PHARMAC TE PATAKA WHATORANGA

YEAR IN REVIEW

2023

Top 20s

The most prescribed medicines in New Zealand

Enhanced decisions

Stronger consumer voices in our work

Hospital medical devices

Building a well-managed system for the long term

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The Pharmac effect

Read about the real world outcomes our funding decisions have.



Top 20s

Dig into the pharmaceutical landscape of New Zealand with Pharmac's top 20s for 2022/23.



Strategic management of the CPB to support Pharmac's vision

The Combined Pharmaceutical Budget (CPB) is managed by Pharmac and is used to pay for medicines, medical devices, vaccines, and other health products used by millions of New Zealanders every year.



Enhancing our assessments and decision

Pharmac has made significant headway in our work to enhance our assessment and decision-making processes.



Hospital medical devices: building a well-managed system for the long term

This year, Pharmac set up a new Medical Devices directorate to lead the work on the management of hospital medical devices in Health New Zealand Te Whatu Ora hospitals.

The passing of our kaumātua Pāpā Bill

Piki mai rā, kake mai rā Homai te waiora ki ahau Tera te haeata takiri ana mai i runga o Hikurangi! Papaki tū ana te tai ki Te Reinga Ka pō, ka ao, ka awatea!

E hoki ngā mahara ki ngā karere o te tau kua mahue ake nei. E piko nei te matenga, e raungaiti te ngākau tangata. Kua tau mai te pōurinui i te ngau o te mate.

Hoki wairua atu rā e te Rangatira Pāpā Bill ki to tātau Atua, ki ngā tīpuna, ki o mātua, ki te huinga o te kahurangi. Ahakoa kua whakatā to tinana, ēngari ko ō mahi ringa rehe me tō ngākau whakatoi ka mau tonu ki te whatumanawa o tēna. o tēna o mātau.

No reira e te Rangatira, e te taonga ā te mate, hāere, hāere.

Hāere ma runga ngā ringa kaha o tō tātou Kaihanga, whakauru te moe.

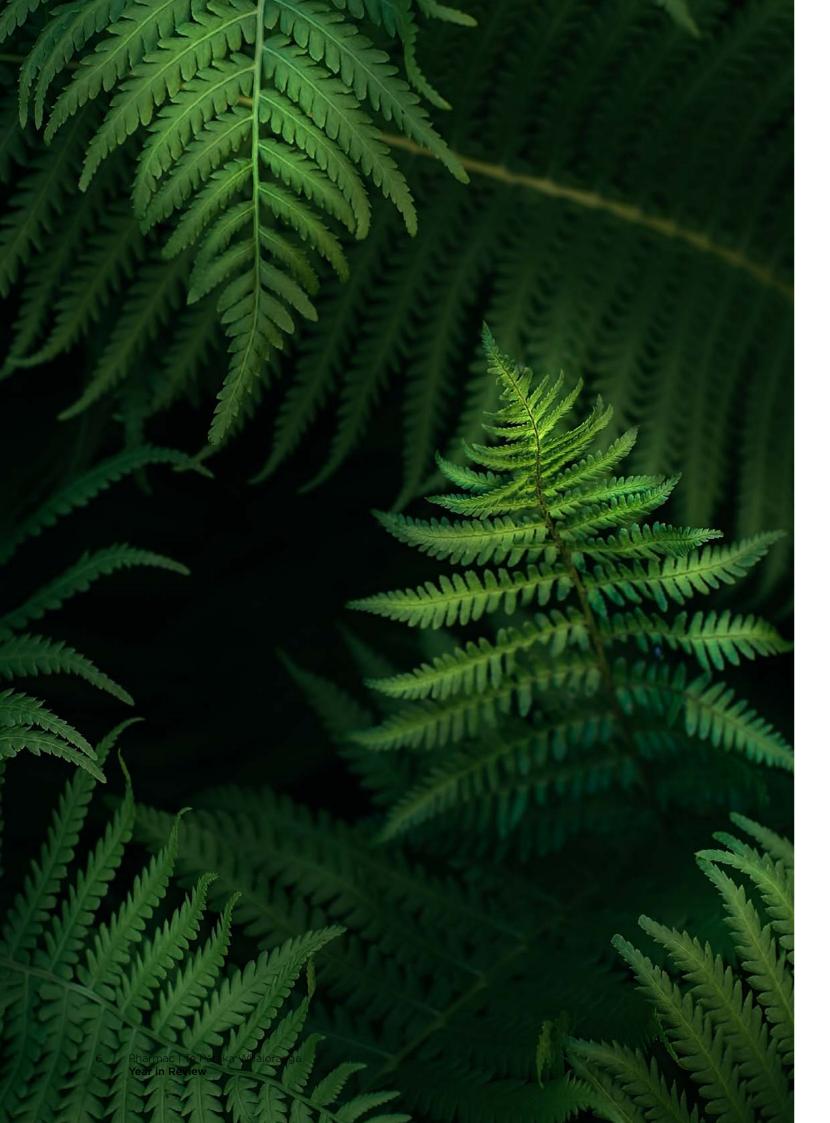
In 2023 we lost a treasured Rangatira, colleague and friend in Pāpā Bill Kaua who passed away in December.

He served as our kaumātua for 13 years, was a staunch supporter of our work, and a renowned repository of public service knowledge.

He will be greatly missed by his whānau and all who have known him.







Chief Executive's foreword

Tēnā koutou katoa,

I am pleased to present the 2023 Year in Review for Te Pātaka Whaioranga - Pharmac.

2023 has been another big year for Pharmac. We're looking forward to working with the new Government as we continue to deliver on the outcomes of the Pharmac Review, and consider how we give effect to, and embed, the new health and disability priorities.

In 2022, Pharmac received a \$191 million increase to the Combined Pharmaceutical Budget for two years. This brought the Combined Pharmaceutical Budget to \$1.186 billion in the 2022/2023 financial year and \$1.245 billion in the 2023/2024 financial year. This is the biggest increase since we were formed over 30 years ago.

In late 2022, the Government also announced a further one-off boost to Pharmac's budget of \$66 million. Using this, and the earlier increase to the Combined Pharmaceutical Budget, Pharmac funded 20 new medicines and widened access to 22 others, benefiting nearly 365,000 New Zealanders. These included treatments for people with cystic fibrosis, haemophilia A, inflammatory bowel disease, lung cancer, and primary progressive multiple sclerosis. You can read more about the differences some of these medicines are making in pages 22-25.

New Zealand, and the rest of the world, continues to be affected by COVID-19. In July, 2023 we received \$164 million dollars from the Government to take over responsibility for the management of COVID-19 vaccines and treatments. Using this funding, we have been able to secure COVID-19 treatments and confirm future supplies for new COVID-19 vaccines.

We have also successfully managed supply issues during a challenging year, making sure New Zealanders have the medicines and devices they need.

We have also made changes to our organisational structure with the creation of three new directorates - the Hospital Medical Devices Directorate, the Equity and Engagement Directorate, and the Advice and Assessment Directorate. These are now up and running, and already delivering a lot of important mahi.

We have \$530 million dollars of total value of medical devices under contract, with more than 164,000 medical devices contracted to Health New Zealand | Te Whatu Ora hospitals. Our national contracting for devices has saved the health and disability system more than \$100 million so far, and we have been working closely with Health New Zealand, suppliers, and other key organisations to progress the hospital medical devices programme.

We know that success relies on working collaboratively across the sector. So, we developed a new engagement strategy to implement meaningful and genuine engagement with Māori, Pacific peoples, people with disabilities, people who use medicines and devices, their whānau, advocates, and the wider health and disability system.

