

21 October 2015

Proposal to list a range of Interventional Cardiology products supplied by St Jude Medical New Zealand Ltd

PHARMAC is seeking feedback on a proposal to list a range of Interventional Cardiology products supplied by St Jude Medical New Zealand Ltd ("St Jude") in Part III of Section H of the Pharmaceutical Schedule from 1 December 2015.

In summary, this proposal would result in:

- 192 interventional cardiology products which are already supplied to DHB Hospitals being supplied under a proposed national agreement with St Jude that all DHBs may purchase under, subject to consultation and approval. This agreement would not be a sole supply agreement, and DHBs may continue to purchase other suppliers' brands of interventional cardiology products.
- St Jude would continue providing educational services that will be tailored to suit the needs of individual DHB Hospitals in format and time as required by DHB Hospitals.
- Estimated total savings to DHBs of approximately \$228,000 per annum based on current usage of St Jude products.
- Pricing for interventional cardiology products in the agreement, subject to any prior termination of the agreement would not be increased before 1 December 2018.

Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by **Wednesday 11 November 2015** to:

Jacquie Pillay
Devices Category Manager
PHARMAC
PO Box 10254
Wellington 6143

Email: jacquie.pillay@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 decisions on these proposals.

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 a provisional agreement with St Jude for a range of interventional cardiology products. The exact product ranges and pricing in these proposals has not been included in this consultation for brevity, however we are making it available to Procurement Departments at DHBs. Brand ranges include:

St Jude:

Amplatzer	SJM Dilator	Guideright
Angio-Seal	Femostop	Ultimum
SJM Venous Introducer		

If the agreement is approved by PHARMAC's Board or its delegate, St Jude's range of interventional cardiology 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 agreements include terms for education services to be provided by St Jude to DHB personnel on appropriate use of its interventional cardiology products, which is to be provided at times as agreed with individual DHBs.

Background

In April 2014 PHARMAC issued a registration of interest document, seeking proposals from suppliers for non-exclusive national agreements for interventional cardiology products. Following closure of this request, we have been working with a number of suppliers seeking to reach an agreement with them. This agreement is one of a number of provisional agreements arising from that process, and we intend to consult on additional proposed agreements over the next few months.