

PHARMAC's Annual Tender

November 2018

What is the PHARMAC Tender?

- Annual procurement process
- 400 - 600 pharmaceutical line items
- Offers up to 3-years Sole Subsidised Supply (SSS) and/or Hospital Supply Status (HSS)

Who can take part?

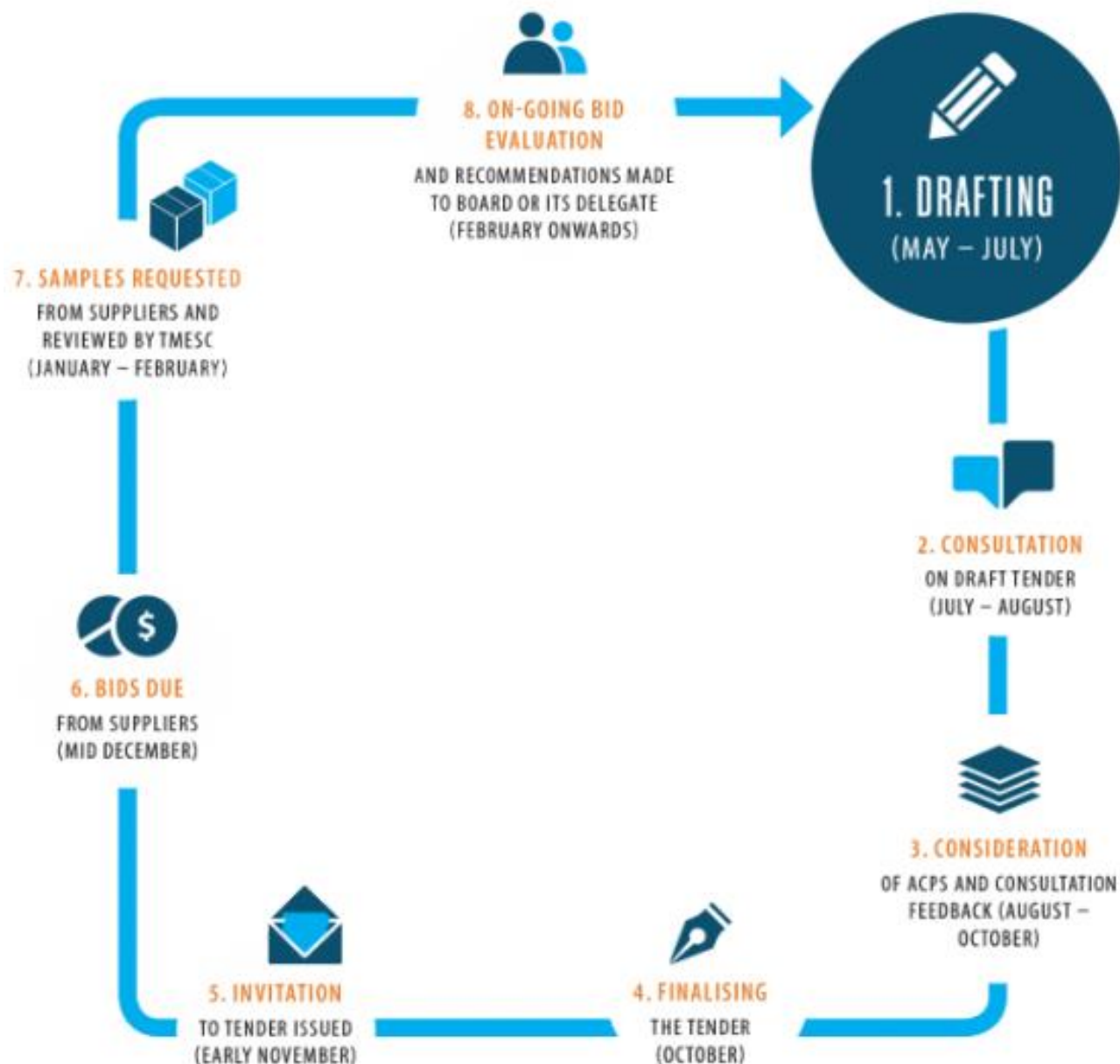
- The Tender is an open process – a supplier does not need to be a NZ company or NZ sponsor to place a bid.
- There must be a plan in place for who the sponsor would be prior to a tender decision being made.