Finally, I would like to extend my sincere thanks to the entire Pharmac team, who have worked incredibly hard this year to support the health and wellbeing of all New Zealanders.

Ngā mihi maioha



Sarah Fitt Chief Executive

Ngā uaratanga

Our values



Āta whakarongo kia puaki te ngākau aroha

We listen with intent and empathy to understand

Whakarongo means listening with more than your ears. It involves perceiving with all senses - listening with intent and empathy, listening to understand.

To do this well, we must seek out all voices. We must be ready to change our minds when needed, based on what we hear. With whakarongo shaping the way we communicate people will trust us and know that we will always engage in a meaningful and empathetic way.



Kōtuitui kia piri, tūhono kia whakatatū te ara tika

We connect with people, communities, the health system, and each other

Tūhono means that everything in the universe is connected. It's a warm word that reminds us that relationships and connections are taonga that must be treasured. We combine tūhono with whakatatū, which means coming to an agreement or decision together. To help us find the best way forward for everyone, tūhono reminds us that we must connect with people, communities, the health system, and each other. We must see each other as people first and value tūhono with sincerity and purpose.



Ma te māhirahira ka whāwhāki te maramatanga

We draw on evidence and people's experiences to improve

To keep growing and changing for the better, we must share our knowledge and ideas. We must be curious and always feed our appetite to learn. We must balance empirical evidence with the unique experiences people share. This way, we can reveal the best way forward. By combining māhirahira (curiosity), whāwhāki (revelation), and māramatanga (insight), we learn together. We wānanga with an open mind.



Tū te ihiihi, tū te wanawana, tū te wehiwehi We challenge ourselves

Ihi, wana, and wehi are central to **māia** because challenging ourselves takes courage. These words are used in many haka as they capture the joy and excitement of life. They describe a wonder and gratitude for the world itself. To be courageous, we must be excited about what we can achieve and driven by a greater purpose. Māia ensures we face change with positivity, don't avoid difficult conversations, and continue to challenge ourselves and each other to do better.



Hāpaitia te mana tangata hei whāriki mo nga uri whakatipu

We safeguard wellbeing for New Zealanders, now and for the future

Kaitiakitanga is core to who we are. Te Pātaka Whaioranga, our te reo Māori name, means the storehouse of wellbeing. Whaioranga describes recovering to good health, and Te Pātaka symbolises the solid and reliable structure that safeguards supplies. For Pharmac, those are supplies of medicines and medical devices.

As kaitiaki of Te Pātaka Whaioranga, we play our part to preserve, protect, and shelter the future wellbeing of everyone in New Zealand. We whakarongo, tūhono and wānanga with māia to strengthen Te Pātaka Whaioranga.





Looking after New Zealand's medicines and hospital medical devices

Pharmac manages a fixed budget set by the Government and decides which treatments will be funded. We're also working on a new way of managing hospital medical devices.

Our job is to get the best health outcomes from treatments for New Zealanders, while staying within the fixed budget the Government sets. This means we must make difficult decisions about which treatments we will fund - there will always be more treatments we want to fund than we can afford.

Our budget has increased over time to enable us to fund new treatments, widen access to treatments already funded, and meet other costs, such as those related to price increases and population growth. To help free up budget to fund new treatments, we also work hard to reduce the cost of the treatments we already fund.

Pharmac's work with hospital medical devices

Pharmac is also working with Health New Zealand, suppliers, and others, towards a new way of managing hospital medical devices used or supplied in hospitals or hospital specialist services.

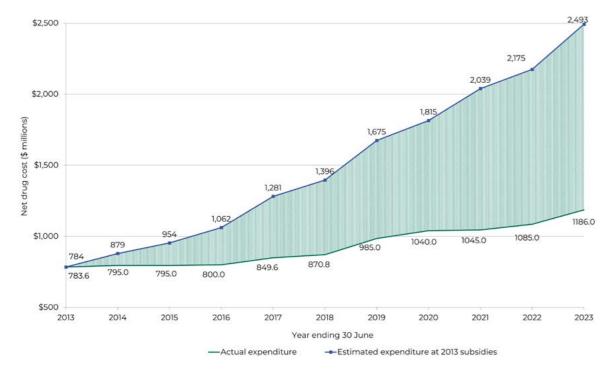
We are doing this in two ways:

- We are adding hospital medical devices to the Hospital Medical Devices List and negotiating contracts as we go.
- We are developing new processes that will be used to manage what is added and removed to the Hospital Medical Devices List.



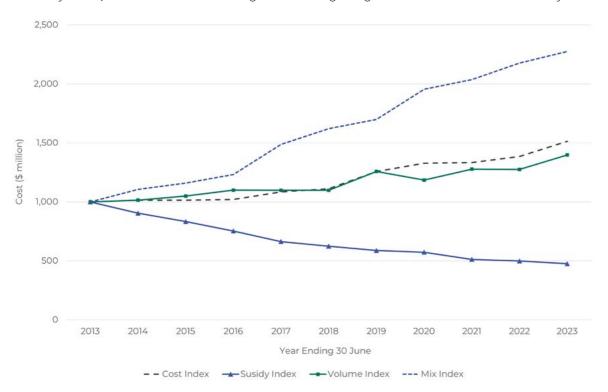
Combined Pharmaceutical Budget expenditure, 2013-2023

This graph shows our impact on New Zealand's spending on funded pharmaceuticals over the past decade, using 2012 prices as a baseline. The gap between estimated expenditure (dark blue line) and actual expenditure (dark green line) highlights the nearly \$2.5 billion the health and disability system would have had to spend on treatments this year without Pharmac's pharmaceutical management.



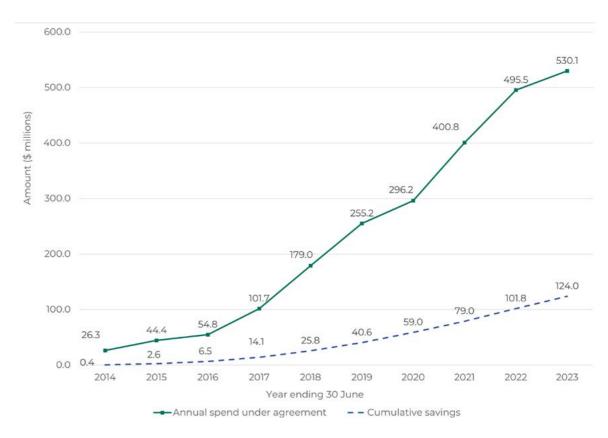
Price, volume, mix, and subsidy for treatments in New Zealand, 2013-2023

This graph shows that the number of treatments (volume index) and the variety of treatments (mix index) have increased – meaning we're seeing more, and varied, treatments in New Zealand. At the same time, the cost of treatments (the cost index) has increased but the actual price paid (the subsidy index) has decreased – showing Pharmac is getting more treatments for less money.



Spend and savings for hospital medical devices, 2014-2023

This graph shows our impact on medical devices spending and savings over the past decade. The total annual expenditure under agreement line (solid line) shows how much hospitals have spent on devices we have under contract each year. The cumulative savings line (dotted line) shows what savings have accumulated through Pharmac's national contracting.





Strategic management of the CPB to support Pharmac's vision

The Combined Pharmaceutical Budget (CPB) is managed by Pharmac and is used to pay for medicines, medical devices, vaccines, and other health products used by millions of New Zealanders every year.

Strategic management of the CPB is one of the key strategic priority areas that Pharmac has identified as being critical to achieving its goal of improved health outcomes and health equity.

"Fundamentally, what we're trying to achieve is a more deliberate way of directing our investment funds," says Geraldine MacGibbon, Director, Pharmaceuticals.

