

12 May 2015

Proposal to list lidocaine 4% cream

PHARMAC is seeking feedback on a provisional agreement with Orion Laboratories (NZ) Limited. In summary, this proposal is to list lidocaine 4% cream (30 g pack) and lidocaine 4% cream (5 g x 5 pack) from 1 August 2015:

- in Section B of the Pharmaceutical Schedule, subject to the same Special Authority criteria that currently apply to lidocaine 2.5% with prilocaine 2.5% cream (EMLA); and
- in Part II of Section H of the Pharmaceutical Schedule with no restrictions.

Details of the proposal can be found on the following pages.

Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by **Tuesday, 26 May 2015** to:

Adrienne Martin	Email: Adrienne.Martin@pharmac.govt.nz
Senior Therapeutic Group Manager	Post: PO Box 10 254, Wellington 6143
PHARMAC	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

- Lidocaine 4% cream would be listed in Section B and in Part II of Section H of the Pharmaceutical Schedule from 1 August 2015 at the following prices and subsidies (ex-manufacturer, excluding GST):

Chemical	Presentation	Brand	Pack size	Price and subsidy
Lidocaine	Cream 4%	LMX4	30 g OP	\$27.00
Lidocaine	Cream 4% (5 g tubes)	LMX4	5	\$27.00

- Lidocaine 4% cream (LMX4) would be listed in Section B of the Pharmaceutical Schedule subject to the same Special Authority criteria as lidocaine 2.5% with prilocaine 2.5% cream (EMLA), as follows:

Special Authority for Subsidy

Initial application from any relevant practitioner. Approvals valid for 2 years where the patient is a child with a chronic medical condition requiring frequent injections or venepuncture.

Renewal from any relevant practitioner. Approvals valid for 2 years where treatment remains appropriate and the patients is benefiting from treatment.

- A single Special Authority would apply to both EMLA and LMX4, meaning that either product would be subsidised if prescribed and dispensed after an approval was granted.
- Lidocaine 4% cream (LMX4) would be listed in Part II of Section H of the Pharmaceutical Schedule with no restrictions.

Background

An application to list lidocaine 4% cream on the Pharmaceutical Schedule was considered by the Pharmacology and Therapeutics Advisory Committee (PTAC) at its May 2014 meeting and PTAC made the following recommendations:

- that lidocaine 4% (LMX4) cream be listed in Section B of the Pharmaceutical Schedule subject to the same Special Authority restrictions as lidocaine 2.5% with prilocaine 2.5% cream (EMLA cream) provided it was no more expensive than EMLA cream; and
- that lidocaine 4% (LMX4) cream be listed in Part II of Section H of the Pharmaceutical Schedule (the Hospital Medicines List; HML) without restrictions provided it was no more expensive than any other topical anaesthetic listed on the HML

Full details of the minutes can be found here:

<http://www.pharmac.govt.nz/patients/ApplicationTracker?ProposalId=1203>

PHARMAC estimates that listing LMX4 would provide savings of approximately \$180,000 to DHBs over 5 years (NPV 8%), assuming that LMX4 gains a 40% market share of the similar listed topical anaesthetics by year 5, as it would be cheaper than EMLA.