Tender (ITT) vs. Procurement (RFP/RFT)

- Tender offers volume gains for suppliers, reducing the requirement for brand promotion and the associated costs.
- There is limited negotiation following receipt of a bid. By submitting a tender bid (legally binding), a supplier is agreeing to the terms and conditions outlined in the Invitation to Tender (ITT).
- PHARMAC does not generally consult publicly on a tender award. Consultation is done on the draft list only, in August.

Tender process

Outline of the tender process



1. Drafting (May – July)

- Products that go into the tender:
 - Those approaching the end of a tender cycle
 - Products coming off patent
 - Products with protection periods from alternative agreements ending
 - Products where new competition has been identified
- Legal
 - Any changes to the tender contract

2. Consultation on draft tender (August)

- Public consultation takes place before the final Tender is released
- Medical Groups
- Suppliers

- Feedback and Alternative Commercial Proposals (ACPs) are reviewed
- Tender Medical Evaluation Subcommittee assess products proposed for tender and consultation feedback.

3. Consideration of ACPs and consultation feedback (August – October)

Draft release and consultation

- Notification released early August
- Seeking feedback on;
 - The 'list' of items proposed for tender
 - The terms and conditions proposed for the Invitation to Tender
 - Commercial proposals as an alternative to tendering (ACP's)
- Highlight any changes compared to the previous tender
- Review of unresolved products from previous tenders

ACP's – Alternative Commercial Proposals



- High threshold for acceptance
- Does not allow market exclusivity (no SSS or HSS)
- May include more than one item – can include items not included in the draft tender list but must include at least one item from this list

4. Finalising the tender (October)

- Collate all information/advice received
- Propose the final tender list and tender contract to the decision maker
- Release the tender early November

5. Invitation to Tender issued (early November)

6. Bids due from suppliers (late December)

- Tender closes mid-December
- Receive tender bids, and begin preliminary analysis

**7. Samples requested from
suppliers and reviewed by
TMESC
(January – March)**

- Anticipate likely timeframes for bids to enter market
- Estimate NPV offered by bids
- Provisional best bidders are selected
- Request samples
- Tender Medical Evaluation Subcommittee meet to review samples

8. On-going bid evaluation and recommendations made to Board or its delegate (February onwards)

- Tender Evaluation Committee review of bids
- Recommendations and decisions begin to be made
- Follow up with suppliers where necessary
- Notification of tender awards

Evaluation Process

- Begins following the closure of the tender in December
- First decision notifications made in February
- PHARMAC does not make all of its tender decisions at the same time. The evaluation process can take time and evaluation for some products can take several months
- Suppliers can opt to withdraw their bid from consideration from 31 July following submission of their tender bid.

