Minutes of the PHARMAC Consumer Advisory Committee (CAC) meeting

Thursday 1 April 2004

The meeting was held in the Tait Room, 14th floor, Cigna House, 40 Mercer St, Wellington from 9.30am.

Present:

Sandra Coney	Chair
Vicki Burnett	CAC member
Matiu Dickson	CAC member
Anna Dillon	CAC member
Dennis Paget	CAC member
Paul Stanley	CAC member

Apologies:

Kuresa Tiumalu-Faleseuga	CAC member
Sharron Cole	CAC member

The chair moved that the apologies be accepted

Coney/Burnett carried

In attendance

Simon England	PHARMAC (minutes)

Wayne McNee, Stuart Bruce, Dr Peter Moodie, Tracey Barron, Marama Parore-Katene, Cristine Della Barca, Steffan Crausaz, Jayne Chaulk, Sarah Schmitt, Andrea Dick (PHARMAC Staff), attended for relevant items.

1. Record of previous CAC meetings

The minutes of the 24 November 2003 meeting of the Consumer Advisory Committee (CAC) were accepted as a true and accurate record.

Dickson/Dillon carried

The minutes of the 20 January 2004 teleconference of the Consumer Advisory Committee (CAC) were accepted as a true and accurate record.

Dickson/Dillon carried

2. Conflicts of Interest

3. Correspondence

The committee had received a letter from via PHARMAC, which raised issues including all-at-once dispensing and slip coating on some subsidised tablets. The committee resolved to write to outlining the information the committee had received and considered on all-at-once dispensing, and the advice the committee had provided to the PHARMAC Board. Minutes of the CAC teleconference are available on the PHARMAC website.

The committee also considered had raised a valid issue around the film coating of some medicines, and asked that a paper be prepared for consideration at the next CAC meeting.

Members considered that the summary of correspondence circulated to members provided a useful insight into the sort of issues being raised with PHARMAC. The committee noted that a number of letters were received about adverse reactions to medicines, and that this may be because people were unaware which agency to contact to report adverse reactions.

The committee recommended PHARMAC provide a link from its website to the Centre for Adverse Reactions Monitoring to indicate that it was the appropriate body to contact to report adverse reactions.

Burnett/Dickson carried

4. Chairperson's report

The chairperson tabled a report on various issues raised since the 24 November 2003 CAC meeting.

A teleconference was held on 20 January to discuss revision of the Terms of Reference. The main issue was the ability of CAC to take part in PHARMAC consultations.

The chair was unable to accept an invitation to attend a PHARMAC Board strategic planning day in February, and no other CAC members were able to attend at short notice. However, the CAC would still be able to raise issues for inclusion in the PHARMAC Annual Plan. A Pacific Responsiveness Strategy as had been recommended by CAC would be on the PHARMAC work programme for the coming year.

The chairperson attended a Consumer Representative Network meeting in Wellington organised by the Ministry of Consumer Affairs in March. The chair noted the network mainly consists of consumers acting on various boards and committees who have been nominated for the position by MCA, and invited CAC members to forward their names if they wished to attend future meetings.

The chairperson has been invited to speak at the *Consumer Health Information Conference* to be held in Christchurch 20-21 May 2004. The conference is hosted by Consumers' Institute and Otago University, and is supported by PHARMAC. CAC members are invited to attend and should forward their request to the CAC Secretary.

The chair welcomed the opportunity to comment on a draft asthma educator/patient resource which had been circulated to CAC members for comment. Changes had been made in response to comment which more accurately reflected the target audience.

The chair had approached PHARMAC about the committee discussing the issue of pharmaceutical sponsorship of consumer organisations. PHARMAC is happy for the committee to take a lead in developing a discussion document that can be used to raise the issues with consumer organisations in NZ, and it has been included on the agenda for this meeting

5. Clinical Evidence Pilot

Members were briefed on a pilot project to provide general practitioners with free access to the British Medical Journal's Clinical Evidence publication. Hard copy and on-line access was being provided, and funded jointly by PHARMAC and ACC. The pilot project was designed to give prescribers access to an authoritative resource on evidence-based medical interventions. Evaluation of the uptake and use of the resource would be undertaken after six months.

Members considered Clinical Evidence to be a valuable resource for use by prescribers, and asked if it would also be available for consumers. The committee requested an update on the pilot at a future meeting.

Members also requested to receive access to Clinical Evidence.

6. Exceptional Circumstances

Members considered a paper outlining the Exceptional Circumstances (EC) scheme, which provides subsidised access to medicines not listed on the Pharmaceutical Schedule if patients meet the access criteria. Members were particularly interested in how consumers could find out about the scheme.

Details of the scheme are published on the PHARMAC website, with information on how to apply. Clinicians can find out through the website or the Pharmaceutical Schedule. Patients who wrote to PHARMAC raising issues about medicines received a reply which sometimes referred them to EC.

