

From: Allannah Andrews
Sent: Monday, 28 March 2022 1:39 pm
To: Haley Ataera; Adelia Hallett
Cc: Peter.Jane [s9(2)(a)]; Fiona Ryan; Allison Bennett; Therese Egan; Carol Morris
Subject: No Surprise update - Correction to price of Trikafta at Select Committee 2021

Kia ora Haley,

This is a no surprises update for the Minister about recent media interest in Trikafta, and in particular, the annual cost of an individual course of the medication.

At the 2021 Health Select Committee (for the 19/20 financial year), the cost of Trikafta was given as \$270,000 per patient per year, when the actual cost estimate at the time sat closer to \$430,000 per patient annually. The current annual estimate is around \$330,000 per patient.

The following day a correction was tabled with the Select Committee, and a footnote was included in the transcript. The lower figure was reported in the [media](#), but also corrected later that day.

Today, Pharmac was approached with a request for an interview with Te Ao Mārama at Māori Television to respond to the [press release](#) from Te Pāti Māori.

Te Pāti Māori's press release coincides with the delivery of a petition to Parliament today regarding funding for Trikafta, and Australia approving subsidised access under the Australian Pharmaceutical Benefits Scheme for around 1,900 Australians.

Pharmac have declined the request for an interview, however, have provided the following response, attributed to Sarah Fitt:

The co-leader of the Māori Party is right that I mistakenly gave the incorrect price for Trikafta at the Annual Health Select Committee meeting last year. I actually gave a lower price of \$270K per patient per year rather than the actual price at the time of \$430k per patient per year. I realised the error immediately after the Committee meeting and corrected it – both with the Committee and in the media article that ran following the meeting.

I am sorry that I got the price wrong initially, but I am comfortable in having corrected the record over a year ago now, and again at this year's Annual Health Select Committee meeting when asked. This starts at 1.59 onwards.

We have already determined that Trikafta is a medicine we would like to fund. Before it could be funded by Pharmac, we would need a deal with the supplier and enough money in our budget to fund it. We can't shy away from the fact that it's a very expensive medicine. While Pharmac can negotiate some of the best prices for medicines in the world, when faced with a medicine which has a long patent life, and no competition, such negotiations can be challenging. Debbie Ngarewa-Packer's assertion that we could get a 50% reduction in price is unfortunately unlikely.

Please let me know if you would like any further information.

Ngā mihi

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From: Allannah Andrews
Sent: Thursday, 11 August 2022 5:06 pm
To: Haley Ataera
Cc: 'Adelia.Hallett [s9(2)(a)]'; 'Peter.Jane [s9(2)(a)]'; 'andi.shirtcliffe [s9(2)(a)]'; 'Fiona.Ryan [s9(2)(a)]'; 'Allison.Bennett [s9(2)(a)]'; 'Therese.Egan [s9(2)(a)]'; 'Carol Morris'; Rosa Bach
Subject: No Surprises: Trikafta update

Kia ora Haley,

This is a no surprises update for the Minister on Vertex's funding application for their triple combination modulator therapy, known as Trikafta, used to treat cystic fibrosis. There are two proposals for funding Trikafta on our Options for Investment (OFI) list – one for people 6 years and over, and one for people 12 years and over.

In May 2022, our Pharmacology and Therapeutics Advisory Committee (PTAC) reviewed new information on Trikafta and also considered updated advice from the Respiratory Advisory Committee which met in April 2022.

PTAC has now recommended Trikafta be funded with a medium priority for people 6 years and over, in addition to their previous recommendation of funding with a medium priority for people 12 years and over.

It is standard for Pharmac to publish the record from clinical advisory meetings, and the May 2022 PTAC record will be published on Monday 15 August 2022.

To support our goals of public understanding and transparency, we will also be publishing our Technology Assessment Report (TAR) for Trikafta, which details the health economic analysis undertaken to determine its cost-effectiveness. We have also created and will publish a lay-person summary that explains how we have assessed the medicine funding application using our [Factors for Consideration](#).

On Monday 15 August 2022, we plan to put out a media release (draft attached) with a link to the PTAC record, the TAR and the summary of our assessment. Pharmac's Director of Operations Lisa Williams will be our spokesperson.

While we are reconfirming that Pharmac would like to fund Trikafta, media and consumer groups who are advocating for this medicine to be funded are likely to raise concerns about the differing funding priorities recommendations from PTAC (medium priority) and the Respiratory Advisory Committee (high priority) and that there is still no timeframe on a funding decision.

Please let me know if you would like any further information.

Ngā mihi, nā

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