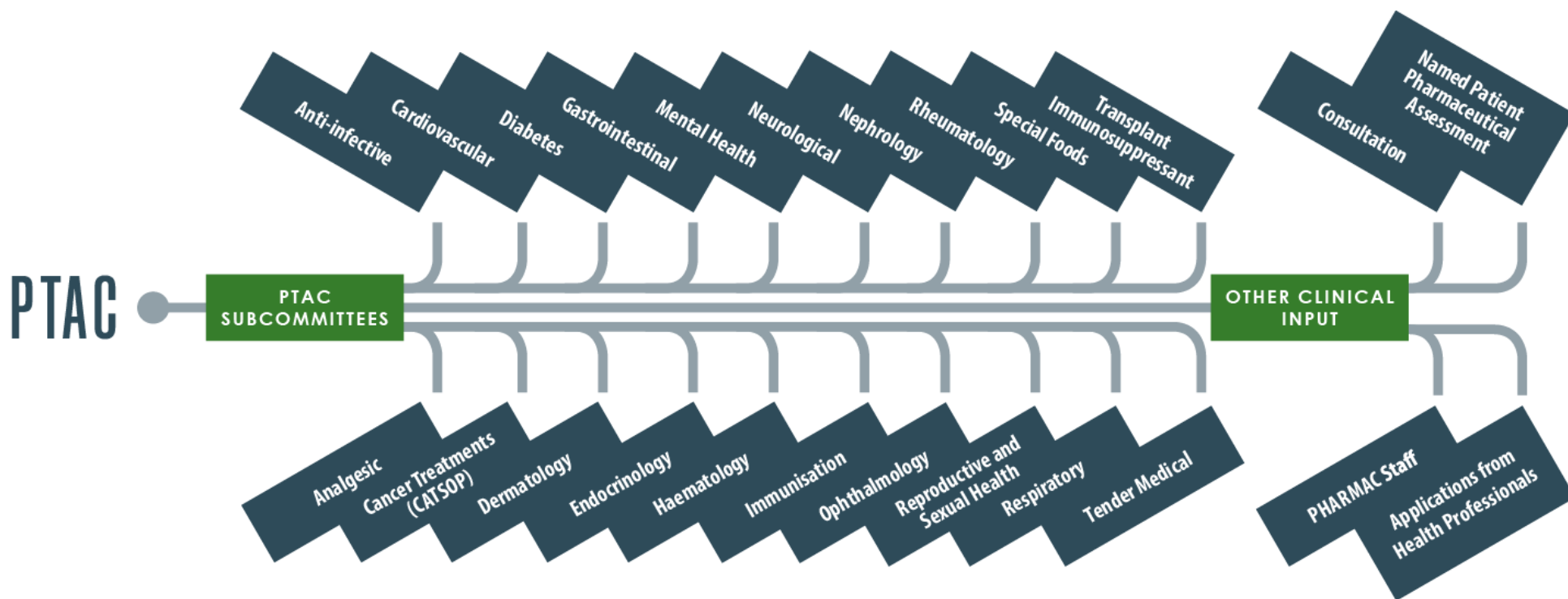


Factors for Consideration



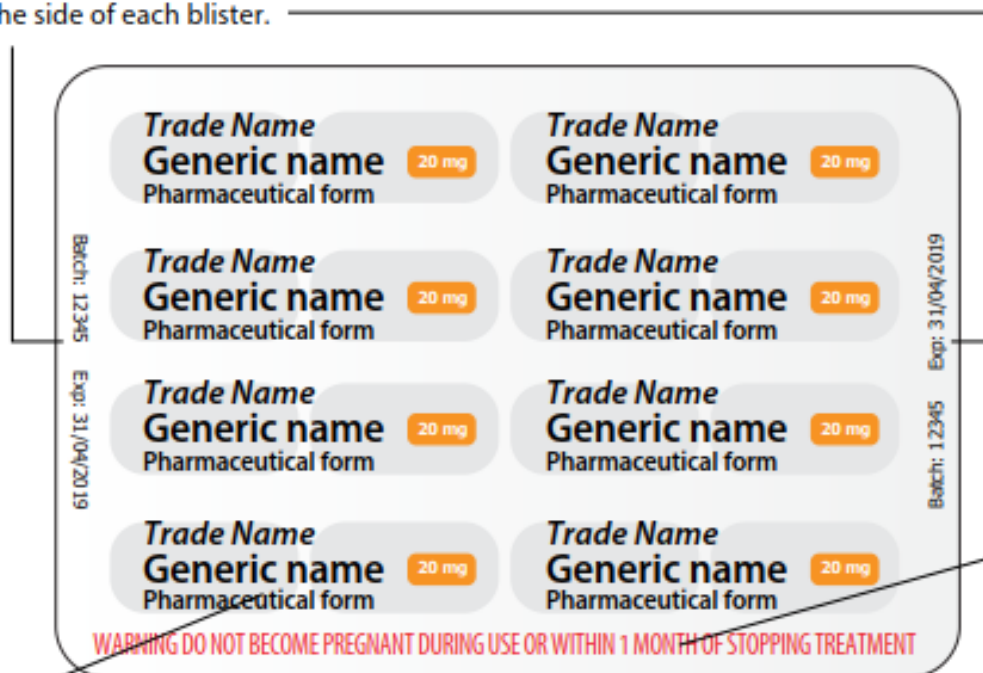
Tender Medical Evaluation Subcommittee (TMESC)

<https://www.youtube.com/watch?v=Ts4Nx58Yj7Y>



PHARMAC labelling preferences for prescription pharmaceuticals

10.3. PHARMAC prefers the expiry date and batch number appear at both ends of a strip or on the side of each blister.



3.5.1. PHARMAC prefers specific warnings to be clearly identifiable from other information on labelling. For example the use of red font, or within a border to distinguish the warning from other information.

