

14 October 2011

Proposal for sole supply of Respiratory Devices (peak flow meters, spacer devices, paediatric masks)

As a result of a request for proposals (RFP) for the sole supply of peak flow meters, spacer devices and paediatric masks for use with spacer devices in New Zealand, PHARMAC has signed provisional agreements with GlaxoSmithKline NZ Limited and Air Flow Products Ltd. and is seeking feedback on the following proposals (all to take effect 1 December 2011).

In summary, these proposals would result in sole supply status until June 2015 in the community, and listing in Part II of Section H of the Pharmaceutical Schedule for:

- GlaxoSmithKline's Volumatic brand of spacer device, 800 ml;
- Air Flow Ltd's EZ-fit brand of paediatric mask for use with spacer devices;
- Air Flow Ltd's Space Chamber Plus brand of spacer device 230 ml (single patient); and,
- Air Flow Ltd's Breath-Alert brands of low and normal range peak flow meters.

In addition, we propose to amend the chemical heading and reduce the PSO quantity for the 230 ml (autoclavable) spacer device from 20 per PSO to 5 per PSO.

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

Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by **Wednesday, 2 November 2011** to:

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Email: Christine.chapman@pharmac.govt.nz

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All feedback received before the closing date will be considered by PHARMAC's Board (or Acting Chief Executive acting under delegated authority) prior to making a decision on this proposal.

Details of the proposals

GlaxoSmithKline Products

We have entered a provisional agreement with GlaxoSmithKline NZ Limited to continue to list Volumatic, Spacer Device, 800 ml in Section B and in Part II of Section H of the Pharmaceutical Schedule from 1 December 2011 as follows:

Chemical	Presentation	Brand	Pack size	Price and subsidy
Spacer Device	800 ml	Volumatic	1	\$8.50

- A confidential rebate would apply to Volumatic.
- Volumatic would be listed in Section B of the Pharmaceutical Schedule with sole supply status from 1 December 2011 to 30 June 2015.
- Volumatic would have price and delisting protection in Part II of Section H of the Pharmaceutical Schedule until 1 July 2015.

Air Flow Products

We have entered a provisional agreement with Air Flow Products Ltd to:

1. List Space Chamber Plus and EZ-fit Paediatric Mask in Section B and in Part II of Section H of the Pharmaceutical Schedule from 1 December 2011 as follows:

Chemical	Presentation	Brand	Pack size	Price and subsidy
Mask for Spacer device	Size 2	EZ-fit Paediatric Mask	1	\$2.99
Spacer Device	230 ml (single patient)	Space Chamber Plus	1	\$4.72

These products would replace the current Foremount Child's Silicone Mask (\$3.28 per mask) and current Air Flow Space Chamber (\$8.38 per spacer) brands.

EZ-fit Paediatric Mask is a name change only from Foremount Child's Silicone mask. There is no change to the product itself.

Air Flow Products Ltd Space Chamber Plus differs from its current Space Chamber in the valve design and the dimensions. The supplier claims these modifications would lead to improved drug delivery with an increase in the weight of drug exiting the device. Members of the Respiratory Subcommittee of PTAC considered the new spacer device appropriate and noted that while the increased dose would not impact on the majority of patients some may experience increased side effects. They considered that clinicians, respiratory nurses and patients should be informed of the changes if implemented.

In the event that the proposal is approved, both PHARMAC and Air Flow Products will provide implementation material.

Anderson Cascade Impactor Test Results (performed by the Aerosols Group of the School of Paediatrics and child Health at the University of Western Australia)

Device		Weight of drug per actuation (µg)		MMAD* (µm)
		Exiting Device	Particles <4.7µm	
Space Chamber	Mean	19.8	18.3	2.36
	SD	4.4	4.4	0.11
Space Chamber Plus	Mean	36.2	32.7	2.42
	SD	8.3	7.5	0.23
Volumatic Spacer	Mean	40.9	37.5	2.57
	SD	5.3	5.0	0.01

*MMAD Mass median aerodynamic diameter.

2. Reduce the price and subsidy for Breath-Alert peak flow meters in Section B and Part II of Section H of the Pharmaceutical Schedule from 1 December 2011 as follows:

Chemical	Presentation	Brand	Pack size	Current Price/Subsidy	Proposed Price/Subsidy
Peak Flow Meter	Low range	Breath-Alert	1	\$13.75	\$11.44
Peak Flow Meter	Normal range	Breath-Alert	1	\$13.75	\$11.44

3. Award Community sole supply status (Section B of the Pharmaceutical Schedule) to Space Chamber Plus, EZ-fit Paediatric Mask and Breath Alert (both presentations) from 1 December 2011 to 30 June 2015. In addition they would have price and delisting protection in Part II of Section H of the Pharmaceutical Schedule until 1 July 2015.

Change to the listing of the Autoclavable Spacer Device

PHARMAC proposes to create a new chemical heading in Section B of the Pharmaceutical Schedule and amend the listing of the 230 ml (autoclavable) spacer device from 1 December 2011 as follows:

Chemical	Presentation	Brand	Pack size	Price and subsidy
Spacer Device Autoclavable	230 ml (Autoclavable)	Space Chamber	1	\$11.60

- a) Up to 5 dev available on a PSO
- b) Only on a PSO
- c) Subsidy by endorsement

Available where the prescriber requires a spacer device that is capable of sterilization in an autoclave and the PSO is endorsed accordingly.

This proposal would reduce the number of autoclavable devices available on PSO from 20 to 5. Autoclavable devices should only be ordered when the intention is to use the device in a training capacity, with autoclaving between patients, not for supply to patients.