

19 July 2021

## 2021/22 Invitation to Tender

Te Pātaka Whaioranga, Pharmac, is seeking feedback from pharmaceutical suppliers and interested parties on:

- A proposal to tender certain pharmaceuticals for principal supply;
- The implications of awarding Principal Supply Status; and
- Commercial proposals as an alternative to tendering.

Pharmac welcomes all feedback on the draft 2021/22 Tender. Feedback received by the deadline may be considered by the Tender Medical Evaluation Subcommittee of PTAC and would be considered by the Pharmac Board (or its Delegate, where applicable) prior to making a decision on this proposal.

Feedback should be submitted by the following dates; late feedback may not be considered:

**ALTERNATIVE COMMERCIAL PROPOSAL RESPONSES DUE BY  
4 PM (NEW ZEALAND TIME), WEDNESDAY 11 AUGUST 2021**

**ALL OTHER CONSULTATION RESPONSES DUE BY  
4 PM (NEW ZEALAND TIME), MONDAY 16 AUGUST 2021**

Feedback should be provided to the Tender Analysts via email at [tender@pharmac.govt.nz](mailto:tender@pharmac.govt.nz)

Feedback we receive is subject to the Official Information Act 1982 (OIA) and we will consider any request to have information withheld in accordance with our obligations under the OIA. Anyone providing feedback, whether on their own account or on behalf of an organisation, and whether in a personal or professional capacity, should be aware that the content of their feedback and their identity may need to be disclosed in response to an OIA request.

We are not able to treat any part of your feedback as confidential unless you specifically request that we do, and then only to the extent permissible under the OIA and other relevant laws and requirements. If you would like us to withhold any commercially sensitive, confidential proprietary, or personal information included in your submission, please clearly state this in your submission and identify the relevant sections of your submission that you would like withheld. Pharmac will give due consideration to any such request.

### Details of the proposed 2021/22 Tender

In general, the proposed 2021/22 Tender process would be similar to the 2020/21 Tender in that the 2021/22 Tender would result in awarding Principal Supply Status (PSS) (previously Sole Supply Status and/or Hospital Supply Status).

*Packaging preferences*

We have historically indicated a preference for the pack size of Tender Items supplied in the community to be either a 30-day or 90-day pack, as this improves dispensing efficiency and reduces wastage. In the coming years we are intending to put greater emphasis on the appropriateness of both packaging type and pack size, with a preference for bottle packs for tablets and capsules where possible. In this Tender we have identified specific packaging preferences for individual products in Schedule 2, and we expect to expand this to a much wider range of products in future Tenders.

We are seeking feedback on the composition of the draft 2021/22 Tender. This is still under development and may change before it is taken to the Board (or its Delegate) for approval and subsequently issued. At this stage, but depending on the extent of any changes, Pharmac does not intend to send out further drafts for consultation.

In addition to Alternative Commercial Proposals (discussed below), we seek comments on all sections of the draft 2021/22 Tender, in particular on:

- An indication of any pharmaceuticals, whether or not they are included in Schedule Two of the draft 2021/22 Tender, that you consider should be tendered, and the reasons for that view. If you wish, you may provide a non-binding confidential indication of the price or price range that you might be able to offer for a line item or group of line items you wish to have tendered;
- An indication of any pharmaceuticals, whether or not they are included in Schedule Two of the draft 2021/22 Tender, that you consider would be inappropriate to tender, and the reasons for that view, including any contractual constraints or patent protection that could restrict Pharmac from awarding a tender on a particular pharmaceutical;
- Your views on whether any product included in Schedule Two might have more than 5% of patients needing to access an alternative brand;
- Feedback on any unresolved Tender Bid(s) from previous tenders that you consider should remain open for acceptance. Please note that some currently unresolved Tender Bids may be resolved prior to the consultation deadline and the final 2021/22 Tender being issued.