9.1. PHARMAC prefers that every two blister pockets include the generic name, trade name (if any), pharmaceutical form and the strength of the pharmaceutical.

9.2. Where blisters are small, PHARMAC prefers generic name, trade name (if any), pharmaceutical form and the strength of the pharmaceutical appear in repetitive diagonals.

Decision making process

Tender Medical Evaluation
Subcommittee →

Tender Evaluation
Committee →

Internal PHARMAC staff →

Decision Maker



Tender award and notification

- Email and PHARMAC website
- Last business day of the month

Chemical name	Presentation; Pack size and type	Current subsidy (and price)	New subsidy (and price)	Sole supply brand (Supplier)	Date of subsidy change	Sole Subsidised Supply date
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Chemical name	Presentation; Pack size and type	Current subsidy (and price)	New subsidy (and price)	Sole supply brand (Supplier)	Date of listing/subsidy change for tender winning brand	Date of reference pricing of other listed brands	Sole Subsidised Supply date (and delisting of other listed brands)	Brand (Supplier) affected by reference pricing and delisting
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The Invitation to Tender

INVITATION TO TENDER – SUPPLY OF PHARMACEUTICALS TO DHB HOSPITALS AND/OR TO COMMUNITY PHARMACIES

- Seven Schedules detailing the Terms and Conditions agreed when placing a tender bid
- Updated annually for each Invitation to Tender
- Includes an approximation of market data
- Does not allow conditions or qualifications to accompany Tender Bids in any way
- Requires tender bids to remain open for acceptance until 31 July or a later date such that it is agreed with PHARMAC in writing

Price change information; Clause 3.1, Schedule 5 and Schedule 6

- If **not** listed on the Pharmaceutical Schedule at the beginning of the first transition period;
 - your brand must be available for supply and you must supply, at the Price from the 12th day of the month prior to the Start Date.
- If listed on the Pharmaceutical Schedule at the beginning of the first transition period;
 - (Price decrease) ensure that wholesalers and other distributors change the price at on the 12th day of the month prior to the Start Date. **OR**;
 - (Price decrease) your brand of the Pharmaceutical must be available for supply and you must supply the Pharmaceutical, at the Price from the 1st day of the month prior to the Start Date. Conditional upon you having at least 2 months Lead Time
 - (Price increase) you must supply the Pharmaceutical at the Price from the 22nd day of the month prior to the Start Date.

Tender consents

- A Tender bid can be placed for a Tender item where the item is yet to obtain all necessary consents.
- The time period to obtain consents is calculated **exclusive** of the lead time indicated –time for consent alongside the lead time is used to indicate a predicted date of market supply
- It is helpful if suppliers can provide an indication of estimated timeframes for getting their product registered as well as details of what consents are required for supply in the NZ market.



MANATŪ HAUORA

Schedule TWO notings

- The Tender notes various preferences for tendered items e.g.;
 - Pack size of 30 or 90 day pack when in tablet or capsule form
 - DHB preferences for pack size of liquids (≤ 500 ml), injections (10 inj) and tablets/capsules (200)
- Schedule TWO notings;
 - “PHARMAC would only award a tender for either current or widened access”
 - “Not currently listed in the Pharmaceutical Schedule. Any listing may be subject to restrictions”
 - “Longer transition periods may apply to this product. Preference for a scored tablet”

#=rebate *=part charge @=ASP +=patent


After Sole Subsidised Supply and Hospital Sole Supply

- Once the sole supply period has expired, the supplier is obliged to continue to supply the entirety of the market until the contract is superseded (typically by a new tender)
- The supplier is able to notify of a price increase, with six months written notice, after the end date of the sole supply agreement.