"This comes from wanting to achieve better health outcomes for all New Zealanders and recognising that there has been historical and current-day inequities between population groups – and those must be meaningfully addressed to achieve better outcomes for all."

"Strategic management of the CPB also includes thinking about where and how people are accessing funded medicines, vaccines, and medical devices - including through general practice, pharmacies, hospitals, and all other places where people receive health care - and making sure any barriers to accessing funded treatments are minimised."

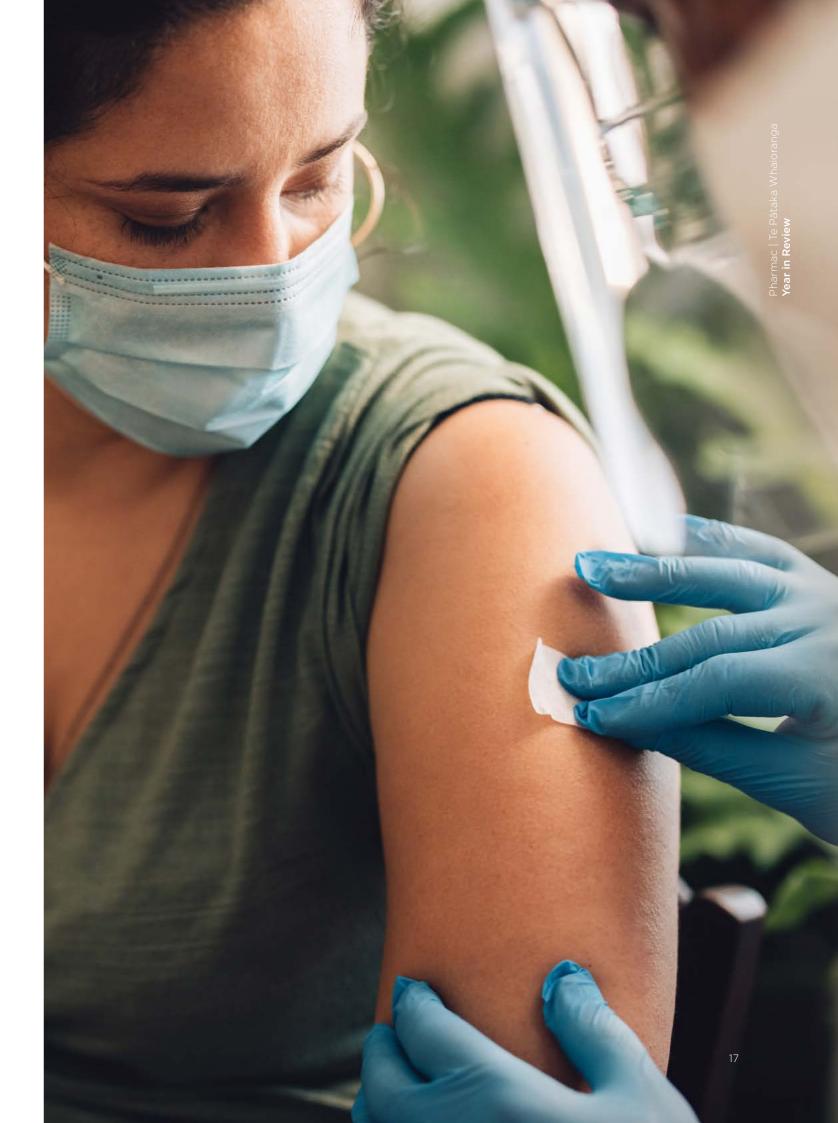
"Under the principles of Te Tiriti o Waitangi, we have a duty to make sure that the health needs of Māori are being met. We believe that placing a greater strategic focus on our obligations under Te Tiriti, including through implementation of Pharmac's Te Tiriti policy, will lift equity for many New Zealanders who are not currently experiencing equitable health outcomes."

This year we have:

- Responded to emergencies by applying special Pharmaceutical Schedule rules so that pharmacies could be flexible and New Zealanders could access the medicines and devices they needed.
- Signed an MOU with Health New Zealand relating to data collection, so that we can use data and non-commercially sensitive information to understand people's needs and deliver better health outcomes.
- Focused on improving access to vaccines in the community by working with Health New Zealand to boost the number of health providers who can give funded vaccines by enabling authorised pharmacists to deliver many funded vaccines.
- Evolved our approach to COVID-19 vaccines and treatments by widening access to COVID-19 antivirals and publishing a call for funding applications for COVID-19 vaccines.



Geraldine
MacGibbon
Director
Pharmaceuticals



Enhancing our assessments and decision making

This year, Pharmac has made significant headway in our work to enhance our assessment and decision-making processes. These processes are at the core of what Pharmac does – using expert advice, consumer input, and evidence to consider funding applications for the benefit of New Zealanders.

"Improving Pharmac's assessments and decision-making work is a complex, many-layered exercise – and one that is vitally important," says Dr David Hughes, Director Advice and Assessment/Chief Medical Officer.

"Perhaps most important in this work is moving to bring in more views and perspectives into these processes. This includes focusing on strengthening our understanding of the needs of consumers, and those with lived experiences in a wide range of health and disability areas.

"There's also much to be done to increase transparency and make sure our processes are as fast, clear, and simple as possible. We want all New Zealanders to know that their time, input, and perspectives on lived experiences are incredibly valuable to Pharmac, and that we're honoured to be able to hold that space for them within what we do."

Partnering with all health agencies is an essential foundation of this work to enhance Pharmac's assessment and decision-making processes.

"A huge part of this work is doing more to hear from, and work with others. We're doing our part to embody the principles of the Pae Ora (Healthy Futures) Act, which empowers the health and disability sector to support better health outcomes.

"But what does this look like in practice? Making sure our processes reflect the priorities of the health and disability system, ensuring our information is simple to understand, and making sure stakeholders have confidence that we have genuinely listened to and taken on board their feedback.

"This work will be iterative but we're confident we'll see a more equitable approach which will improve the health outcomes of all people. This is the beginning of a big process which will take time, but I'm proud of the work we've done already this year to push forward."

This year we have:

- Appointed new members to Pharmac's specialist advisory committees so that Pharmac can better understand the perspectives of those using and administering medicines, vaccines, and medical devices.
- Appointed a new Chair and Deputy Chair to the Consumer Advisory Committee to support consumer-led decision making.
- Established a Māori directorate and finalised Te Tiriti policy, which demonstrates our commitment to our Tiriti partnership.
- <u>Developed an engagement strategy</u> to implement meaningful and genuine engagement with consumers, advocates, and the wider health and disability system.
- Joined an international collaboration of health technology assessment agencies so that we can share our knowledge and expertise with our partners in Australia, the UK and Canada.



David HughesDirector Advice and
Assessment/Chief
Medical Officer



Hospital medical devices:

building a well-managed system for the long term

This year, Pharmac set up a new Medical Devices directorate to lead the work on the management of hospital medical devices in Health New Zealand hospitals.

"Pharmac's work in the hospital medical devices space is a great example of the new approach to funding healthcare in New Zealand as part of the health reforms," says Catherine Epps, Pharmac's Director, Medical Devices.

"Moving to a new way of managing hospital medical devices is a significant change for Pharmac, as well as the rest of the health and disability system. We are working with Health New Zealand to develop effective, efficient, and sustainable systems and processes for hospital medical device management."

"Right now, Pharmac's national contracts cover close to \$550 million of Health New Zealand spending each year out of an estimated \$840 million on hospital medical devices. As we continue to establish national contracts with suppliers and build the list, we'll see this figure increase.