Expenditure on EC is drawn from the pharmaceutical budget. PHARMAC's administration of the scheme was helping to identify medicines that could be added to the Pharmaceutical Schedule.

Members noted that more than half of the applications received were approved by EC.

Essentially the EC rules haven't changed since PHARMAC took responsibility for its management in 2001. One of the published criteria is under review.

7. Alzheimer's Medicines

Members considered a further briefing paper on issues around the assessment of acetylcholinesterase inhibitors, for the treatment of Alzheimer's Disease. An initial

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paper had been considered by the CAC at its 24 November 2004 meeting. The PHARMAC Board has declined funding for the medicines, and an initial proposal for a pilot project. A further proposal is now in development. The key issue was to identify a way to target the medicines and operate exit criteria that did not create inequities.

The Committee noted that guidelines published by the English National Institute for Clinical Evidence (NICE) did not appear to support funding for the medicines. Members considered there were issues to consider around informed consent of patients whose mental state may be deteriorating.

The Committee requested to be kept informed of developments in the assessment of acetylcholinesterase inhibitors

8. Supply Side update

New investments

- PHARMAC had reached an agreement with Abbott Laboratories to subsidise a new treatment for HIV/AIDS, Kaletra. Initially this would be subsidised as a last-line therapy, under Special Authority. The proposed listing date is 1 July 2004.
- A further consultation letter has been issued regarding naltrexone (ReVia), a treatment for alcohol addiction. PHARMAC had previously consulted on listing naltrexone, but had since revised the access criteria after considering feedback.
- A further proposal was being worked on in relation to pegylated interferon in combination with ribavirin for the treatment of Hepatitis C. This would enable patients with genotypes other than that already funded (genotype 1) to access subsidised treatment.

The PHARMAC Board has agreed to apply parity pricing in the therapeutic sub-group known as antiotensin 2 antagonists (AIIs). This will see most people taking this type of drug change to losartan from the current market leader, candesartan. A package of information to patients, prescribers and pharmacists was being prepared. PHARMAC is proposing that affected patients be subsidised for doctor visits, and steps are being taken to make the transition as hassle-free as possible for patients. PHARMAC is also examining what other options are available to maintain choice in the AIIs therapeutic sub-group.

Reference pricing is being applied to the cholesterol-lowering statins drugs from 1 June 2004. Most patients will not notice any change, however those patients currently taking atorvastatin (Losec) may incur a surcharge if the supplier does not match the new subsidy. PHARMAC was also talking with suppliers about options for making other products available in the same drug class.

Information would be prepared for doctors and pharmacists for when the change was implemented.

Members raised some questions around the consultation on changing the access to alendronate. This was the first time PHARMAC had referred to "vocationally

registered general practitioners". The list of vocationally registered practitioners was held by the Medical Council.

The committee recommended that PHARMAC improve its database of consumer groups. This may be a project that required some resources being devoted to it, to enhance PHARMAC's consultation database and improve the breadth of groups it consults with. This could be a project developed as part of PHARMAC's Annual Plan. Members agreed that within the next month they would develop a brief set of recommendations for a way to proceed with such a project.

9. Transfer of pharmaceutical cancer treatments funding

PHARMAC is proposing that the funding for pharmaceutical cancer treatments be transferred from DHB hospitals to PHARMAC. This would create more transparency around the process for funding cancer drugs used in DHB hospitals, and go further towards national consistency in funding new cancer drugs. The proposal represented a major project for PHARMAC and DHB hospitals, including establishing new claiming systems for hospital pharmacies.

The proposal included a waiver of co-payments, so the transfer should not be noticed by consumers.

The committee asked to be kept informed on progress of the project, and requested an update be supplied to its meeting in November 2004.

10. Demand Side update

Asthma resource

PHARMAC had developed, in conjunction with the Asthma and Respiratory Foundation of NZ, a new patient resource (a flip-chart) for use by nurses and asthma educators. The chart had been reworked after early testing and has been further revised after initial feedback from CAC. It is due to be launched at the national Maori asthma educators hui in Wellington during April 2004.

Members made a number of suggestions on the resource, including the angle of a spacer device in an illustration, information on inhaler technique, and amendments to the text.

Members noted that the resource will be used by trained experts and assumes a reasonable level of expert knowledge. Training will also be provided when the resource is launched.

Overall, the committee commented favourably on the resource.

Supply side support

PHARMAC staff were preparing a range of information to accompany the parity pricing of AIIs. Information was being prepared for prescribers and patients and to notify people about subsidised doctor visits. Information would be available to accompany the implementation of parity pricing from 1 May 2004.

Patient and prescriber information was also being prepared to support the reference pricing of statins, from 1 June 2004.