How to take part – the Tender ‘E-Portal’

Information required for a tender bid

- Chemical information; form, strength, brand name, pack size and type of packaging
- Medsafe consent status .
- Price
- Lead time 
- Name and location of; manufacturer of the finished product and API as well as any alternative manufacturers
- Proposed distribution and supply arrangements

The number of months the supplier would require following notification, to source sufficient stock to supply the entire market demand (noting suppliers must make the product available at the tender price on the 12th of the month prior to the listing date)

Email Address:

Password:

Login

Recover Password

Register

NOTE: Please be aware that failure to provide correct login information three times will result in your account being locked

AS ONE OF OUR SUPPLIERS, WE NEED TO MAKE SURE YOU RECEIVE OUR EMAIL NOTIFICATIONS. TO ENSURE OUR EMAILS REACH YOUR INBOX PLEASE ADD OUR EMAIL DOMAIN @IN-TENDORGANISER.CO.UK TO YOUR SAFE SENDERS AND CHECK YOUR SPAM FILTER SETTINGS. THANK YOU

PHARMAC External Tender System

From this website, you can

- View a list of available tenders.
- View information on previous tender bids you have submitted.
- Express interest in a particular tender or quotation.
- Receive relevant tender documentation.
- Safely return your tender bids.
- Send and receive correspondence on tender related issues.

How do I get started?

- To browse the list of tenders, select the **Tenders > Current** option. If you are interested in any of those listed, click the **View Details** button for further information and to express your interest.
- To gain full access to this website, you must register your company / organisation using the **Register** option.
- When your registration has been accepted, you will receive an email containing your Login information.
- Once you have received your Login Information, or if you are already a registered user, enter your credentials and click the **Login** button.

*Click here to see this website's **Privacy Policy** as well as its **Copyright Information**.*

PHARMAC procurement policies and initiatives.

- For further information on PHARMAC procurement policies and initiatives please click on the following link: <http://pharmac.govt.nz/>

User ID: N/A

User: Guest

Company: N/A

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Version: 03.09.12.01

Date: 04/11/2016

Server: SUPWEB1

Tenders

Search



My Tenders
Current
Show all..

2016/17 Annual Tender

Date documents can be requested until:
15 December 2016

Status	Your submission is being considered by us.
Description	2016/17 Annual Tender
Directive	Pharmaceuticals / Medical Devices

[View Details](#)

2017/18 Annual Tender

Date documents can be requested until:
15 December 2017

Status	Your bids have not yet been submitted.
Description	2017/18 Annual Tender
Directive	Pharmaceuticals / Medical Devices

[View Details](#)

Tender Management

Your bids have not yet been submitted.

Tender

Dates & Documents

Bidding

Bid Reports

Correspondence

History

Tender Details

Stage Name	Dates & Documents
Locked Until	16 December 2017
Closing Date	16 December 2017
Project Title	2017/18 Annual Tender
Project Description	2017/18 Annual Tender

Document	Description	Options	Expand All ▼
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Document Set Amended: 06 Dec 2017 09:39:27	Revision: 3	Expand ▼
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Document Set Amended: 29 Nov 2017 13:49:10	Revision: 2	Expand ▼
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Document Set Amended: 23 Nov 2017 07:37:12	Revision: 1	Expand ▼
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Tender Documents Received - Main	Description	Options
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2017-11 Tender submission offer letter.doc		View Download
Hospital Usage Data (2017).pdf		View Download
Invitation to Tender - Supply of Pharmaceuticals to DHB Hospitals and-or to Community Pharmacies.pdf		View Download
PHARMAC Labelling preferences for prescription pharmaceuticals (pdf).pdf		View Download
User guide for PHARMAC's tendering e-portal.pdf		View Download

My Bids Submission - Main	Description	Options
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2017-11 Tender submission offer letter.doc	(Microsoft Word Document) General	View Download
General	Supplier attachments (non-mandatory)	
General	Supplier attachments (non-mandatory)	
General	Supplier attachments (non-mandatory)	
General	Supplier attachments (non-mandatory)	
General	Supplier attachments (non-mandatory)	

Product Group

Status

Expand All ▼

Abiraterone acetate

Complete

Expand ▼

View

Acarbose

Expand ▼

View

Acetylcysteine

Incomplete Bids

Expand ▼

View

Aciclovir

Expand ▼

View

Adefovir Dipivoxil

Expand ▼

View

Alpha Tocopheryl Acetate

Expand ▼

View

Alprostadil

Expand ▼

View

Ambrisentan (current access)

Expand ▼

View

Ambrisentan (widened access)

Expand ▼

View

Amikacin

Expand ▼

View

Amiloride

Expand ▼

View

Amoxicillin clavulanate

Expand ▼

View

Amphotericin B

Expand ▼

View

Aprepitant

Expand ▼

View

Aqueous Cream

Expand ▼

View

Atenolol

Expand ▼

View

Atorvastatin

Expand ▼

View

Atovaquone with proguanil hydrochloride

Expand ▼

View

Atracurium Besylate

Expand ▼

View

Atropine sulphate

Expand ▼

View

Azacitidine

Expand ▼

View

Your bid has been reopened to allow a subsequent return.

