



Consultations

Consultation on the draft 2022/23 Invitation to Tender (for Consumers)

21 July 2022

Overview

Te Pātaka Whaioranga - Pharmac is seeking feedback from consumers, consumer advocacy groups, the public, and other interested parties on the contents of the 2022/23 Invitation to Tender.

Consultation closes at 5 pm on Thursday 25 August 2022

Email feedback to tender@pharmac.govt.nz

We're particularly interested in feedback on:

- the appropriateness of a brand change for the products included in the draft tender list
- any particular requirements that should be considered when evaluating potential products, such as how easy it is to take them
- if there are any particular situations or circumstances for these products that might require delaying or avoiding a brand change
- If there would be any other issues or consequences that should prevent us from either:
 - enabling the entire prescription to be dispensed at once and avoiding the need to pick up repeat dispensings
 - removing any remaining funding restrictions, such as Special Authority criteria, on the medicine.

Please feel free to contact us if you wish to meet to discuss the proposals contained in this consultation.

We are also seeking feedback from healthcare professionals and the pharmaceutical industry.

- [Healthcare professionals consultation](#)
- [Pharmaceutical industry consultation](#)

Although this consultation letter has been widely distributed, should you consider that a particular person, group, or agency should also receive this letter and/or future tender documents, please let us know or share it with them directly.

All tender documents and consultations are available from the Pharmac website:
pharmac.govt.nz/consultations-and-decisions

About the tender

Pharmac's annual tender is used to contract for supply of medicines that are already funded in New Zealand and are no longer under patent.

The tender helps to secure the ongoing supply of older medicines and generates savings that can be used to fund new medicines. Each year, a portion of the medicines on the Schedule is included in the annual tender. This means that, although the tender is run annually, the list of medicines included in it changes from year to year. Typically, each medicine is put out to tender every three years.

Before we run the tender each year, we seek feedback from healthcare professionals, patients and patient advocacy groups, the pharmaceutical industry, and others. This helps ensure that:

- tendering is appropriate for each medicine
- we are alerted to any potential issues when considering a change in brand for a particular product.

We get expert advice on every decision we make from Pharmac's [Tender Clinical Advisory Committee](#). The committee is made up of medical practitioners, nurse practitioners, and pharmacists. We'll also seek further advice from specialists in particular fields, such as oncology, psychiatry, and neurology, as appropriate.

What the tender means

If we award a tender for a medicine to a pharmaceutical supplier, then that supplier's brand becomes the principal brand of that medicine. It would likely be the only brand of that medicine funded in the Schedule (Principal Supply Status) until 30 June 2026.

If that brand was already the only funded brand, there would be no noticeable difference for most people, although the price that Pharmac (or hospitals) pay may change.

If that brand was not currently listed on the Schedule, we would change/transition from the old brand to the new one over time.

- We would inform the sector of the upcoming change, at least one month before any changes occurred.
- Then the new brand would be listed in the Schedule, meaning that both the old and new brands would be available and funded.
- At least five months later, the old brand would be removed from the Schedule.

Access to other brands

We expect that most people will start on, or transition to, the new brand easily. However, we know that people's experiences will differ. The alternative brand allowance lets us support people who may experience, or are at heightened risk of, adverse clinical outcomes from a brand change. This may mean either:

- moving back to the old brand after adverse side effects or reduction in efficacy after trialling the new brand
- having a longer period of time in which to change brands
- allowing some patients to avoid switching altogether.

While Pharmac can fund alternative brands, continued supply of a particular alternative brand cannot always be guaranteed. It is helpful to understand what products might need greater access to alternative brands before we run the tender.

We are keen to understand:

- which medicines, indications, or patient groups might need funding for an alternative brand and, if so, why?
- whether or not you consider that clinical destabilisation can be objectively determined in those circumstances and, if so, how?

Other potential changes

Because the tender can result in substantial price reductions, it often means that savings made can be used to fund new medicines. However, these price reductions can also lead to changes to the tendered products. For example:

- if the product is currently partially funded (people pay a part-charge in addition to the prescription co-payment), it could become fully funded after the tender
- we may make it easier for people to have their prescriptions filled all at once (rather than in monthly lots) by adding a product to the 'stat' dispensing list
- if funding criteria apply to a product (for example, a Special Authority restriction, endorsement, or prescriber-type restriction), we might change or remove funding restrictions to enable more people to use it.

We are interested in your feedback on the appropriateness of these potential changes. You can see the Pharmaceutical Schedule for all dispensing and funding restrictions:

[schedule.pharmac.govt.nz/latest/Schedule.pdf](https://www.pharmac.govt.nz/latest/Schedule.pdf)

The tender list

The list of medicines that we are proposing to include in this year's Invitation to Tender is included as Appendix One.

Most of the items in the tender have been included in the annual tender before. However, the following products that have not been tendered previously.

- Cyproterone acetate with ethinyloestradiol – Tab 2 mg with ethinyloestradiol 35 mcg
- Macrogol 3350 with sodium sulfate, sodium chloride, potassium chloride, sodium ascorbate and ascorbic acid – powder for oral soln
- Metaraminol tartrate – Inj 0.5 mg per ml, 5 ml
- Metaraminol tartrate – Inj 0.5 mg per ml, 20 ml
- Metaraminol tartrate – Inj 1 mg per ml, 10 ml
- Triamcinolone acetonide – Inj 40 mg per ml, 1 ml preservative-free

Medicines have been grouped according to the therapeutic group classification system used in the Pharmaceutical Schedule. Below is a list of these groups, and the corresponding page numbers. Medicines with indications that may apply to multiple therapeutic groups only appear in one group.

