

29 October 2009

Proposal relating to provisional agreement with API Consumer Brands Limited for the listings of various pharmaceuticals on the Pharmaceutical Schedule

PHARMAC is seeking feedback on a proposal involving cholecalciferol (Cal-d-Forte), codeine phosphate (PSM), dexamphetamine sulphate (PSM), glycerol (PSM), isoniazid (PSM), paracetamol (Paracare), pethidine hydrochloride (PSM) and phenobarbitone (PSM) through a provisional agreement with API Consumer Brands.

If implemented, the proposal would result in various subsidy and price changes for the above pharmaceuticals, which API Consumer Brands already supplies.

Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by 5 pm on **Thursday 12 November 2009** to:

Mike Bignall	Email: mike.bignall@pharmac.govt.nz
Therapeutic Group Manager	Fax: 04 460 4995
PHARMAC	Post: PO Box 10 254, Wellington 6143

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

- The following pharmaceuticals would be amended in Section B and amended (or listed, where applicable) in Part II of Section H of the Pharmaceutical Schedule from 1 January 2010 as follows:

Chemical	Form and Strength	Brand	Pack size	Current price and subsidy	Proposed price and subsidy
Cholecalciferol	Tab 1.25 mg (50,000 iu)	Cal-d-Forte	12	\$10.35	\$7.76
	Tab 15 mg			\$5.50	\$5.39
Codeine phosphate	Tab 30 mg	PSM	100	\$8.50	\$8.25
	Tab 60 mg			\$18.50	\$17.76
Dexamphetamine sulphate	Tab 5 mg	PSM	100	\$17.00	\$16.50

Chemical	Form and Strength	Brand	Pack size	Current price and subsidy	Proposed price and subsidy
Glycerol	Suppos 3.6 g	PSM	20	\$5.00	\$6.00
Isoniazid	Tab 100 mg	PSM	100	\$20.50	\$20.00
Paracetamol	Suppos 500 mg	Paracare	50	\$20.50	\$20.50
Pethidine hydrochloride	Tab 50 mg	PSM	10	\$3.00	\$3.20
	Tab 100 mg			\$4.00	\$4.20
Phenobarbitone	Tab 15 mg	PSM	500	\$23.68	\$25.00
	Tab 30 mg			\$24.59	\$26.00

Prices are ex-manufacturer, excluding GST

- All brands listed above of these pharmaceuticals would have subsidy and delisting protection until 31 December 2012.

Background information

This proposal is a result of API Consumer Brands submitting to PHARMAC an alternative commercial proposal to tendering. A request for alternative commercial proposals was made to all pharmaceutical suppliers on 21 August 2009 as part of the consultation on the proposed 2009/10 Multi-product Tender.