"This work means that Health New Zealand hospitals in Auckland and in Christchurch can – and will be able to – buy the same hospital medical device from the list, at the same price, and with the same terms and conditions. This supports a more consistent and equitable experience of our health system."

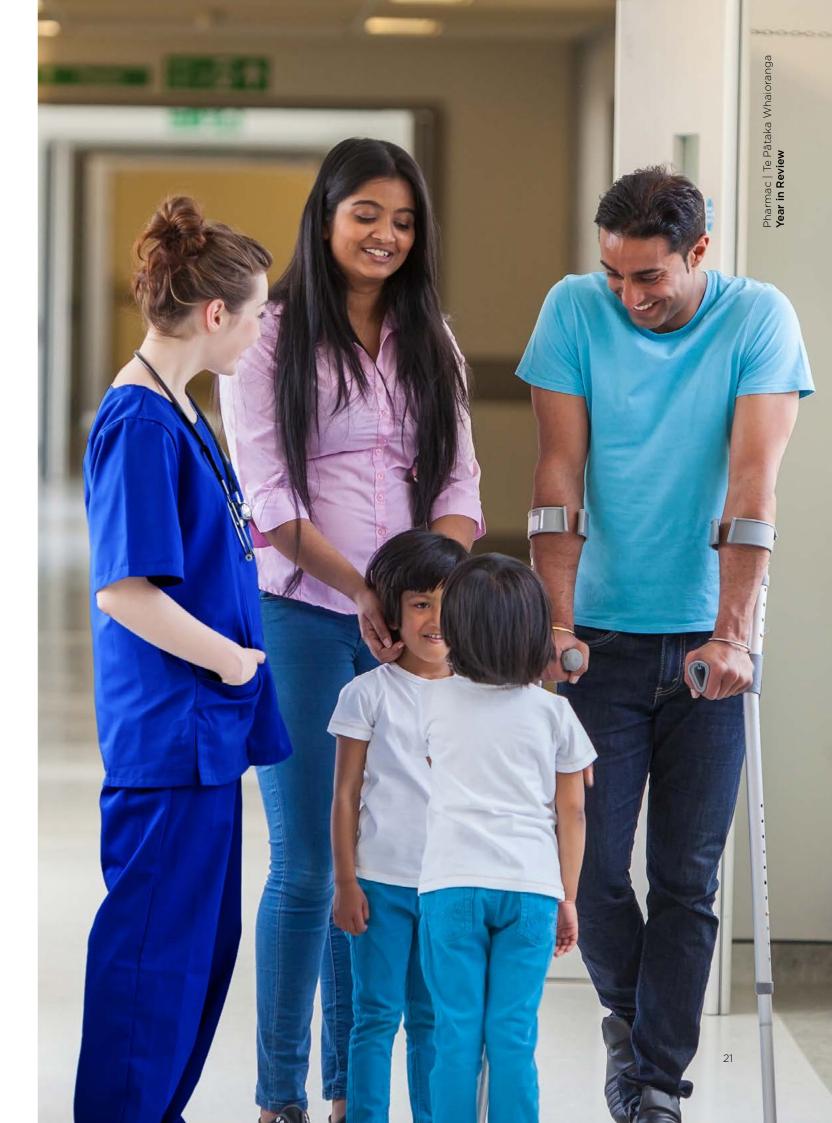
"The hospital medical devices programme is closely aligned with Pharmac's purpose – to support a health care system that is equitable and meets the needs of those who currently face barriers to accessing or using hospital medical devices."

This year we have:

- Finalised national contracts for around 9,000 devices, which means that we have completed about 63% of the list.
- <u>Established a new medical devices directorate</u>
 to work towards a new way of managing and
 curating a list of approved medical devices
 purchased by Health New Zealand for use in
 public hospitals.
- Signed a joint National Medical Devices
 Action Plan with Health New Zealand, to
 help us to meet the clinical, strategic, and
 sustainability aims of both organisations,
 without unnecessary and accidental
 duplication.
- Worked with Health New Zealand on the Hospital Medical Devices Programme to utilise the skills of our people and to improve health outcomes.
- Contributed to important discussions about devices in research spaces such as the HealthTech Congress and Te Titoki Mataora, to share what we're doing in the hospital medical devices space and how we assess the relative value of medicines and medical technology with our colleagues across the sector.



Catherine Epps
Director, Medical
Devices



The Pharmac effect

Treatment offers real hope for people with primary progressive multiple sclerosis

Pharmac's decision to widen access to the first funded treatment for primary progressive multiple sclerosis was the light at the end of the tunnel that Geno Sisneros very much needed

Pharmac announced in September that more people would be able to get ocrelizumab (branded as Ocrevus), a medicine which can slow progression of the condition and significantly improve quality of life.

For Auckland marketer Geno Sisneros, that news came near the end of a tough year.

"I was diagnosed with primary progressive multiple sclerosis in December 2022," he says. "It felt like the rug had been pulled out from under me and as you can imagine we didn't really have a great Christmas.

"They call this the snowflake disease because it's different for every person. When you're diagnosed, you no longer know if you can plan for the future because the disease is unpredictable."

Sisneros felt that his disability and symptoms were increasing following his diagnosis. "It became difficult to walk very far without my walking stick. You just feel very vulnerable. I wondered how I'd get around, and a big moment was when I resigned myself to the fact I'd have to get a walking stick to use outside or away from home."

Geraldine MacGibbon, Pharmac's Director Pharmaceuticals, says it was heartening hearing from people living with this condition about the difference ocrelizumab would make.

Multiple sclerosis is a chronic disease affecting the central nervous system. About 10% to 15% of people with multiple sclerosis experience the primary progressive form of the condition. For this group, the numerous sensory, cognitive, and physical symptoms progressively worsen over time, compared with people with the relapsing remitting condition where progression is intermittent.

Geno says treatment involves an infusion at hospital every six months, along with appointments with a neurologist and a follow-up MRI to gauge the impact of the medicine on the condition's progress. It will take time to know for sure if it's working, but he's hopeful.



Geno Sisneros said, "Without this treatment, I didn't have a lot of hope. Now I do."



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Pharmac supplies naloxone to needle exchange sites

"New Zealand, touch wood, has not had the kind of statistics they're seeing in places like the USA or Canada with opioid overdoses – so we've been lucky," starts Carl Greenwood, the General Manager of the Lower North Island Needle Exchange Programme.

"But in saying that, I can't imagine we're always going to be lucky. Prevention and treatment measures need to be available before the epidemic, not afterwards. We must be ahead of the problem."

With a growing number of New Zealanders dying from opioid overdoses, Pharmac announced in December 2023 that it would supply naloxone injections to the New Zealand Needle Exchange Programme.

"Naloxone quickly reverses an overdose of drugs, such as heroin, oxycodone, fentanyl, or synthetic opioids," says Pharmac's Director Pharmaceuticals, Geraldine MacGibbon. "So, supplying needle exchange sites with naloxone will help staff to reduce the harm associated with opioid use in the community."

Greenwood agrees. "When someone comes into a needle exchange site and they say 'oh I would like some naloxone', we'll ask - is it for your home, are you using opiates? We'll sit them down, talk to them about the signs of an overdose, and train them to use a naloxone kit."

"The message we keep putting out is, if there is someone in your house using opiates recreationally – a smart thing to do would be to come in and have a chat with us. They're the ones who could be using naloxone ultimately."

"Also, there are services who have outreach workers or who work in the frontline, who we will provide naloxone to. Services like the Wellington City Mission and the Wellington Women's Homeless Trust. We have a paramedic coming in soon who wants some for her personal vehicle alongside a first aid kit, in case of an emergency."