## Draft Invitation to Tender

A complete copy of the draft 2021/22 Tender, including the proposed terms and conditions which successful tender bids would be subject to, is available on our website (<https://pharmac.govt.nz/news-and-resources/consultations-and-decisions/>). The draft 2021/22 Tender comprises the following sections:

- Schedule 1: Definitions and interpretation
- Schedule 2: The list of pharmaceuticals proposed for tender\* #
- Schedule 3: The tender process (for both hospital and community tender bids)
- Schedule 4: Contract terms for Principal Supply Status for both community and hospital supply
- Schedule 5: Additional contract terms for Principal Supply Status for community supply
- Schedule 6: Additional contract terms for Principal Supply Status for hospital supply
- Schedule 7: Additional special terms for particular pharmaceuticals

\*The units provided in Schedule Two consist of market data for the year ended 30 June 2021. The figures included are indicative only and are provided on the basis set out in clause 1.3 of Schedule 2 of the draft 2021/22 Tender.

#The final list of products, which may change following consultation, would be released as part of the 2021/22 Tender, following Board (or its Delegate) approval. You may provide feedback on the inclusion of any additional pharmaceuticals after the 2021/22 Tender has been issued, and any such feedback would be considered by the Board (or its Delegate) before making a final decision on any product, provided that any feedback is given prior to the tender close date in late 2021.

### Key proposed inclusions:

Summary of change	Schedule and clause references in the draft 2021/22 ITT
Further clarification with additional/amended definitions	Schedule 1 Brand Allowance Pharmaceutical In-Use Shelf-Life Offer Letter Shelf-Life Tender Submission Form Total Brand Allowance Pharmaceutical Volume
Ability to extend supply arrangements either to the community market or hospital market where a Tender Bid was received for the alternative market.	Schedule 3 clauses 1.4 and 1.5
Clarification that only Tender Bids that have been entered and submitted via the electronic form are considering conforming Tender Bids (i.e. Tender Bids submitted bypassing the data entry format would not be considered Conforming).	Schedule 3 clause 6 (ii)
Requirement to provide Pharmac evidence of compliance with the <a href="#">New Zealand Government's Supplier Code of Conduct</a> at Pharmac's request.	Schedule 4 clause 1.5
Additions to the arrangements after the End Date.	Schedule 5 clause 1.5 (iii), and Schedule 6 clause 1.3 (iv)
Warranty the price is inclusive of all costs relating to the Tender Item.	Schedule 5 clause 3.3
Clarification to price and volume data access.	Schedule 6 clause 10 (c)

## **Additional Special Terms**

### *Intra-uterine copper devices*

Additional Special Terms have been included in the draft 2021/22 Tender contract for intra-uterine copper devices (Schedule Seven). This clause requires any potential suppliers to offer education, training and support resources to patients and healthcare professionals. This clause also outlines the additional information suppliers must provide relating to their Tender Bid. The full Additional Special Terms for intra-uterine copper devices can be found in the draft 2021/22 Tender contract on the Pharmac website.

