

20 August 2014

Amendment to the Terms of Listing of Disposable Laparoscopic Supplies on the Pharmaceutical Schedule

We refer to the Agreement between PHARMAC and Applied Medical New Zealand Limited (**Applied**) dated 9 December 2013 relating to the listing of Laparoscopic Medical Devices on the Pharmaceutical Schedule (the **Agreement**).

<http://www.pharmac.health.nz/medicines/hospital-devices> .

Background

Applied has offered PHARMAC a further discounted rate on the price payable by a DHB for Applied's Medical Devices based upon either a DHB meeting an ongoing percentage commitment to purchase Applied's Medical Devices, as set out in the Agreement, or a DHB agreeing to purchase a range of Applied's Medical Devices, as set out in the Agreement, and to evaluate them for a stated period of time.

Amendments to the Agreement

PHARMAC and Applied have agreed to amend the Agreement, with effect from 1 September 2014. The amendments are summarised below:-

1. Schedule 1 is amended by adding a second tier of pricing per Supplier unit of measure. The following conditions must be met before a DHB pays second tier pricing:
 - a. a continuing percentage commitment by a DHB to purchase Applied's Medical Devices, as set out in the Agreement; or
 - b. for any DHB committing to undertake an evaluation of a range of Applied's Medical Devices, as set out in the Agreement, for a stated period of time.
2. Qualification requirements for DHB's to access and maintain second tier pricing have been agreed between PHARMAC and Applied.

For the avoidance of doubt all other terms and conditions in the Agreement shall remain unchanged.

More information

If you have any questions about this decision, you can email us at enquiry@pharmac.govt.nz or call our toll free number (9 am to 5 pm, Monday to Friday) on 0800 66 00 50