The call for funding for naloxone grew after an increase of contaminants, like fentanyl and nitazines being, found in recreational drugs

"A couple of years ago there was an incident in Masterton, involving fentanyl. We knew, as soon as the doors opened, people would be in. Masterton is a small place, they were all coming in and asking what was happening, what had happened. And we were able to give them advice, resources, and testing strips," says Greenwood.

"This incident is a good example of how quickly it can happen. If a supply of opiates is contaminated with something like fentanyl or nitazines, having naloxone available where it is needed is invaluable."

"It's just a great move," confirms Greenwood. "It can't be misused, it is exactly what it is for, and that's to reverse an overdose. Having naloxone available at needle exchange sites, and by extension to more New Zealanders, will help to save lives."

66

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"It can't be misused, it is exactly what it is for, and that's to reverse an overdose. Having naloxone available at needle exchange sites, and by extension to more New Zealanders, will help to save lives.



Improved quality of life and better health for people with haemophilia A

"This will mean less joint pain, fewer injections, and it will help keep people with haemophilia out of hospital."

Haemophilia A is a hereditary life-long bleedin disorder caused by a deficiency of factor VIII, which impairs the body's ability to make blood

That's the reaction of Deon York, the Chair of Haemophilia New Zealand, to Pharmac's decision to widen access to emicizumab (branded here as Hemlibra) for the treatment of haemophilia A without factor VIII inhibitors.

"It's the most significant change to care and treatment for people with haemophilia in nearly quarter of a century," says York, who also lives with haemophilia A.



Karl Archibald, Vice-Chair, says "having access to Hemlibra has improved my quality of life, enabling me to do more with my young family, and be active.



Haemophilia A is a hereditary life-long bleeding disorder caused by a deficiency of factor VIII, which impairs the body's ability to make blood clots. It causes prolonged and spontaneous injury-related bleeding. Untreated, people with severe haemophilia A can experience significant health problems.

Pharmac's Director, Pharmaceuticals, Geraldine MacGibbon, says emicizumab prevents or reduces the frequency of bleeding episodes in adults and children.

"Previously, people with severe haemophilia A needed regular intravenous infusions of factor VIII, often multiple times per week. Emicizumab is given as a subcutaneous injection which means that people with haemophilia A, or their caregivers, can administer the treatment themselves."

She says the decision to widen access, which took effect in October 2023, is an example of Pharmac's determination to make the best use possible of the medicines budget for the benefit of New Zealanders.

York says increased access to emicizumab will mean less joint damage over time for people with haemophilia A and will help improve their quality of life.

"More people will be able to manage their chronic pain so that they can then hold down a job, have a family, and participate fully in their communities," he says. "It's going to make a big difference."

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Year in Review

Our year in numbers

3.97 million

Number of New Zealanders receiving funded medicines, medical devices, and related products



10,000

Hospital medical devices added to the Pharmaceutical Schedule under national contracts



164,000

Hospital medical devices in the Pharmaceutical Schedule under national contracts



\$30 million

Value of additional hospital medical devices secured under contract



\$1.186 billion

CPB expenditure on medicines, devices, and related products, including cancer treatments, vaccines, and haemophilia treatments.



\$48.9 million

Money freed up from negotiations and competitive processes to reinvest in medicines, medical devices, and related products



20

Number of new medicines funded



22

Number of medicines with widened access



74,000

Estimated number of people benefitting from new treatments funded



290,000

Estimated number of people benefitting from widened access to treatments



The journey of a medicine funding application

Anyone can apply for a medicine or related product to be funded. This is the general process applications go through. It's not always linear or this simple, but our Factors for Consideration are used throughout to make sure we are getting the best health outcomes for New Zealand.

Apply

A supplier, health professional, or anyone else can submit an application with our online Application Tracker.



Negotiate

We negotiate a price with suppliers that's within our budget. working hard to get some of the best deals with pharmaceutical companies for medicines in the world.



Review

evaluate applications before putting them to our expert advisory committees.

We review and



Agree

Once we have a provisional agreement with the supplier, we can move the application forward.



Assess

Our committees give us expert clinical and consumer advice. This helps us conduct a thorough assessmen of an application using the Factors fo Consideration.



Consult

We ask New Zealanders what they think. Their submissions help us address issues and adapt proposals based on feedback.



Prioritise

We decide what applications to progress by comparing applications against others on our Priority Lists. Those we want to take forward are ranked on the Options for Investment list.





or delegate makes the final decision. We then notify health professionals and the public.

The Pharmac board



List

The medicine or related product is listed on the **Pharmaceutical** Schedule and becomes available to New Zealanders.



The Government sets a fixed budget for medicines so not every application moves forward.

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The factors we consider when making decisions

To get the best health outcomes for New Zealanders, we use a comprehensive decision-making framework, known as the Factors for Consideration.

The four factors are need, health benefit, suitability, and costs and savings. They are shown by the coloured quadrants in the graphic.

These factors ensure we think about each application and its impact. We consider the individual person (the inner layer), their whānau, caregivers, and society (the middle layer), and the health and disability system (the outer layer).

Not every Factor may be relevant to every funding decision, but we expect all applicants to use this framework to prepare their submissions.

Need

To work out what the level of 'need' is, we consider the impact of the disease, condition, or illness on the person, their family or whānau, wider society, and the broader New Zealand health system.

Consideration of need includes the impact of a decision on those who are facing health disparities as a result of an underlying disadvantage, separately from the illness itself. These people may be characterised by ethnicity, culture, location, or socio-economic status.

Health benefit

'Health benefit' is about the potential health gain from the medicine or medical device based on evidence from clinical trials. Our health economists work out how many extra years of life a person may live or live with reduced symptoms. A medicine may have health benefits beyond the person receiving the treatment. For example, reducing antibiotic resistance will have positive health benefits for all New Zealanders.

Suitability

'Suitability' considers the non-clinical features of the medicine or medical device that might impact on health outcomes. These can include features of the medicine or medical device that impact on ease of use, such as whether a medicine is administered by injection or in a pill.

Costs and savings

We consider the 'costs and savings' to the person and their family or whānau, and to the wider society. These include, for example, whether the treatment would reduce the cost of caring for someone. The costs and savings to the health system cover both the pharmaceutical budget and the wider health system.

Funding medicines or medical devices can have flow-on impacts for the health system. For example, when a treatment can be given at home rather than in hospital, it can free up a hospital bed for someone else.

The future for the Factors for Consideration

The Factors for Consideration were last reviewed in 2016. The Pharmac Review raised questions about whether we are considering the right factors and explaining how they are applied in our decisions. Given this feedback, and the health and disability system changes, we are planning to review our Factors for Consideration.