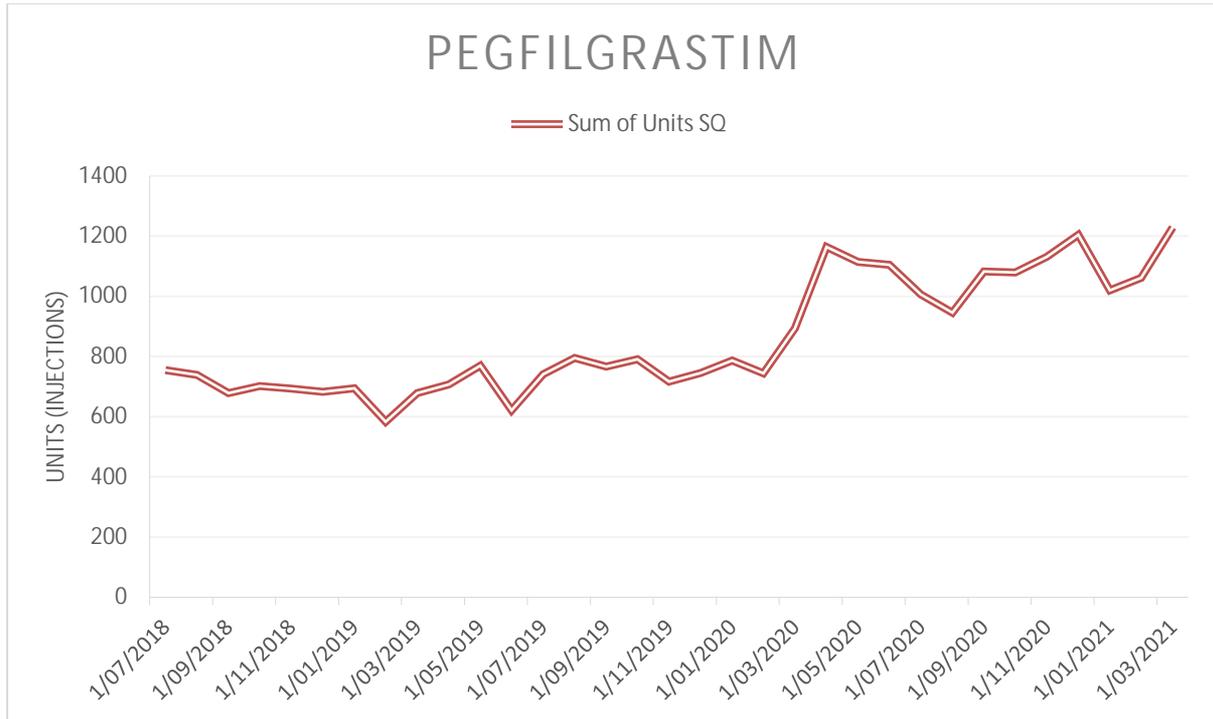
### **Long-acting filgrastim**

Long-acting filgrastim has been included in the draft 2021/22 Tender. Pharmac would consider bids for any long-acting filgrastim product (e.g. pegfilgrastim, pegfilgrastim biosimilars, and lipegfilgrastim) for this market; all of which would be subject to the same access criteria. Pharmac reserves the right to award the tender to one long-acting filgrastim product for the entire market.

*Please note:* in response to feedback from the Ministry of Health Haematology Working Group (HWG) during the early stages of the COVID-19 pandemic in 2020, Pharmac amended the access criteria for pegfilgrastim. Access was widened to patients when used for the prevention of neutropenia in patients undergoing high risk chemotherapy for cancer (febrile neutropenia risk greater than or equal to 5% [was previously 20%]). This change was intended to be a temporary health sector resource saving measure with the intention that access criteria would revert to the previous threshold of 20% on 1 December 2020.

A decision on whether to revert to the 20% threshold was deferred in [August 2020](#). A decision on whether to maintain or amend the access criteria is expected to be made over the coming months subject to clinical advice (please note that this may not be as restrictive as the original criteria).

The figures and table below are provided to give an indication of the potential market size under both access criteria scenarios while a decision is still pending. Please note the information is approximate and indicative only. Pharmac makes no representation as to the accuracy of this information or as to the level of sales or likely sales of long-acting filgrastim and, while Pharmac has taken all reasonable care in preparing the information set out below, it accepts no liability for any errors or omissions in the information. Pharmac is not obliged to notify you in the event of any change to the figures below:



<b>Usage of pegfilgrastim by financial year*</b>		
	Units	Gross Cost
2018/19	8,303	\$8,967,240
2019/20	10,363	\$11,192,040
2020/21	11,917	\$12,870,360
*Financial years run from 1 July to 30 June.		

## Key Dates and Timeframes for the 2021/22 Tender:

The timelines for the 2021/22 Tender are envisaged to be similar to the 2020/21 Tender; we propose to release the final 2021/22 Invitation to Tender in early November 2021 and consequently the closing date for tender submissions would be mid December 2021. The proposed timeline is outlined in the following table:

Date	Event
19 July 2021	Consultation with suppliers, medical groups and interested parties on the proposed pharmaceutical list and draft 2021/22 Tender.
11 August 2021	Final date for receipt of Alternative Commercial Proposals (ACPs) to tendering by Pharmac.
16 August 2021	Final date for all consultation to be received.
August/September 2021	Pharmac considers feedback from consultation, negotiates with suppliers over any ACP proposals it considers would meet Pharmac's Factors for Consideration, and enters into provisional contracts with suppliers where appropriate.
September 2021	Meeting of the Tender Medical Evaluation Subcommittee of PTAC to consider clinical issues in relation to the proposed Tender list.
September/October 2021	Consultation and decisions on Alternative Commercial Proposals.
Early November 2021	Issuing of the 2021/22 Tender.
16 December 2021	Invitation to Tender closes.
From end of January 2022	Announcements on 2021/22 Tender decisions will commence.

