

24 October 2014

Multiproduct proposal with bioCSL (NZ) Ltd

PHARMAC is seeking feedback on a proposal involving 10 products resulting from a provisional agreement with bioCSL (NZ) Ltd.

The proposal would result in:

- a reduction in price for solifenacin 5 mg and 10 mg tablets (Vesicare) from 1 January 2015 with subsidy and delisting protection to 30 June 2018; and
- subsidy and delisting protection for hydrocortisone butyrate ointment 100 g, hydrocortisone butyrate lipocream 30 g and 100 g, hydrocortisone butyrate scalp solution, hydrocortisone butyrate milky emulsion (the Locoid Range), podophyllotoxin solution 0.5% (Condyline) and hydrocortisone with natamycin and neomycin cream and ointment 15 g (Pimafucort) until 30 June 2018.

Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by **Friday, 7 November 2014** to:

Bronwyn Hale
Therapeutic Group Manager
PHARMAC
PO Box 10 254
Wellington 6143

Email: bronwyn.hale@pharmac.govt.nz

Fax: 04 460 4995

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

Vesicare

- Vesicare would be listed in Section B and Part II of Section H of the Pharmaceutical Schedule from 1 January 2015 at the following prices (ex-manufacturer, excluding GST)

Chemical	Formulation	Brand	Pack size	Current price and subsidy	Proposed price and subsidy
Solifenacin succinate	Tab 5 mg	Vesicare	30	\$56.50	\$37.50
Solifenacin succinate	Tab 10 mg	Vesicare	30	\$56.50	\$37.50

- Vesicare would have subsidy and delisting protection until 30 June 2018.
- A confidential rebate would apply to Vesicare, reducing the net price paid by the Funder.
- The current Special Authority for Vesicare would remain in place.

Locoid Range

- The listings of and prices and subsidies for the Locoid Range in Section B and Part II of Section H of the Pharmaceutical Schedule would be unchanged as a result of this proposal as follows:

Chemical	Formulation	Brand	Pack size	Current and proposed price and subsidy
Hydrocortisone butyrate	Lipocream 0.1%	Locoid Lipocream	30 g OP	\$2.30
Hydrocortisone butyrate	Lipocream 0.1%	Locoid Lipocream	100 g OP	\$6.85
Hydrocortisone butyrate	Oint 0.1%	Locoid	100 g OP	\$6.85
Hydrocortisone butyrate	Milky emul 0.1%	Locoid Crelo	100 ml OP	\$6.85
Hydrocortisone butyrate	Scalp lotn 0.1%	Locoid	100 ml OP	\$3.65

- The Locoid Range would have subsidy and delisting protection until 30 June 2018.
- The Locoid Range would continue to have sole supply and hospital sole supply status until 30 June 2015 (in accordance with an existing agreement).

Condyline

- The listing of, price and subsidies for Condyline in Section B and Part II of Section H of the Pharmaceutical Schedule would be unchanged as a result of this proposal as follows:

Chemical	Formulation	Brand	Pack size	Price and subsidy
Podophyllotoxin	Soln 0.5%	Condyline	3.5 ml OP	\$33.60

- Condyline would have subsidy and delisting protection until 30 June 2018.

Pimafucort

- The listings of, prices and subsidies for Pimafucort in Section B and Part II of Section H of the Pharmaceutical Schedule would be unchanged as a result of this proposal as follows:

Chemical	Formulation	Brand	Pack size	Current and Proposed price and subsidy
Hydrocortisone with natamycin and neomycin	Crm 1% with natamycin 1% and neomycin sulphate 0.5%	Pimafucort	15 g OP	\$2.79
Hydrocortisone with natamycin and neomycin	Oint 1% with natamycin 1% and neomycin sulphate 0.5%	Pimafucort	15 g OP	\$2.79

- Pimafucort would have subsidy and delisting protection until 30 June 2018.

Background

In response to PHARMAC's consultation on the 2014/2015 Invitation to Tender product list, bioCSL (NZ) Ltd submitted an alternative commercial proposal (ACP) involving various products currently supplied by bioCSL (NZ) Ltd, including Vesicare, the Locoid Range, Condyline and Pimafucort.

This ACP forms the basis of PHARMAC's provisional agreement with bioCSL (NZ) Ltd and, if approved, would result in Vesicare, the Locoid Range, Condyline and Pimafucort remaining fully funded, subject to the provisional agreement's terms, until at least 30 June 2018.