Therapeutic group	Pages
Alimentary Tract and Metabolism	7-8
Blood and Blood Forming Organs	8
Cardiovascular System	8-9
Dermatologicals	9-10
Genito-Urinary System	10-11
Hormone Preparations	11
Infections – Agents for Systemic Use	11-13

Musculoskeletal System	13
Nervous System	13-15
Oncology and Immunosuppressants	15-16
Sensory Organs	16-17

Information provided for each medicine

For each medicine (as defined by chemical name, form, and strength), we have provided:

- the current ex-manufacturer subsidy per unit of measure as of 1 July 2022
- the number of subsidised or partially subsidised units sold in the community in the year ending 30 June 2022
- an estimate of the annual community market value at current subsidies (estimated by multiplying the volume of units subsidised in the year ending 30 June 2022 by the relevant listed unit subsidy as of 1 July 2022)
- comments specifically relating to the tender item and/or its current listing on the Pharmaceutical Schedule.

Hauora Arotahi Māori health areas of focus

Pharmac is continually working to develop and implement advances in Hauora Arotahi to support equitable health outcomes for Māori. Pharmac's Māori health areas of focus voiced by whānau Māori are available [here](#). The draft 2022/23 tender includes treatments for mental health, diabetes, heart health (such as medicines to treat high blood pressure and prevent stroke), respiratory health, and cancer (lung and breast), outlined in tables below.

Chemical Name	Line Item
<i>Cancer – lung and breast</i>	
Anastrozole	Tab 1 mg
Gemcitabine hydrochloride	Inj 1 g
Paclitaxel	Inj 100 mg Inj 300 mg
Tamoxifen citrate	Tab 10 mg Tab 20 mg

Chemical Name	Line Item
<i>Heart health – high blood pressure and stroke</i>	
Ambrisentan	Tab 5 mg Tab 10 mg
Amlodipine	Tab 2.5 mg Tab 5 mg Tab 10 mg
Chemical Name	Line Item
<i>Mental health</i>	
Amitriptyline	Tab 10 mg Tab 25 mg Tab 50 mg
Diazepam	Tab 2 mg Tab 5 mg

Chemical Name	Line Item
Bisoprolol fumarate	Tab 2.5 mg Tab 5 mg Tab 10 mg
Clonidine	TDDS 2.5 mg, 100 mcg per day TDDS 5 mg, 200 mcg per day TDDS 7.5 mg, 300 mcg per day
Indapamide	Tab 2.5 mg
Losartan	Tab 12.5 mg Tab 25 mg Tab 50 mg Tab 100 mg

Chemical Name	Line Item
Escitalopram	Tab 10 mg Tab 20 mg
Olanzapine	Tab 2.5 mg Tab 5 mg Tab 10 mg Orodispersible tab 5 mg

Chemical Name	Line Item
	Orodispersible tab 10 mg
Quetiapine	Tab 25 mg Tab 100 mg Tab 200 mg Tab 300 mg

Chemical Name	Line Item
Risperidone	Tab 0.5 mg Tab 1 mg Tab 2 mg Tab 3 mg Tab 4 mg

Explanation of terms, symbols, and abbreviations

Most terms and abbreviations used are self-explanatory. “Tab” means tablet, “cap” means capsule, “liq” means liquid, “inj” means injection, “suppos” means suppository, “grans” mean granules and “OP” means original pack to be dispensed.

Symbols used in the draft tender list:

Symbol	Explanation
Underlined	Medicine line items where a sole supply or principal supply contract is in force are underlined. The price and subsidy for these medicines are fixed until 30 June 2022 unless otherwise stated in the comments column and a listing of a new brand could only occur after that date.
C	To be tendered for Principal Supply Status (community medicines).
H	To be tendered for Principal Supply Status (hospital medicines).
PCT	Pharmaceuticals Te Whatu Ora - Health New Zealand hospitals may claim a subsidy through Section B of the Pharmaceutical Schedule.
+	Pharmac has been advised of the existence of a patent.
*	There is no fully funded product available for this line item (in relation to community supply).
@	Additional Stock Pharmaceuticals (ASP). The supplier of the successful tender bid would be required to hold additional stock.
#	A rebate currently exists.

Packaging preferences

In the last tender, we began introducing stronger packaging preferences for medicines for pack sizes and packaging types (such as bottles or blister packs). These changes support our focus on environmental sustainability and help pharmacy workflow. This year we have included such preferences for 33 products. Details are included alongside affected products in Appendix One.

Key dates

- **21 July 2022** – Consultation begins
- **25 August 2022** – Consultation closes
- **September 2022** – Tender Clinical Advisory Committee meets
- **November 2022** – Release of final Invitation To Tender

- **January 2023** – Earliest tender results announced
- **April 2023** – Earliest listing of new brands

Providing feedback

Feedback should be provided to the Tender Analysts via email: tender@pharmac.govt.nz

All feedback received before the closing date will be considered by Pharmac's Board or its delegate prior to finalising the 2022/23 Invitation to Tender.

Your feedback may be shared

Feedback we receive is subject to the Official Information Act 1982 (OIA). Please be aware that we may need to share your feedback, including your identity, in response to an OIA request. This applies to anyone providing feedback, whether they are providing feedback themselves or for an organisation, in a personal or professional capacity.

We can only keep feedback confidential as allowed under the OIA and other related laws. If you want any part of your feedback treated as confidential, you need to tell us. Please let us know if you want to keep part of your feedback confidential, and why. Is it commercially sensitive, confidential or proprietary, or personal information? Clearly state this and tell us which parts of your feedback you want to keep confidential for these reasons. We will consider your request under our OIA requirements.