Pharmac | Te Pātaka Whaioranga

Top 20s

Dig into the pharmaceutical landscape of New Zealand with Pharmac's top 20s for 2022/23







Therapeutic groups by gross spend

Ranking	Therapeutic Group	Main indication	2020	2021	2022	2023
			\$m	\$m	\$m	\$m
1	Immunosuppressants	Autoimmune conditions, arthritis, transplant and biologics for cancer	\$280.3	\$297.3	\$326.5	\$311.3
2	Chemotherapeutic agents	Cancer	\$103.9	\$138.7	\$150.0	\$154.2
3	Diabetes	Diabetes	\$75.8	\$91.8	\$123.7	\$146.6
4	Vaccinations	Vaccine preventable diseases	\$117.4	\$115.9	\$111.9	\$128.8
5	Antithrombotic agents	Stopping blood clots	\$76.0	\$86.2	\$96.6	\$103.6
6	Inhaled long-acting beta- adrenoceptor agonists	Respiratory conditions	\$63.4	\$67.4	\$75.6	\$73.4
7	Antifibrinolytics, haemostatics and local sclerosants	Haemophilia	\$51.3	\$55.6	\$58.9	\$61.3
8	Multiple sclerosis treatments	Multiple sclerosis	\$33.4	\$39.4	\$44.1	\$49.3
9	Antivirals	Hepatitis C	\$135.1	\$62.6	\$39.9	\$48.5
10	Mucolytics	Respiratory system and allergies	\$2.4	\$7.8	\$14.2	\$44.7
11	Antipsychotics	Mental health	\$35.6	\$37.3	\$38.6	\$40.7
12	Endocrine therapy	HRT	\$41.3	\$47.9	\$43.8	\$40.7
13	Agents affecting the renin-angiotensin system	Blood pressure, heart failure, kidney failure, and effects of diabetes	\$15.5	\$22.1	\$31.7	\$38.7
14	Anticholinergic agents	Respiratory conditions	\$28.8	\$31.4	\$33.3	\$34.6
15	Antiretrovirals	HIV/AIDS	\$24.0	\$26.6	\$28.2	\$31.8
16	Diabetes management	Blood glucose monitors and strips	\$25.1	\$26.7	\$29.4	\$31.6
17	Antiepilepsy drugs	Epilepsy	\$26.8	\$27.2	\$29.3	\$31.2
18	Analgesics	Pain relief	\$17.4	\$27.6	\$26.8	\$26.8
19	Oral and enteral feeds	Special food	\$17.9	\$20.2	\$23.5	\$26.0
20	Stimulants/ADHD treatments	ADHD and narcolepsy	\$11.0	\$11.4	\$13.4	\$16.8
		Total				\$1,440.6

The data above excludes hospital purchases.

List order has been determined by top spend in the financial year 2022/23.

Gross spend is shown in millions NZD and is exclusive of GST, and prior to the application of rebates and discounts.

Community medicines by number of funded prescriptions dispensed

Ranking	Medicine	Therapeutic group		2023
1	Paracetamol	Analgesics		3,460,000
2	Atorvastatin	Cardiovascular		1,840,000
3	Omeprazole	Alimentary		1,690,000
4	Amoxicillin	Anti-infectives		1,230,000
5	Ibuprofen	Analgesics		1,200,000
6	Colecalciferol	Musculoskeletal		1,110,000
7	Aspirin	Antithrombotics		1,100,000
8	Metoprolol succinate	Cardiovascular		920,000
9	Salbutamol	Respiratory		860,000
10	Levothyroxine	Hormones		710,000
11	Prednisone	Hormones		700,000
12	Cetirizine hydrochloride	Antihistamines		690,000
13	Amlodipine	Cardiovascular		680,000
14	Candesartan cilexetil	Cardiovascular		650,000
15	Zopiclone	Nervous system		640,000
16	Loratadine	Antihistamines		590,000
17	Docusate sodium with sennosides	Laxatives		590,000
18	Metformin hydrochloride	Diabetes		580,000
19	Fluticasone propionate	Nasal preparations		560,000
20	Celecoxib	Non-steroidal anti-inflammatory drugs		550,000
			Total	20,350,000

Hospital medicines by gross spend

Ranking	Medicine	Therapeutic group	2023 Spend
			\$m
1	Infliximab	Immunosuppressants	\$52.63
2	Aflibercept	Immunosuppressants	\$16.53
3	Rituximab	Immunosuppressants	\$8.90
4	Iron (as ferric carboxymaltose)	Alimentary	\$8.34
5	Clostridium botulinum type A toxin	Musculoskeletal	\$5.79
6	Alteplase	Antithrombotics	\$4.86
7	Idarucizumab	Immunosuppressants	\$4.26
8	Enoxaparin sodium	Antithrombotics	\$4.13
9	Ustekinumab	Immunosuppressants	\$3.69
10	Tocilizumab	Immunosuppressants	\$3.59
11	Noradrenaline	Sympathomimetics	\$2.88
12	Ocrelizumab	Multiple sclerosis treatments	\$2.84
13	Levonorgestrel	Hormones	\$2.71
14	Sugammadex	Musculoskeletal	\$2.44
15	Paliperidone	Antipsychotics	\$2.41
16	Amphotericin B	Anti-infectives	\$2.38
17	Olanzapine	Anaesthetics	\$2.17
18	Lidocaine [Lignocaine] hydrochloride	Anaesthetics	\$1.91
19	Lenalidomide	Oncology	\$1.79
20	Heparin sodium	Blood and blood forming organs	\$1.76
		Total	\$136.02

Reimbursed medicines

by gross spend

Ranking	Medicine	Therapeutic group	2023 Spend
			\$m
1	Adalimumab	Immunosuppressants	\$54.21
2	Pembrolizumab	Immunosuppressants	\$53.06
3	Dabigatran	Antithrombotic agents	\$49.13
4	Lenalidomide	Oncology	\$44.57
5	Rivaroxaban	Antithrombotic agents	\$42.53
6	Budesonide with eformoterol	Respiratory	\$40.63
7	Trastuzumab	Immunosuppressants	\$38.00
8	Insulin glargine	Diabetes	\$35.80
9	Abiraterone acetate	Oncology	\$31.40
10	Palbociclib	Oncology	\$30.88
11	Elexacaftor with tezacaftor, ivacaftor and ivacaftor	Mucolytics	\$30.49
12	Rurioctocog alfa pegol [Recombinant factor VIII]	Blood and blood forming organs	\$28.46
13	Aflibercept	Immunosuppressants	\$27.80
14	Secukinumab	Immunosuppressants	\$26.03
15	Empagliflozin	Diabates	\$25.92
16	Etanercept	Immunosuppressants	\$25.36
17	Dolutegravir	Anti-infectives	\$23.90
18	Sacubitril with valsartan	Agents affecting the renin- angiotensin system	\$22.34
19	Diphtheria, tetanus, pertussis, polio, hepatitis B and haemophilus influenzae type B vaccine	Vaccinations	\$22.30
20	Human papillomavirus vaccine [HPV]	Vaccinations	\$21.30
		Total	\$674.11

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Our expert advisors

Te Rōpū

Te Rōpū Māori supports Pharmac to build our capability in te ao Māori and enhance how we give effect to te Tiriti o Waitangi. Te Rōpū works closely with the Pharmac Board and Senior Leadership team.

- Eugene Berrymen-Kamp (Ngāti Kea, Ngāti Tuara, Ngāti Whakaue, Te Arawa, Ngāti Pukeko, Ngāti Awa, and Ngāti Manawa) (Co-chair)
- Rebecca Mason (Ngāti Kuia, Ngāti Koata, Rangitāne o Wairau, Ngāti Apa ki te Rā Tō, Ngāti Toa Rangatira, Ngāi Tahu) (Co-chair)
- Dr Teah Carlson (Te Whānau ā Apanui, Ngāti Porou, and Waikato-Tainui)
- Dr Rachel Mackie (Ngāti Wai)
- Nora Jayne Parore (Ngāti Whātua, Ngāpuhi, Ngāti Wai, Ngāti Kahu o Whangaroa, and Te Roroa)
- Dr Arihia Waaka (Te Arawa)

Pharmacology and Therapeutics Advisory Committee

PTAC provides objective clinical advice to help Pharmac make decisions about how to use our funds wisely. It provides and promotes critical appraisal of the strength and quality of evidence for funding applications. This is applied rigorously, systematically, and consistently across all clinical areas.

PTAC is made up of senior health practitioners from a range of specialities, who also regularly work with patients and their families. PTAC also has a consumer member. Te Tiriti and health equity expertise are also represented.