Cardiovascular risk campaign

PHARMAC was preparing for the next phase of the cardiovascular risk management campaign One Heart Many Lives. This was being targeted to high-risk areas such as Northland, Auckland, the Bay of Plenty and Waikato. Some of the material would also be publicised nationally. Target groups were Maori and Pacific men aged 35 and over, and all men aged over 45.

The campaign will include a range of media activity. A cardiovascular co-ordinator was to be appointed to run the campaign. The re-launch would occur from June 2004.

The CAC continued to support the direction of the campaign, and suggested the cardiovascular co-ordinator set up a reference group to provide feedback and advice.

11. Update on Maori Responsiveness Strategy

The committee was briefed on a meeting between Maori members of PHARMAC bodies, including the CAC, Pharmacology and Therapeutics Advisory Committee (PTAC), PHARMAC Board and PHARMAC staff. This was in line with a recommendation by CAC. The meeting was designed to ensure closer integration between Maori members.

Other initiatives within PHARMAC included:

- Developing a staff training plan
- A strategy to enhance PHARMAC's communication and engagement with Maori
- Development of a framework to enable PHARMAC staff to identify and respond to issues particularly affecting Maori
- Working with Demand Side to develop projects that respond to Maori health need

12. PHARMAC Board Strategic Planning Day

The PHARMAC Board had held a strategic planning day in Feburary 2004. The Board had identified two main areas it wanted PHARMAC to examine more closely:

- The wider effect of PHARMAC's policies; and
- Interacting with DHBs to identify services PHARMAC can provide.

PHARMAC responses could include:

- identifying the right people to deal with within DHBs, and initiatives where PHARMAC can be of assistance;
- better integration between Supply and Demand Side to ensure categories of medicines are better managed;
- market monitoring to identify issues such as what medicines were coming on the market, how companies were performing (nationally and internationally, what the impact might be if a company decides to withdraw from New Zealand;
- ensuring New Zealand continues to access new products. A number of new products were being developed by small companies offshore who did not have a presence in New Zealand, this was a longer-term issue the PHARMAC Board wanted to keep an eye on.

The formation of a trans-Tasman joint therapeutic agency (JTA) has been identified as a risk to PHARMAC. This could potentially raise the entry cost for new products to the New Zealand market (including generics) and make it harder to make savings, and provide New Zealand with access to new medicines.

Members enquired which functions will be absorbed by the new agency, whether this included medicine safety monitoring and the role currently filled by the Medicines Adverse Reactions Committee (MARC). The committee expressed concern that, should this role be absorbed into the joint agency, the voice of the New Zealand consumer might be lost in the area of medicines safety monitoring.

The committee resolved to ask the PHARMAC Board to approach the relevant New Zealand agencies to clarify what the implications of the JTA would be for New Zealand consumers, particularly in the area of adverse reactions monitoring.

Paget/Coney carried

A Pacific Responsiveness Strategy, as requested by the CAC, was being looked at as part of PHARMAC's work programme for 2004-05.

13. Influenza Vaccines

PHARMAC staff briefed the committee on a project to transfer responsibility for the subsidised influenza vaccines programme from the Ministry of Health to PHARMAC for the 2005 winter.

Members raised concerns over the adequacy of the currently-available patient information. PHARMAC has requested for the transfer to also include the promotional budget, however it was not yet clear whether this would occur. Advertising was currently jointly funded by the Ministry of Health and the vaccine's supplier, GlaxoSmithKline (GSK). Rights to the patient information resource were held by GSK.

The committee expressed concerns about whether it was appropriate for a supplier to be involved in a public health campaign where it was a direct beneficiary. The committee noted that there was a large unsubsidised market, where employers mainly paid for staff to receive vaccinations.

Members noted that assuming management for the subsidised influenza vaccines programme fitted with PHARMAC's core roles, of managing pharmaceutical spending and managing nationally-consistent programmes promoting the responsible use of medicines.

14. Funding of consumer groups by pharmaceutical companies

The chair had approached PHARMAC about developing a discussion document about policies for consumer groups receiving funding from pharmaceutical suppliers. This was a growing area of concern internationally and had the potential to distort medical practice. However, members noted that it was often difficult for consumer groups to obtain funding.

Any guidelines or discussion document that was developed would have to be critiqued and circulated to consumer groups.

Members debated whether leading or managing such a project would fall within the brief of the CAC. Members considered that leading such a project fitted within the functions described in the CAC Terms of Reference (specifically, promoting the responsible use of medicines; engaging and consulting with the community and/or relevant consumer groups).

The committee resolved to proceed with developing a discussion document on guidelines for consumer groups receiving funding from pharmaceutical companies. Ideas would be circulated between members via email. The chair agreed to draft a discussion paper for consideration at the next CAC meeting.

15. General Business

The committee thanked the PHARMAC Board chairman for his comments on the Committee's progress to date, and noted his comment on the need for members to attend meetings was in line with the CAC's own view.

Burnett/Dickson carried

Signed

S Coney

Date

19/5/04