

1 September 2010

Modafinil funding not approved

PHARMAC has decided not to approve a provisional agreement with CSL Biotherapies (NZ) Limited for the funding of modafinil as a second-line treatment for narcolepsy, which was the subject of a consultation letter dated 23 July 2010, because of issues raised during consultation.

PHARMAC intends to seek further advice from the Pharmacology and Therapeutics Advisory Committee (PTAC) at its next meeting in November 2010 and will reassess the funding of modafinil following receipt of PTAC's advice.

A summary of the declined proposal and the key issues that were raised during consultation are provided below and on the following pages.

Details of the declined modafinil proposal

It was proposed that modafinil 100 mg tablets be funded at a price and subsidy of \$72.50 per 30 tablets, subject to the following Special Authority criteria for patients with hypersomnia associated with narcolepsy:

Initial application only from a neurologist or respiratory specialist. Approvals valid for 24 months for applications meeting the following criteria:

All of the following:

- 1 The patient has excessive daytime sleepiness associated with narcolepsy occurring almost daily for three months or more; and
- 2 Hypersomnia not better explained by another disorder; and
- 3 Either:
 - 3.1 Definite history of cataplexy and a Multiple Sleep Latency Test (MSLT) with a mean sleep latency less than or equal to 8 minutes; or
 - 3.2 A MSLT with a mean sleep latency of less than or equal to 8 minutes and 2 or more sleep onset rapid eye movement periods; and
- 4 The MSLT must be preceded by nocturnal polysomnography and sleep prior to the MSLT must be at least 6 hours; and
- 5 Either:
 - 5.1 An effective dose of a subsidised formulation of methylphenidate or dexamphetamine has been trialled and discontinued because of intolerable side effects; or
 - 5.2 Methylphenidate and dexamphetamine are contraindicated.

Renewal application only from a neurologist or respiratory specialist. Approvals valid for 24 months where the treatment remains appropriate and the patient is benefiting from treatment.

Feedback received

We appreciate all of the feedback that we received and acknowledge the time people took to respond. All consultation responses were considered in their entirety when making the decision to decline the proposal. Most responses were generally supportive of the funding of modafinil as a treatment for narcolepsy; however, several major issues were raised in

relation to the proposal, which are summarised in the following table along with our response.

Theme	Comment
<p>Although there was some support for the use of multiple sleep latency test (MSLT) and/or polysomnography to reduce the potential for funding of modafinil outside its intended funded indications, responders were concerned that these tests are not consistently funded by DHBs and are not available at all in some parts of the country. Many responders noted that these tests are not routinely used in the diagnosis of narcolepsy.</p>	<p>We intend to seek advice from PTAC on the possibility of using different clinical criteria that would target the same patient group but without the requirement for MSLT or polysomnography.</p>
<p>Most responders considered that modafinil should be available as a first-line treatment (ie as an alternative to dexamphetamine and methylphenidate) because they consider that it has a superior side effect profile and has reduced potential for addiction and abuse.</p> <p>Responders considered that the cost of modafinil as a first-line treatment would be “modest” and “not excessive given the clinical benefits.”</p>	<p>At the proposed prices, modafinil would be approximately 15 times more expensive than the currently funded first-line treatments, methylphenidate and dexamphetamine.</p> <p>Given the expressed preference for modafinil over the current treatments, and the advice from PTAC regarding likely market share if it was available as first-line treatment, we estimate that funding modafinil as a first-line treatment would result in a considerable budget impact (in the region of \$2.7 million to \$4.7 million over five years).</p> <p>While we acknowledge that responders believe that there are benefits of modafinil over methylphenidate and dexamphetamine, evidence that we are aware of suggests that these benefits are modest at best and may not justify the significant increase in Pharmaceutical Budget expenditure. In addition, we have been advised that modafinil is associated with significant potential for abuse/diversion, a problem that has been encountered in international markets.</p> <p>We intend to seek further advice from PTAC on the funding of modafinil as a first-line treatment for narcolepsy.</p>
<p>Most responders considered that modafinil should be available for all types of hypersomnia (ie not just restricted to hypersomnia associated with narcolepsy), including idiopathic hypersomnia and hypersomnia associated with obstructive sleep apnoea (OSA).</p>	<p>PHARMAC and PTAC have only considered the funding of modafinil for the treatment of narcolepsy, which was the indication included in CSL's funding application.</p> <p>Although we would be prepared to consider the funding of modafinil for idiopathic hypersomnia and hypersomnia associated with OSA, we are aware that international regulators are currently looking to restrict the range of registered indications for modafinil to exclude these types of hypersomnia. For example, the European</p>

Theme	Comment
	<p>Medicines Agency (EMA) recently recommended that modafinil should only be registered for narcolepsy and clinicians should not use it for idiopathic hypersomnia, hypersomnia associated with OSA or chronic shift work sleep disorder. The relevant press release from the EMA can be found online at http://www.ema.europa.eu/docs/en_GB/document_library/Press_release/2010/07/WC500094976.pdf.</p> <p>It is possible that the outcome of the international regulatory reviews could impact on the registered indications of modafinil in New Zealand. Therefore, we consider that it would be prudent to wait until the regulatory reviews have been completed before doing any further work on assessing the funding of modafinil for other indications.</p>
<p>In addition to the responses that were directly relevant to the proposal, several responders noted that they currently prescribe dexamphetamine and methylphenidate for patients with idiopathic hypersomnia and hypersomnia associated with OSA.</p>	<p>Dexamphetamine and methylphenidate are not currently subsidised for the treatment of idiopathic hypersomnia or hypersomnia associated with OSA, nor are these registered indications for dexamphetamine or methylphenidate.</p> <p>The “narcolepsy” criteria in the current Special Authority for methylphenidate or dexamphetamine should not be used for accessing funding for these medicines for idiopathic hypersomnia or hypersomnia associated with OSA.</p>

More information

If you have any questions about this decision, you can call our toll free number (9 am to 5 pm, Monday to Friday) on 0800 66 00 50.