

24 July 2009

Proposal to amend the listings for metoprolol succinate (Betoloc CR & AFT-Metoprolol CR) and goserelin acetate (Zoladex)

PHARMAC is seeking feedback on a proposal to fully subsidise Betaloc CR (the current endorsement would also be removed) and to remove the Zoladex Special Authority, through a provisional agreement with the supplier, AstraZeneca Limited. We also seek feedback on a proposal to apply reference pricing to AFT-Metoprolol CR.

In summary, this proposal would result in:

Betaloc CR

- from 1 September 2009, full funding without restriction (the current endorsement restriction would be removed);
- Price reductions from 1 September 2009, 1 February 2010 and 1 July 2010;
- Subsidy protection until 31 January 2012;

AFT-Metoprolol CR

- from 1 July 2010, the subsidy being reduced to the subsidy level of Betaloc CR through the application of reference pricing;

Zoladex

- from 1 September 2009, the removal of the current Special Authority restriction ;
- Price reductions from 1 February 2010 and 1 February 2011; and,
- Subsidy protection until 30 June 2013.

Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by **5 pm Friday, 7 August 2009** to:

Greg Williams
Therapeutic Group Manager
PHARMAC
PO Box 10 254
Wellington 6143

Email: greg.williams@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

Metoprolol succinate (long-acting tablets)

The Betaloc CR brand of metoprolol succinate long-acting tablet would be available fully funded without restriction (the current endorsement criteria would be removed) from 1 September 2009.

Betaloc CR would have protection from delisting and subsidy reduction until 31 January 2012.

All strengths of Betaloc CR long-acting tablets would be subject to three price and subsidy reductions, and the subsidy for AFT-Metoprolol CR would be reduced from 1 July 2010 to the relevant per-tablet subsidy for Betaloc CR, through the application of reference pricing.

Betaloc CR and AFT-Metoprolol CR would each be listed in Section B and Part II of Section H of the Pharmaceutical Schedule at the following prices and subsidies (ex-manufacturer, excluding GST):

Strength (mg)	Brand	Pack Size	Price and subsidy			
			Current	1 September 2009	1 February 2010	1 July 2010
23.75	Betaloc CR	30	\$6.20 (\$5.20) ¹	\$3.61	\$2.73	\$2.18
	AFT-Metoprolol CR	30	\$2.73	\$2.73	\$2.73	\$2.18
47.5	Betaloc CR	30	\$7.80 (\$6.50) ¹	\$4.50	\$3.41	\$2.74
	AFT-Metoprolol CR	30	\$3.41	\$3.41	\$3.41	\$2.74
95	Betaloc CR	30	\$13.20 (\$11.20) ¹	\$7.40	\$5.88	\$4.71
	AFT-Metoprolol CR	30	\$5.88	\$5.88	\$5.88	\$4.71
190	Betaloc CR	30	\$21.00 (\$20.25) ¹	\$12.50	\$10.63	\$8.51
	AFT-Metoprolol CR	30	\$10.63	\$10.63	\$10.63	\$8.51

¹ – A full subsidy is available via endorsement

Wholesalers, distributors and pharmacists should be aware that the supplier of Betaloc CR, AstraZeneca Limited, has not agreed with PHARMAC that it will reduce the price of its product in the market on the 12th of the month prior to the date of reduction of the subsidy (identified in the table above). However, it will work with other entities it currently works with in the supply chain to enable the re-pricing for stock holdings purchased at the higher prices.

Goserelin acetate (Zoladex)

The Special Authority that currently applies to Zoladex would be removed from 1 September 2009.

Zoladex would have protection from delisting and subsidy reduction until 30 June 2013.

Zoladex would be subject to two price reductions and would be listed in Section B and Part II of Section H of the Pharmaceutical Schedule at the following prices and subsidies (ex-manufacturer, excluding GST):

Presentation	Brand	Pack size	Price and subsidy (Exclusive of GST) (\$NZ)		
			Current	1 February 2010	1 February 2011
3.6 mg injection	Zoladex	1	\$221.60	\$200.00	\$166.20
10.8 mg injection	Zoladex	1	\$554.70	\$500.00	\$443.76

Wholesalers, distributors and pharmacists should be aware that the supplier of Zoladex, AstraZeneca Limited, has not agreed with PHARMAC that it will reduce the price of its product in the market on the 12th of the month prior to the date of reduction of the subsidy (identified in the table above). However, it will work with other entities it currently works with in the supply chain to enable the re-pricing for stock holdings purchased at the higher prices.

Background

Metoprolol succinate long acting tablet (Betoloc CR)

A consultation letter regarding a proposal to reference price Betoloc CR to AFT-Metoprolol CR, and remove the endorsement that currently applies to Betoloc CR was circulated on 19 June 2009.

At this time no decision has been made regarding that proposal.

Implementation of any decision on that proposal would be dependent on the completion of consultation and any decision by PHARMAC's Board (or Chief Executive, acting under delegated authority) on the proposal outlined in this consultation letter.