

Epidemic Response Committee fact sheets

Pharmaceutical Availability

Summary

Overview: While there are **currently no** significant shortages, PHARMAC, Medsafe and the sector are anticipating supply chain challenges over the coming months. COVID-19 is likely to have global impacts on medicine manufacture and supply chains for the remainder of 2020 and potentially beyond.

Key Messages:

Global impacts

COVID 19 has slowed or halted activities in manufacturing plants across the world and impacted the importation and transportation of medicines and medical devices globally. Countries who are part of NZ's medicine and medical device supply chains are at varying stages in the pandemic and their responses.

NZ impacts and mitigation activities

There are five key challenges to continuity of supply in the current environment:

- *Freight and logistics challenges.* PHARMAC is working with MFAT, suppliers and airlines to address problems.
- *Lack of clarity about current stockholdings of medicines or medical devices in DHB hospitals.* The National Crisis Management Centre has instituted a stocktake.
- *Pricing challenges* These are primarily caused by freight costs, currency effects and the need to purchase outside PHARMAC's contracts. This will have an impact on the Combined Pharmaceutical Budget (CPB).
- *Engagement with suppliers in relation to contractual penalties.* Modifying punitive approaches to facilitate open and joint problem-solving.
- *Ensuring clinicians receive appropriate advice when shortages occur.* Medsafe has published some guidance for industry about repurposing medicines where substitution may be required. The Technical Advisory Group has set up a clinical group to provide rapid and consistent advice to clinicians.

Community pharmacies and pharmacy wholesalers have reported challenges in the supply of community medicines in recent weeks due to a significant increase in demand (both prescribing and dispensing), likely due to stockpiling by individuals.

PHARMAC reports that approximately 50 suppliers of medicines and medical devices (out of around 250) have indicated potential supply issues in the coming weeks or months. PHARMAC's normal approach to ensuring continuity of supply places responsibility on suppliers. That remains the case, but considerable additional activities are being undertaken to manage supplies in the COVID-19 environment.

The National Health Coordination Centre (NHCC) has convened a group including PHARMAC, Medsafe, New Zealand Health Partnerships (NZHP), district health boards (DHBs) and the National Crisis Management Centre (NCCM) to discuss the risks, impact and solutions to future medicine supply challenges.

PHARMAC has been proactive in contacting medicine suppliers requesting status updates on any current or predicted impact to their supply chains since early February 2020, and is working on a medicine by medicine basis to resolve issues. As well they have been contacting local wholesalers and distributors to monitor the

demand they are seeing from community and hospital pharmacies and to monitor stocks of in demand medicines.

During March 2020 PHARMAC changed rules under the Pharmaceutical Schedule to restrict the quantity of community medicines that can be dispensed to individuals at one time to one month's supply. This applied to paracetamol and was later extended to all funded community medicines except oral contraceptives which are restricted to a three-month supply. PHARMAC has also amended some Special Authority criteria (where prescribers request government subsidy for a particular person) to make it easier for people to have continuing access to funded treatments while New Zealand is responding to COVID-19. For the same purpose PHARMAC has also temporarily removed the Retail Pharmacy Specialist Restriction which requires a specialist to provide a new recommendation each two years for certain pharmaceuticals to be subsidised.

Medicines for treatment of COVID-19

PHARMAC has taken the following actions in relation to medicines used specifically for COVID- 19:

- working to secure an additional six months' supply, at normal demand volume, of all medicines that may be required for patients in intensive care units (ICU)
- sourcing IV fluids and a common anaesthetic from alternative suppliers
- confirming with ICU clinicians that there are alternative usages of treatments which could conserve stocks without adverse effects for patients

Influenza Vaccines

- There will be 1.768 million doses of influenza vaccine available this flu season, a 30% (400,000 doses) increase on the number of doses available in 2019.
- When the funded influenza vaccine programme began on 16 March 2020, just under 900,000 influenza vaccines were available in New Zealand. Typically, fewer than 800,000 funded vaccinations are administered each year.
- The initial 900,000 vaccines have all been delivered or committed for delivery to pharmacies, medical centres, and other clinics and a further 100,000 vaccines have now been released for distribution. More shipments to New Zealand will arrive periodically between now and mid-May with a further 760,000 doses expected in total.
- In a typical annual influenza immunisation programme, half of all vaccines are ordered within the first month. After approximately two months, demand typically slows, and orders in the latter half of the programme are much lower.

Fluoxetine supply

There has been a delay to the shipment of fluoxetine capsules, but the stock arrived in New Zealand on Monday 6 April.

There is now two months' supply in the country and the next batch will be coming via ship, which is expected to take around four weeks.

Update 17 April 2020 – Medicine and Medical Device Supply

PHARMAC continues to follow up with suppliers on a regular basis – weekly for those with ongoing issues and fortnightly for those with possible issues and is working closely with the Ministry of Health, the NHCC, NCMC and OCC.

Current supply issues

- Supplies of a progesterone-only oral contraceptive (Noriday) are limited (see here) and impacts are being seen with the alternate brand (Microlut). The Noriday supplier is expecting the next delivery to NZ by the end of April. This order will be sufficient to maintain supply for the foreseeable future.
- The supplier of s9(2)(ba)(i) [REDACTED] has a shipment stuck in the UK. We have engaged with MFAT to seek assistance to get it to NZ.
- s9(2)(ba)(i) [REDACTED]
- Paracetamol supply is still impacted by lockdown in India. NZ has approximately 3-4 months' supply available and dispensing restrictions remain in place.

Influenza vaccine

- 1.140 million doses have been distributed as at COB 16 April. Approximately 170,000 doses remain available; 100,000 doses are due to NZ next week. 320,000 doses expected in May.
- A total of 1.768 million vaccines have been secured for the 2020 season and PHARMAC is still working to see if further stock can be secured.

Specific medicines to respond to COVID-19

COVID-19 specific treatments

- PHARMAC is working with its clinical advisors to get advice on specific antibiotics or antivirals that might be required for treatment of patients with COVID-19. PHARMAC is working to ensure there is sufficient stock of standard antibiotics and other anti-infective treatments.
- There are numerous clinical trials for potential COVID-19 treatments underway and, although some have reported early data, there no treatments yet that are showing significant promise.

Intensive care medicines

- PHARMAC has been working to secure an additional six months' supply, at normal demand volume, of all medicines that may be required for patients in intensive care units (ICU). These include sedatives, opioids, vasopressor agents, and muscle relaxants.
- PHARMAC established an ad hoc Critical Care advisory group comprising DHB intensive care physicians, pharmacology, nursing and pharmacy staff. A meeting was held this week and the group provided PHARMAC with advice on medicines that will potentially be required, and communication channels to use to engage with Critical Care services.

- PHARMAC is working to secure further stocks of propofol, an anaesthetic, and we are developing communications to be sent out early next week to clinical networks to encourage careful management of existing stocks by DHBs.

Logistics channels

- PHARMAC is advising suppliers to continue to use existing commercial sea shipping and airfreight as much as possible and is providing support to them where this is challenging.
- PHARMAC has provided information to suppliers on how to access information on air freight services through Mainfreight and NZTE.
- PHARMAC is escalating issues through all-of-government channels to prioritise freight that has an urgent medical need.

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