

30 July 2010

## Proposal to fund a new topical anti-acne treatment (adapalene) and to fully fund urea cream

PHARMAC is seeking feedback on a proposal to fully fund a topical retinoid (adapalene cream and gel) as a further first-line therapy option for acne vulgaris from 1 October 2010. We are also seeking feedback on a proposal to increase the subsidy of urea 10% cream to match the current manufacturer's price so that it becomes fully funded.

Further details of the proposals can be found below and on the following page.

### Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by 5 pm on **Friday 13 August 2010** to:

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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 proposals

We have entered into a provisional agreement with Galderma Australia Pty Limited to list adapalene cream and gel in Section B of the Pharmaceutical Schedule from 1 October 2010 at the following price and subsidy (ex-manufacturer, excluding GST):

Pharmaceutical	Form and Strength	Brand	Pack Size	Proposed price and subsidy
Adapalene	Cream 0.1%	Differin	30 g	\$22.89
	Gel 0.1%			

- Differin would be listed without any Special Authority criteria or endorsement restrictions. However, the following maximum quantity rule would apply:  
 "Maximum of 30 g per prescription."
- A confidential rebate would apply to all sales of Differin which would reduce the net subsidy paid by PHARMAC.
- Differin would have protection from delisting and subsidy reduction until 1 July 2013.

In addition, we propose to amend the listing of urea cream in Section B of the Pharmaceutical Schedule from 1 October 2010 as follows (ex-manufacturer, excluding GST):

Pharmaceutical	Form and Strength	Brand	Pack Size	Current subsidy (and price)	Proposed subsidy and price
Urea	Cream 0.1%	Nutraplus	100 g	\$2.52 (\$3.07)	\$3.07

## Background to the Proposals

### *Adapalene*

Adapalene is a topical anti-acne treatment that is indicated for the topical treatment of comedo, papular and pustular acne (acne vulgaris) of the face, chest or back.

The Pharmacology and Therapeutics Advisory Committee (PTAC) has previously reviewed an application from Galderma to fund adapalene at meetings in 2007 and 2008. In July 2010, PHARMAC funded the topical anti-acne treatment tretinoin cream (ReTrieve). At the time, we advised that alternative brands of tretinoin cream or other topical anti-acne treatments may be funded in the future should an acceptable agreement be reached with other suppliers. Several consultation responses requested that PHARMAC fund alternative topical anti-acne treatments (particularly adapalene).

A provisional agreement with Galderma has now been reached. If approved, this proposal would provide two fully funded first-line topical anti-acne treatment options in the Pharmaceutical Schedule.

### *Urea*

Urea is an emollient that can be particularly useful in treating scaly and itchy dry skin conditions including atopic dermatitis (eczema), psoriasis and ichthyosis.

Urea was fully funded in the Pharmaceutical Schedule until February 2009, after which a manufacturers' surcharge applied. If approved, this proposal would remove this surcharge and provide an alternative fully funded emollient in the Pharmaceutical Schedule.