## Unresolved Tender Bids

We intend to review any unresolved Tender Bids from the 2018/19 ITT, 2019/20 ITT and 2020/21 Tenders prior to issuing the 2021/22 Tender. The following Tender Bids remain unresolved:

### *2018/19 Invitation to Tender*

Chemical Name	Line Item
Teriparatide	Inj 250 mcg per ml

### *2019/20 Invitation to Tender*

Chemical Name	Line Item
Acetazolamide	Tab 250 mg
Amoxicillin clavulanate	Grans for oral liq amoxicillin 125 mg with potassium clavulanate 31.25 mg per ml
Amoxicillin clavulanate	Grans for oral liq amoxicillin 250 mg

Chemical Name	Line Item
	with potassium clavulanate 62.5 mg per 5 ml
Bupivacaine hydrochloride	Inj 2.5 mg per ml, 20 ml ampoule
Carbimazole	Tab 5 mg
Carmellose sodium	Eye drops 1%
Clobazam	Liq

Chemical Name	Line Item
Docetaxel	Inj 20 mg
Docetaxel	Inj 80 mg
Ephedrine	Inj 3 mg per ml, 10 ml prefilled syringe
Erlotinib hydrochloride	Tab 100 mg
Erlotinib hydrochloride	Tab 150 mg
Ethinylestradiol with levonorgestrel	Tab 30 mcg with levonorgestrel 150 mcg
Ethinylestradiol with levonorgestrel	Tab 20 mcg with levonorgestrel 100 mcg
Exemestane	Tab 25 mg
Glyceryl trinitrate	Inj 5 mg per ml, 10 ml ampoule
Ivabradine (current access)	Tab 5 mg
Ivabradine (current access)	Tab 7.5 mg
Ivabradine (widened access)	Tab 5 mg
Ivabradine (widened access)	Tab 7.5 mg
Lamivudine	Tab 300 mg
Levosimendan	Inj 2.5 mg per ml, 5 ml
Metaraminol tartrate	Inj 0.5 mg per ml, 10 ml
Metaraminol tartrate	Inj 0.5 mg per ml, 5 ml prefilled syringe
Metaraminol tartrate	Inj 0.5 mg per ml, 10 ml prefilled syringe

Chemical Name	Line Item
Morphine	Inj 20 mg per ml
Morphine	Inj 50 mg per 5 ml
Morphine	Inj 100 mg per 5 ml
Morphine	Inj 10 mg per ml, 1 ml
Morphine	Inj 15 mg per ml, 1 ml
Morphine	Inj 30 mg per ml, 1 ml ampoule
Mupirocin	Intra-nasal ointment 2%
Noradrenaline	Inj 0.06 mg per ml, 50 ml vial
Noradrenaline	Inj 0.12 mg per ml, 50 ml vial
Noradrenaline	Inj 0.1 mg per ml, 50 ml syringe
Ondansetron hydrochloride	Inj 2 mg per ml, 2 ml
Ondansetron hydrochloride	Inj 2 mg per ml, 4 ml
Piperacillin with tazobactam	Inj 4 g with tazobactam 500 mg
Rosuvastatin	Tab 5 mg
Rosuvastatin	Tab 10 mg
Rosuvastatin	Tab 20 mg
Rosuvastatin	Tab 40 mg
Talc	Dusting Powder BP
Thiamine hydrochloride	Tab 50 mg

### 2020/21 Invitation to Tender

Chemical Name	Line Item
Atracurium besylate	Inj 10 mg per ml, 2.5 ml
Atracurium besylate	Inj 10 mg per ml, 5 ml
Baclofen	Tab 10 mg
Brimonidine tartrate with timolol maleate	Eye drops 0.2% with timolol maleate 0.5%
Carboplatin	Inj 10 mg per ml, 45 ml
Cefalexin monohydrate	Grans for oral liq 25 mg per ml
Cefalexin monohydrate	Grans for oral liq 50 mg per ml
Chlorhexidine gluconate	Mouthwash 0.2%
Clonidine	Tab 25 mcg
Colchicine	Tab 500 mcg
Dapsone	Tab 100 mg
Dapsone	Tab 25 mg

