

23 January 2014

## Proposal to list a range of Wound Care products supplied by Smith & Nephew Limited

PHARMAC is seeking feedback on a proposal to list a range of wound care products supplied by Smith & Nephew Limited (“Smith & Nephew”) in Part III of Section H of the Pharmaceutical Schedule from 1 March 2014.

In summary, this proposal would result in:

- Around 700 wound care products which are already supplied to DHB Hospitals being supplied under a proposed national agreement that all DHBs may purchase under, subject to consultation and approval (“Agreement”). This Agreement is not a sole supply agreement, and DHBs may continue to purchase other suppliers brands of wound care products.
- Smith & Nephew providing educational services including online e3 learning application on wound bed preparation, pressure injuries and skin tears, educational seminars on wound management and leg ulcers in accordance with the requirements of DHB Hospitals and tailoring education services to specific clinical indications in line with DHB Hospital requirements as required.
- The proposal is cost neutral to the pricing negotiated by Health Alliance for the DHBs that came into effect on 1 November 2013. Pricing for the products in this Agreement, subject to any prior termination of the Agreement, would not be increased before February 2017.

### Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by **Monday, 10 February 2014** to:

Bela Jones  
Procurement Manager  
PHARMAC  
PO Box 10 254  
Wellington 6143

Email: [devices@pharmac.govt.nz](mailto:devices@pharmac.govt.nz)

All feedback received before the closing date will be considered by PHARMAC’s Board (or its delegate) prior to making a decision on this proposal.

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 it withheld. PHARMAC will give due consideration to any such request

### **Details of the proposal**

PHARMAC has entered into an Agreement with Smith & Nephew for a range of wound care products in the dressings, bandages, casting, tapes and other categories of wound care. The exact product range and pricing in this proposal has not been included in this consultation for brevity, however we are making it available to Procurement Departments at DHBs. Brand ranges in the agreement include:

- ACTICOAT Range
- ACTIMOVE Range
- ALGISITE Range
- ALLEVYN Range
- BACTIGRAS Range
- BIOBRANE Range
- BSN Casting Range
- BSN Medical Range
- BSN Range of Surgical Tapes
- CARBONET
- CICA-CARE Range
- COMPRILAN Range
- COPLUS Range
- COVERMED Range
- COVERPLAST Range
- CUTICERIN Range
- CUTIFILM Range
- CUTILIN Range
- CUTINOVA Range
- CUTIPLAST Range
- DYNACAST Range
- DELTA CAST Range
- DERMAPAD Range
- DURAFIBER Range
- DURATOUCH Range
- ELODUR FORTE
- EXU DRY Range
- GELOCAST
- GYPSONA Range
- HANDYBAND Range
- HANDYCREPE Range
- HANDYGAUZE Range
- HANDYGRIP Range
- HYPAFIX Range
- ICTHOPASTE
- INTERPOSE Range
- INTRASITE Range
- IODOSORB
- IV3000 Range
- JELONET Range
- LEUKOSTRIP Range
- MEDICEL
- MEDICLEAN
- MEDISWABS
- MELOLIN Range
- MELOLITE Range
- MULTISORB Range
- NO STING Skin Prep Swab
- OPSITE Range
- PRIMAPORE Range
- PROFORE Range
- PROPAX Range
- PROPAX Sterile Crepe Bandage Range
- PROPAX Stockinette Range
- PROTOUCH Cotton Stockinette Range

- PRO-TWO Range
- REMOVE Wipes
- REPLICARE THIN Range
- SECURA CLEANSER
- SECURA NSBF SPRAY
- SECURA NSBF WIPE
- SKIN PREP Wipes
- SOFFBAN Range
- SOLOSITE Range
- SURGIFIX Range
- TENSOG RIP Range
- TENSOPLAST Range
- TRIANGULAR Bandages
- TRICOFIX Range
- TRICOTEX
- VISCOPASTE
- ZIPZOC

If the Agreement is approved by PHARMAC's Board or its delegate, Smith & Nephew's range of wound care products would be listed in Part III of Section H of the Pharmaceutical Schedule, which contains products with national agreements that DHBs are able to purchase under.

The Agreement includes terms for education services to be provided by Smith & Nephew to DHB personnel on appropriate use of its wound care products, which is to be provided at times as agreed with individual DHBs.

Wound care products would be listed in Part III of Section H of the Pharmaceutical Schedule. We propose that the wound care products would not be listed in the printed Section H of the Pharmaceutical Schedule, but rather in an Addendum to Part III of Section H available on our website in an Excel spreadsheet format, and a PDF document.

## **Background**

In August 2013 PHARMAC issued a registration of interest document, seeking proposals from suppliers for non-exclusive national agreements for wound care products. Following the closure of this request, we have been working with a number of suppliers in order to seek to reach an agreement with them. The Smith & Nephew Agreement is one of the first of these and we aim to consult on additional proposed agreements over the next couple of months, provided we can reach agreement with the suppliers.