- Tender
- Dates & Documents
- Bidding**
- Bid Reports
- Correspondence
- History

Bidding Instructions

1. In this section, you can enter bids against the Product Group you selected in the previous screen.
2. Under the Product Group title, you can see which Line Items are being tendered and the relevant information against each of them. To enter a new bid against the Line Item, click on Add Bid. Clicking Add New will both create a new bid and automatically take you directly into editing it.
3. If you have created a bid already and want to edit it, click the Edit Bid button of the bid in question.
4. You can click Add/Edit Defaults to see the information which can be saved and applied against each bid in the Product Group. This is convenient if this information does not change for each Line Item. Clicking the Add/Edit Defaults button allows you to enter and save the common data. Clicking Apply Default Values to All Bids will copy the information to all current bids in the Product Group. Alternatively, you can click the Apply Default Values button on the Item Bid Details screen of any particular bid to apply the defaults to that bid only.

Alprazolam

Add/Edit Defaults

Line Item	Sole Supply	Units	Cost	Unit Subsidy	Supply	DV Limit	Comments
Tab 1 mg	Yes	155,915	\$15,592	\$0.1	C H	1%	Add Bid
Tab 250 mcg	Yes	449,779	\$22,489	\$0.05	C H	1%	Add Bid
Tab 500 mcg	Yes	447,565	\$29,092	\$0.065	C H	1%	Add Bid

Individual Bids

	Current Bids	Units Number of units per pack	Strength	Community bid per pack (NZD)	Hospital bid per pack (NZD)	Combined bid per pack (NZD)	Status	
<input type="checkbox"/>	8	Tab 250 mcg					Not Started	Edit Bid Remove Bid
<input type="checkbox"/>	9	Tab 500 mcg					Not Started	Edit Bid Remove Bid
<input type="checkbox"/>	10	Tab 1 mg					Not Started	Edit Bid Remove Bid

Add Aggregated Bid

Apply Default Values to All Bids

Attachment

Description

Upload



No data to display

Close

Market approval timing :

Current market approval status	Date of market approval (dd/mm/yyyy)
<input type="text" value=""/>	<input type="text" value=""/> 

Dossier Submission :

Dossier submission type	Date of submission of dossier (dd/mm/yyyy)	Date of expected dossier submission (dd/mm/yyyy)
<input type="text" value=""/>	<input type="text" value=""/> 	<input type="text" value=""/> 

Lead time & market approval comments :

If you are the current supplier, if successful, please confirm the applicable price change clause :

Active ingredient manufacturer details :

Active ingredient manufacturer details (alternate) :

Manufacturer details :

Manufacturer details (alternate) :

Packaging site details :

Distribution details :

Item Bid Details

Apply Default Values

Product Group	Line Item	Sole Supply	Units	Cost	Unit Subsidy	Supply	DV Limit	Comments
Alprazolam	Tab 1 mg	Yes	155,915	\$15,592	\$0.1	C H	1%	

Packaging / Units information :

* Packaging Type	Packaging Type (Other)	* Units	Unit Type (Other)	* Number of units per pack
<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>

Line Item Bids :

* Community bid per pack (NZD)	* Hospital bid per pack (NZD)	Combined bid per pack (NZD)
<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>

Brand /Lead Time Information :

* Product Brand Name	* Lead Time (months)
<input type="text" value=""/>	<input type="text" value=""/>

Classification codes :

PHARMACODE	GTIN	NZMT CTPP
<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>

Market approval timing :

* Current market approval status	Date of market approval (dd/mm/yyyy)
<input type="text" value=""/>	<input type="text" value=""/> 

Dossier Submission :

* Dossier submission type	Date of submission of dossier (dd/mm/yyyy)	Date of expected dossier submission (dd/mm/yyyy)
<input type="text" value=""/>	<input type="text" value=""/> 	<input type="text" value=""/> 