- Dr Jane Thomas (Chair) Paediatric Anaesthesia and Pain Medicine Specialist MBChB. FANZCA. FFPMANZCA
- Prof Brian Anderson Anaesthesia and Intensive Care Medicine Specialist MBChB, Dip Obst, FANZCA, FCICM, PhD
- Prof Rhiannon Braund Clinical Pharmacist PhD, BPharm, BSc (Biochemistry), FPS, FNZCP
- Dr Matthew Dawes Physician and Clinical Pharmacologist BSc, MB BS, MRCP. PhD
- Dr Elizabeth Dennett General Surgery, Colorectal BMedSci, MBChB, GradDipMed, MMedSci, MAppMgt(Hlth), FRACS, FASCRS
- Dr Helen Evans Paediatric Gastroenterology and Hepatology BSc, MBChB, MRCPCH, FRACP
- Assoc Prof Alan Fraser Gastroenterologist MBChB, MD, FRACP
- Dr Bruce King Specialist Internal Medicine and Nephrology MBChB, FRACP
- Dr Liza Lack National Clinical Lead General Practice Education at Royal New Zealand College of General Practitioners BMed Sci, MB, BS, DRCOG, DFFPA, DCH, PG Dip GP (Hons), Dip Strategic Management (Hons), Master Health Science

- Dr James Le Fevre Emergency Medicine Specialist MBChB, FACEM, MBA, CMInstD
- Dr Robyn Manuel Consumer Member (Te Rarawa, Ngāti Kahu, Ngāti Kurī and Te Aupōuri)
- Dr John Mottershead Consultant Neurologist FRACP, FRCP BM BCh, BA (oxon), MSc (Distinction)
- Dr Stephen Munn Transplant Surgeon MBChB, FRACS, FACS
- Prof Lisa Stamp Internal Medicine and Rheumatology MBChB, FRACP, PhD, PGCertStratLdrship
- Dr Matthew Strother Medical Oncologist MD (USA), FRACP
- Dr Paul Vroegop Child & Adolescent Liaison Psychiatrist and Specialist Pain Medicine Physician MBChB, FRANZCP, FFPMANZCA
- Dr Simon Wynn Thomas General Practitioner BMedSci (UK), MRCP (UK), MRCGP (UK), DFFP, FRNZCGP

Consumer Advisory Committee

The Consumer Advisory Committee provides a consumer perspective on our work.

- Robyn Manuel (Chair) Te Rarawa, Ngāti Kahu, Ngāti Kurī and Te Aupōuri
- Nele Kalolo (Deputy Chair)
- Georgina Johnson Ngāti Porou, Ngāti Raukawa
- Hazel Heal
- Mary Schnackenberg
- Tui Taurua Ngāpuhi
- Dr Sione Vaka
- Janfrie Wakim
- Dr Vivien Wei Verheijen

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Specialist Advisory Committees

Pharmac has 21 sub-committees that provide objective specialist knowledge and expertise within specific clinical areas, such as diabetes, cancer, and mental health.

Analgesic Advisory Committee

- Dr Tipu Aamir Pain Medicine Specialist
- Dr Leinani Aiono-Le Tagaloa - Pain Specialist
- Prof Brian Anderson -Paediatric Anaesthetist / Intensivist (PTAC Member)
- Dr Catherine D'Souza -Director Palliative Care
- Dr Bruce King -Specialist Internal Medicine and Nephrology (PTAC Member)
- Dr Christopher Lynch -Neurologist
- Dr Giles Newton-Howes -Psychiatrist
- Dr Jane Thomas -Paediatric Anaesthetist (PTAC Chair)
- Dr Alana Wilson -Specialist General Practitioner

Anti-Infective Advisory Committee

- Prof Rhiannon Braund - Clinical Pharmacist (Chair, PTAC member)
- Dr Emma Best -Paediatric Infectious Diseases Consultant
- Dr Simon Briggs -Infectious Diseases Physician
- Dr James Chisnall -General Practitioner

- Dr Simon Dalton -Infectious Diseases and General Physician
- Dr Elizabeth Dennett - General Surgery
 - Colorectal (PTAC Member
- Mr Eamon Duffv -Antimicrobial Pharmacist
- Prof Ed Gane -Hepatologist
- Dr Sean Hanna General Dr Mayanna Lund -Practitioner
- Dr Jane Morgan Sexual Dr Richard Medlicott -Health Physician

Cancer Treatments Advisory Committee (previously CaTSoP)

- Dr Stephen Munn -Transplant Surgeon (Chair, PTAC member)
- Dr Scott Babington -Radiation Oncologist
- Dr Oliver Brake -Haematologist
- Prof Christopher Frampton -Biostatistician
- Assoc Prof Chris Hemmings - Anatomic Pathologist
- Dr Richard Isaacs -Medical Oncologist
- Dr Allanah Kilfoyle -Haematologist
- Dr Alice Loft Medical Oncologist
- Dr Vidva Mathavan -Haematologist
- Dr Anne O'Donnell -Oncologist
- Dr Matthew Strother - Medical Oncologist (PTAC Member)

- Dr Lochie Teague -Paediatric Haematologist / Oncologist
- Dr Michelle Wilson -Medical Oncologist

Cardiovascular Advisory Committee

- Dr Andrew Aitken -Cardiologist
- Cardiologist
- General Practitioner
- Prof Mark Webster -Consultant Cardiologist
- Dr Samuel Whittaker -General Practitioner

Dermatology Advisory Committee

- Prof Lisa Stamp -Rheumatologist (Chair, PTAC member)
- Prof Rhiannon Braund - Clinical Pharmacist (PTAC member)
- Dr Martin Denby -General Practitioner
- Dr Paul Jarrett -Dermatologist
- Dr Sharad Paul General Practitioner
- Dr Diana Purvis -Dermatologist / Paediatrician
- Dr Marius Rademaker -Dermatologist

Diabetes Advisory Committee

- Dr Elizabeth Dennett - General Surgery -Colorectal (Chair, PTAC • Dr Stella Milsom -Member)
- Dr Nic Crook -Diabetologist
- Dr Sean Hanna General Practitioner
- Dr Bruce King -Specialist Internal Medicine and Nephrology (PTAC member)
- Dr Helen Lunt Adult Diabetes Specialist
- Dr Karen MacKenzie - Paediatric Endocrinologist
- Dr Diana McNeill -General Physician/ Diabetes Specialist
- Prof Rinki Murphy -Specialist Diabetes Physician
- Ms Angela Renall -Clinical Pharmacist
- Ms Kate Smallman -Diabetes Nurse Specialist / Prescriber
- Dr Esko Wiltshire - Paediatric Endocrinologist

Endocrinology Advisory Committee

- Dr Simon Wynn Thomas - General Practitioner (Chair, PTAC members
- Dr Richard Carroll -Endocrinologist
- Dr Carl Eagleton -Endocrinologist
- Prof Alistair Gunn - Paediatric Endocrinologist

- Dr Bruce King -Specialist Internal Medicine and Nephrology (PTAC member)
- Endocrinologist
- Dr Esko Wiltshire - Paediatric Endocrinologist

Gastrointestinal Advisory Committee

- Dr Bruce King -Specialist Internal Medicine and Nephrology (Chair, PTAC member)
- Prof Murray Barclay -Clinical Pharmacologist / Gastroenterologist
- Dr Jonathan Bishop - Paediatric Gastroenterologist
- Assoc Prof Alan Fraser - Gastroenterologist (PTAC member)
- Dr James Fulforth - Consultant Gastroenterologist
- Assoc Prof Michael Schultz -Gastroenterologist
- Assoc Prof Catherine Stedman -Gastroenterologist / Hepatologist and Clinical Pharmacologist
- Dr Russell Walmsley -Gastroenterologist
- General Practitioner (PTAC member)