Chemical Name	Line Item
Daptomycin	Inj 350 – 500 mg
Docusate sodium with sennosides	Tab 50 mg with sennosides 8 mg
Enoxaparin sodium	Inj 20 mg per 0.2 ml
Enoxaparin sodium	Inj 40 mg per 0.4 ml
Enoxaparin sodium	Inj 60 mg per 0.6 ml
Enoxaparin sodium	Inj 80 mg per 0.8 ml
Enoxaparin sodium	Inj 100 mg per ml, 1 ml
Enoxaparin sodium	Inj 120 mg per 0.8 ml
Enoxaparin sodium	Inj 150 mg per ml, 1 ml
Eplerenone (current access)	Tab 25 mg
Eplerenone (current access)	Tab 50 mg
Eplerenone (widened access)	Tab 25 mg
Eplerenone (widened access)	Tab 50 mg

Chemical Name	Line Item
Ethambutol hydrochloride	Tab 400 mg
Felodipine	Tab long-acting 2.5 mg
Fenofibrate	Cap/tab 48 mg
Fenofibrate	Cap/tab 145 mg
Fentanyl	Inj 10 mcg per ml, 10 ml syringe
Fentanyl	Inj 20 mcg per ml, 100 ml bag
Fentanyl	Inj 20 mcg per ml, 50 ml syringe
Flumazenil	Inj 0.1 mg per ml, 5 ml
Fluorouracil sodium	Inj 50 mg per ml, 20 ml
Fluorouracil sodium	Inj 50 mg per ml, 100 ml
Fosfomycin (current access)	Powder
Fosfomycin (widened access)	Powder
Hydroxocobalamin	Inj 1 mg per ml
Hydroxychloroquine sulphate	Tab 200 mg
Lanreotide	Inj 60 mg per 0.5 ml, 0.5 ml syringe
Lanreotide	Inj 90 mg per 0.5 ml, 0.5 ml syringe
Lanreotide	Inj 120 mg per 0.5 ml, 0.5 ml syringe
Liquid paraffin with white soft paraffin	Liquid paraffin 50% with white soft paraffin 50% ointment (pack size 100 g or less)
Liquid paraffin with white soft paraffin	Liquid paraffin 50% with white soft paraffin 50% ointment (pack size greater than 100 g)
Lisinopril	Tab 5 mg
Lisinopril	Tab 10 mg
Lisinopril	Tab 20 mg
Methotrexate	Inj 7.5 mg prefilled syringe
Methotrexate	Inj 10 mg prefilled syringe
Methotrexate	Inj 15 mg prefilled syringe
Methotrexate	Inj 20 mg prefilled syringe
Methotrexate	Inj 25 mg prefilled syringe
Methotrexate	Inj 30 mg prefilled syringe
Midodrine	Tab 2.5 mg

Chemical Name	Line Item
Midodrine	Tab 5 mg
Naloxone hydrochloride	Inj 400 mcg per ml, 1 ml
Neostigmine metisulfate	Inj 2.5 mg per ml, 1 ml
Nitrofurantoin	Tab 50 mg
Nitrofurantoin	Tab 100 mg
Noradrenaline	Inj 0.06 mg per ml, 50 ml syringe
Noradrenaline	Inj 0.1 mg per ml, 100 ml bag
Noradrenaline	Inj 0.12 mg per ml, 100 ml bag
Noradrenaline	Inj 0.16 mg per ml, 50 ml syringe
Oil in water emulsion	Crm (pack size 100 g or less)
Oil in water emulsion	Crm (pack size greater than 100 g)
Oxaliplatin	Inj 100 mg
Oxycodone hydrochloride	Inj 10 mg per ml, 1 ml
Oxycodone hydrochloride	Inj 10 mg per ml, 2 ml
Oxycodone hydrochloride	Inj 50 mg per ml
Pancreatic enzyme	Cap 150 mg
Pancreatic enzyme	Cap 300 mg
Pemetrexed	Powder for infusion, 100 mg
Pemetrexed	Powder for infusion, 500 mg
Prednisolone	Rectal Foam 10 – 20%
Ramipril	Cap/tab 1.25 mg
Ramipril	Cap/tab 2.5 mg
Ramipril	Cap/tab 5 mg
Ramipril	Cap/tab 10 mg
Sugammadex	Inj 100 mg per ml, 2 ml
Sugammadex	Inj 100 mg per ml, 5 ml
Sunitinib (current access)	Cap 12.5 mg
Sunitinib (current access)	Cap 25 mg
Sunitinib (current access)	Cap 37.5 mg
Sunitinib (current access)	Cap 50 mg
Sunitinib (widened access)	Cap 12.5 mg
Sunitinib (widened access)	Cap 25 mg
Sunitinib (widened access)	Cap 37.5 mg
Sunitinib (widened access)	Cap 50 mg
Teicoplanin	Inj 400 mg