Dossier Submission :

* Dossier submission type	Date of submission of dossier (dd/mm/yyyy)	Date of expected dossier submission (dd/mm/yyyy)
<input type="text"/>	<input type="text"/>	<input type="text"/>

Lead time & market approval comments :

If you are the current supplier, if successful, please confirm the applicable price change clause :

* Active ingredient manufacturer details :

Active ingredient manufacturer details (alternate) :

* Manufacturer details :

Manufacturer details (alternate) :

* Packaging site details :

* Distribution details :

Individual Bids Information

Packaging / Units information :

		Packaging Type	Units	Number of units per pack	Strength	Community bid per pack (NZD)	Hospital bid per pack (NZD)	Combined bid per pack (NZD)	Product Brand Name
9.	Tab 500 mcg	Blister Pack	Capsule	60		100.00	100.00	99.00	Tester
427.	Tab 1 mg	Box	Capsule	60		100.00	100.00	99.00	Tester

Aggregated Bid

Please note that in order to enter the pricing for the aggregated bid section, you will first need to provide corresponding prices for the individual bids.

Line Item Bids :

		* Community bid per pack (NZD)	* Hospital bid per pack (NZD)	* Combined bid per pack (NZD)
9.	Tab 500 mcg	<input type="text"/>	<input type="text"/>	<input type="text"/>
427.	Tab 1 mg	<input type="text"/>	<input type="text"/>	<input type="text"/>

Attachment

Description

Upload

No data to display

Clear All Answers

Save

Cancel

Tender Management

Your bid has been reopened to allow a subsequent return.

Tender

Dates & Documents

Bidding

Bid Reports

Correspondence

History

Tender Bid Reporting

Completed Incomplete Not Started

Export as PDF

Export as CSV

Export Bid Summary PDF

Product Group

Status

Acetazolamide

View

Inj 500 mg

Complete

Alprazolam

View

Tab 1 mg

Incomplete Bids

Tab 500 mcg

Incomplete Bids

Calcipotriol

View

Oint 50 mcg per g (pack size 30 g or less)

Complete

Crm 50 mcg per g (pack size greater than 30 g)

Complete

Crm 50 mcg per g (pack size 30 g or less)

Complete

Oint 50 mcg per g (pack size greater than 30 g)

Complete

Clonazepam

View

Tab 500 mcg

Complete

Tab 2 mg

Complete

Levomepromazine

View

Inj 25 mg per ml, 1 ml

Complete

Tab 25 mg

Complete

Submission Wizard

Do you wish to export your bids prior to submitting them to PHARMAC?

Please note bids can also be exported under the 'Product Groups' tab.

Completed Incomplete Not Started

Export as PDF

Export as CSV

Do you wish to continue with the submission?

Cancel

Next >>

Submission Wizard

The product groups below have incomplete bids. To view/edit the bids for each product group click on the 'View/Bid' button.

Please, note only complete bids will be submitted to PHARMAC.

Alprazolam

Incomplete Bids

View / Bid

Refresh

Do you wish to continue with the submission?

Cancel

Next >>

Submission Wizard

By clicking the submit button on the tender submission form, all completed tender bids will be submitted via the electronic portal and you will be agreeing to the terms and conditions stated in the document 'Invitation to Tender – Supply of Pharmaceuticals to DHB Hospitals and-or to Community Pharmacies' relating to this tender, which can be found in the following tab on this website: Dates & Documents

Do you accept PHARMAC's Terms and Conditions and wish to submit your bids?

Cancel

Yes. Submit Bids

Tender submission letter

- Company information;
 - Structure
 - Management/technical skills
 - Financial resources
 - Suppliers commitments
 - Suppliers performance
 - Quality assurance processes
- Contact details
 - Tender correspondence

<https://www.pharmac.govt.nz/news/tender-2018/>

PHARMAC's annual tender

<https://www.youtube.com/watch?v=vPPa5io33Ck>

Important dates - 2018/19 Tender

- September 2018; closure of consultation of the DRAFT tender list
- November 2018; release of the 2018/19 Invitation to Tender
- December 2018; e-portal close

Questions?

- Please email: **tender@pharmac.govt.nz**

Or

- Visit our website: **www.pharmac.health.nz**