Haematology Advisory Committee

- Prof Brian Anderson - Anaesthesia and Intensive Care Specialist (Chair, PTAC member)
- Dr Paul Harper -Haematologist
- Dr Eileen Merriman -Haematologist
- Dr Annette Neylon -Haematologist
- Assoc Prof Paul Ockelford -Haematologist
- Dr Julia Phillips -Haematologist
- Dr Lochie Teague -Paediatric Haematologist / Oncologist

Immunisation Advisory Committee

- Dr Stephen Munn -Transplant Surgeon (Chair, PTAC member)
- Dr Stuart Dalziel -Paediatrician
- Dr Sean Hanna General Practitioner
- Prof Karen Hoare Nurse Practitioner / Senior Lecturer
- Assoc Prof Lance Jennings - Clinical Virologist
- Dr Osman Mansoor -Public Health Physician / Medical Officer of Health
- Dr Simon Wynn Thomas
 Prof David Murdoch -Clinical Microbiologist / Infectious Diseases Specialist
 - Dr Edwin (Garv) Reynolds - General Practitioner
 - Dr Erasmus Smit -Clinical Virologist

- Dr Michael Tatley -Director of New Zealand Pharmacovigilance Centre
- Assoc Prof Nikki Turner -Director of Immunisation
- Prof James Ussher - Consultant Clinical Microbiologist
- Dr Tony Walls -Paediatrician / Infectious Diseases Specialist
- Dr Elizabeth Wilson -Paediatric Infectious Diseases Specialist

Mental Health Advisory Committee

- Assoc Prof Alan Fraser - Gastroenterologist (Chair, PTAC member)
- Dr David Chinn -Child and Adolescent Psychiatrist
- Dr Bronwyn Copeland -Consultant Psychiatrist
- Dr Sean Hanna General Practitioner
- Dr Verity Humberstone -Psychiatrist
- Dr Jeremy McMinn -Consultant Psychiatrist Addiction Specialist
- Dr Giles Newton-Howes - Psychiatrist
- Assoc Prof David Menkes - Psychiatrist
- Dr Cathy Stephenson -General Practitioner / Sexual Assault Medical Examiner
- Kyra Sycamore -Pharmacist
- Karyn Whatson Nurse Practitioner

Nephrology Advisory Committee

- Dr Elizabeth Dennett - General Surgery Colorectal (Chair, PTAC member)
- Dr Caroline Chembo -Renal Physician
- Dr Nick Cross -Nephrologist
- Dr Colin Hutchison -Nephrologist
- Dr Bruce King -Specialist Internal Medicine and Nephrology (PTAC member)
- Dr Kannaiyan Rabindranath - Consultant Nephrologist
- Dr William Wong -Paediatric Nephrologist

Neurological Advisory

- Prof Brian Anderson -Paediatric Anaesthetist / Intensivist (PTAC Member)
- Dr Sarah Buchanan -Neurologist
- Dr John Fink -Neurologist
- Dr John Mottershead -Neurologist
- Dr Giles Newton-Howes - Psychiatrist
- Prof Lynette Sadlier -Paediatric Neurologist
- Dr Paul Timmings -Neurologist

Ophthalmology Advisory Committee

- Dr Jim Bartley -Otolaryngologist
- Dr Richard Johnson -Optometrist
- Dr Sam Kain -Optometrist
- Dr Stephen Munn -Transplant Surgeon (Chair, PTAC member)
- Dr Logan Robinson -Ophthalmologist and Vitreoretinal Surgeon
- Dr Jo Sims -Ophthalmologist
- Prof Lisa Stamp -Rheumatologist (PTAC member)
- Dr Samuel Whittaker -General Practitioner
- Dr Michelle Wong -Otolaryngologist

Rare Disorders Advisory Committee

- Dr Rhiannon Braund - Clinical Pharmacist
- (Chair, PTAC Member) • Dr James Cleland - Neurologist and
- Dr Emma Glamuzina -Metabolic Consultant

Neurophysiologist

- Prof Carlo Marra -Dean of the School of Pharmacy, University of Otago
- Dr Katherine Neas -Clinical Geneticist
- Prof Tim Stokes -General Practitioner

Reproductive and Sexual **Health Advisory Committee**

- Dr Simon Wynn Thomas - General Practitioner (Chair, PTAC member)
- Prof Rhiannon Braund -Clinical Pharmacist (PTAC member)
- Dr Jane Morgan Sexual Health Physician
- Dr Ian Page -Obstetrician and Gynaecologist
- Dr Helen Paterson - Obstetrician and Gynaecologist
- Dr Christine Roke -Sexual Health Physician
- Dr Martin Wilson -General Practitioner

Respiratory Advisory Committee

- Dr Matthew Strother - Medical Oncologist (Chair, PTAC Member)
- Dr Tim Christmas -
- Respiratory Physician Prof Stuart Dalziel -

Paediatrician

- Dr Greg Frazer -Respiratory Physician
- Dr David McNamara -Paediatric Respiratory Physician
- Betty Poot Nurse Practitioner
- Dr Justin Travers -Respiratory Physician
- Dr Neil Whittaker -General Practitioner

Rheumatology Advisory Committee

- Dr Priscilla Campbell-Stokes - Paediatric Rheumatologist
- Dr Keith Colvine -Rheumatologist and General Physician

- Dr Michael Corkill -Rheumatologist
- Dr Elizabeth Dennett - General Surgery / Colorectal (PTAC Member)
- Assoc Prof Alan Fraser -Gastroenterologist (PTAC member)
- Assoc Prof Andrew Harrison - Rheumatologist
- Dr Janet Hayward -General Physician
- Assoc Prof Will Taylor -Rheumatologist

Special Foods Advisory Committee

- Assoc Prof Alan Fraser member)
- Mrs Kim Herbison -Paediatric Dietitian
- Miss Nicola Hartley -Dietitian, Clinical Leader -
- Acute Inpatient Services • Prof Jennifer Martin -
- Clinical Pharmacologist • Ms Nicola McCarthy -
- Clinical Dietitian • Dr Amin Roberts
- Paediatric Gastroenterologist
- Dr Russell Walmsley -Gastroenterologist
- Dr Jocy Wood General Practitioner
- Ms Victoria Woollett (nee Logan) - Community Dietitian

Tender Clinical Advisory Committee

- Prof Rhiannon Braund -Clinical Pharmacist (Chair, December 2023 PTAC member)
- Prof Brian Anderson -Anaesthesia and Intensive Care Specialist (PTAC member)

- Nerissa Dalusona -Pharmacy Technician & Team Leader, Aseptic **Production Unit**
- Ms Amy Hina Nurse Practitioner
- Dr Liza Lack General Practitioner, Clinical Director
- Mr Craig MacKenzie -Hospital Pharmacist
- Miss Stephanie Noble -Pharmacist
- Ms Clare Randall -Palliative Care Clinical Pharmacist
- Mr Geoff Savell -Pharmacist
- Ms Amanda Stanfield -Community Pharmacist
- Gastroenterologist (PTAC Ms Helen Topia Nurse Practitioner / Clinical
 - Educator • Ms Lorraine Welman -Chief Pharmacist

Transplant **Immunosuppressant Advisory Committee**

- Dr Helen Evans - Paediatric Gastroenterologist
- Prof Stephen Munn -Transplant Surgeon (PTAC member)
- Dr Grant Pidgeon Renal Physician Prof Lisa Stamp - Rheumatologist (PTAC member)
- Prof Lisa Stamp -Rheumatologist (PTAC member)

Names, roles and titles current as of