Chemical Name	Line Item
Terlipressin	Inj 1 mg per 8.5 ml ampoule
Terlipressin	Inj 0.2 mg per ml, 5 ml

Chemical Name	Line Item
Ticagrelor	Tab 90 mg
Vecuronium	Inj 10 mg

Should any unresolved Tender Bids be declined prior to the release of the 2021/22 Tender, Pharmac would consider re-tendering those pharmaceuticals when the 2021/22 Tender is issued. Unresolved Tender Bids have not been included in the draft pharmaceutical list (Schedule Two).

### Products not currently listed the Pharmaceutical Schedule

The following products included in Schedule Two of the draft 2021/22 Tender are not currently listed in the Pharmaceutical Schedule:

Chemical Name	Line Item
Benzoyl peroxide	Gel/crm/soln/lotion 2.5% - 5%
Erwinia asparaginase	Inj
Levothyroxine	Oral liq
Mifepristone with misoprostol	Mifepristone 200 mg tablet x 1 and misoprostol 200 mcg tablet x 4 [combination pack]
Paracetamol with codeine	Tab paracetamol 500 mg with codeine 30 mg
Prasugrel	Tab 5 mg
Prasugrel	Tab 10 mg
Telmisartan	Tab/Cap 40 mg
Telmisartan	Tab/Cap 80 mg
Telmisartan with hydrochlorothiazide	Tab 40 mg with hydrochlorothiazide 12.5 mg
Telmisartan with hydrochlorothiazide	Tab 80 mg with hydrochlorothiazide 12.5 mg
Telmisartan with hydrochlorothiazide	Tab 80 mg with hydrochlorothiazide 25 mg
Tolterodine	Tab 1 mg
Tolterodine	Tab 2 mg

## Electronic Tender (eTender) system

The 2021/22 Tender will be distributed via Pharmac's electronic tendering portal. The portal requires companies to register for a user account and details of how to register will be distributed prior to the release of the final 2021/22 Invitation to Tender. Please let us know if the contact details for the person responsible for submitting tender bids have changed for your company by sending an email to the Tender Analysts at [tender@pharmac.govt.nz](mailto:tender@pharmac.govt.nz) by **4 pm (New Zealand time), Friday 24 September 2021**.

## Alternative Commercial Proposals

Pharmac seeks any Alternative Commercial Proposals (ACPs) to tendering that you may wish to submit. An ACP may, for example, offer price reductions on one set of pharmaceuticals in return for Pharmac agreeing to defer tendering on another group of pharmaceuticals for a period.

Please note the following points apply to ACPs for both the community and DHB hospital markets:

- ACPs should include at least one item listed in Schedule Two of the draft 2021/22 Tender;
- ACPs may include more than one line item and may include pharmaceuticals not listed in Schedule Two of the draft 2021/22 Tender;
- ACPs should not include any items subject to an unresolved tender;
- ACPs may seek Pharmac's agreement to defer tendering or application of reference pricing for a period of time for any pharmaceutical, whether or not it is listed in Schedule Two of the draft 2021/22 Tender;
- ACPs may not propose awarding Principal Supply Status in the community or DHB Hospitals, or any other form of sole or exclusive supply;
- Pharmac reserves the right:
  - not to accept any ACPs; and/or
  - not to provide reasons for the acceptance or non-acceptance of any ACP; and/or
  - to enter into an agreement or arrangement that differs in a material respect from that envisaged in this letter.

ACPs are due by **4 pm (New Zealand Time), Wednesday 11 August 2021**. Pharmac may not consider any ACPs that are submitted after this date.

## Usage data for 'PCT only' injectable products

The table below contains 'PCT only' usage data for items included in the 2021/22 Tender. These volumes are approximate and indicative only. Pharmac makes no representation as to the accuracy of these figures or as to the level of sales or likely sales of any tender item.

Chemical	Total usage (mg)*
Bortezomib	22,210
Fludarabine	16,300

\*Usage in mg, for period between 1 January 2020 to 31 December 2020