogen will remain listed on Section H until at least 31 December 2012.

Midazolam

- The price and subsidy of the Hypnovel brand of midazolam injections will reduce from 1 March 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 will remain listed on Section B and Part II of Section H until at least 30 June 2012.

- The Pfizer brand of midazolam will be reference priced to Hypnovel in Section B of the Pharmaceutical Schedule from 1 March 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 will remain unchanged.
- Cellcept will be subject to an additional rebate on community subsidies, which will reduce its effective price and subsidy.
- Cellcept would be protected from delisting and subsidy reduction until 30 June 2012.

Pegfilgrastim

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

Feedback received

We appreciate all the feedback we received and acknowledge the time people took to respond. All consultation responses received by 28 November 2008 were considered in their entirety in making a decision on the proposed changes. The majority of responses were supportive of the proposal; there were some responses of a commercial nature to which we will respond directly. One response suggested pegfilgrastim should be made available via Discretionary Community Supply. PHARMAC will further investigate this option.