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20 February 2017

Dear Supplier

## REQUEST FOR PROPOSALS – SUPPLY OF NICOTINE REPLACEMENT THERAPY

PHARMAC invites proposals for the supply of **nicotine replacement therapy (NRT)** (including, but not limited to, nicotine gum, lozenges, patches, oral spray and inhaler) in New Zealand.

This request for proposals (**RFP**) letter incorporates the following schedules:

- **Schedule 1** specifies the pharmaceutical for which PHARMAC is requesting proposals and sets out the background to the RFP and the types of proposals sought;
- **Schedule 2** describes the process that PHARMAC expects to follow in relation to the RFP;
- **Schedule 3** sets out information about the estimated size of the current subsidised market for the pharmaceuticals;
- **Schedule 4** contains the RFP form in which you are to provide details of your proposal;
  - **Appendix A** contains the tables in which you are able to provide the presentation, pricing and dimension details of your proposal.

If you wish to submit a proposal, please submit it to PHARMAC via the Government Electronic Tenders Service (GETS) ([www.gets.govt.nz](http://www.gets.govt.nz)) no later than **4.00 p.m.** on **Friday 17 March 2017**.

If you have any inquiries about this RFP you should submit them via GETS or alternatively contact Matthew Wolfenden, Procurement Manager, by email [procurement@pharmac.govt.nz](mailto:procurement@pharmac.govt.nz).

We look forward to receiving your proposal.

Yours sincerely



Sarah Fitt  
Director of Operations

## Schedule 1: Pharmaceutical, background to RFP and types of proposals sought

### 1. Pharmaceutical

PHARMAC is interested in considering any proposal from suppliers of NRT in the form of:

- (a) Sole supply in both the community and hospital for nicotine gum, nicotine lozenges and/or nicotine patches; **and**
- (b) Sole supply in the hospital for nicotine solution for inhalation and nicotine oral spray; **or**
- (c) Sole supply in both the community and hospital for nicotine solution for inhalation and nicotine oral spray.

The types of proposals sought are detailed more fully in Section 4 below. For the avoidance of doubt, for the purposes of this RFP, PHARMAC considers that sublingual tablets are a form of lozenge, such that every reference to “lozenge” in this RFP should be interpreted as including sublingual tablets

### 2. Background to RFP

The background to this RFP is as follows:

- Funded nicotine gum, lozenges and patches are currently supplied under the brand name Habitrol and are subject to a sole supply agreement. This resulted from the October 2013 RFP process awarded to Novartis Consumer Health Australasia Pty Ltd (Novartis) and novated to GSK Consumer Healthcare New Zealand Limited (GSK) in April 2016. Sole supply ends on 30 June 2017.
- PHARMAC previously issued an [RFP](#) for the supply of NRT dated 9 November 2016. On 8 February 2017, PHARMAC subsequently [notified](#) a decision to not accept any proposal and to terminate the process. The terminology used in the RFP in relation to “sample” packs for gum, lozenges and patches resulted in confusion, with one or more suppliers believing that a level of tracking and follow-up would be required by the supplier for product sampling. This was not the intention and PHARMAC’s desire for proposals in relation to a small pack size to enable health professionals and smoking cessation counsellors to supply patients with a small amount of funded product to enable them to trial the different types and flavours (where relevant) of funded NRT treatments.
- Approximately one third of all subsidised NRT (gum, lozenge and patch only) is provided, fully funded by PHARMAC, directly to third party organisations referred to as “Authorised Providers”. Authorised Providers include the Department of Corrections prisons, certain health service providers contracted by the Ministry of Health to provide smoking cessation services, and Public Health Units. The cost of the direct distribution service is currently included within the subsidised price of the funded products. The supplier invoices PHARMAC directly for the pharmaceutical cost for supplies delivered to Authorised Providers.
- Suppliers should submit proposals for funded products that do not include the cost of direct distribution services. PHARMAC is currently evaluating responses to a separate [RFP](#) process to seek proposals for distribution and logistics services for pharmaceuticals (including NRT) to be delivered directly to authorised third party community health organisations in New Zealand. If a

proposal is accepted via this RFP, the services would commence no earlier than 1 July 2017 and would de-couple the logistics and distribution services cost from the subsidised price.

- PHARMAC currently lists the following NRT products in Section B and/or H of the Pharmaceutical Schedule:

Listed in Section	Chemical	Presentation	Brand	Pack Size	Subsidy and price (ex-man., ex. GST)	Schedule B Comments
B&H	Nicotine	Patch 7 mg	Habitrol	28	\$ 10.57	Up to 28 patches available on a PSO
B&H	Nicotine	Patch 14 mg	Habitrol	28	\$ 11.31	
B&H	Nicotine	Patch 21 mg	Habitrol	28	\$ 11.95	
B&H	Nicotine	Lozenge 1 mg	Habitrol	216	\$ 12.91	Up to 216 lozenges available on a PSO
B&H	Nicotine	Lozenge 2 mg	Habitrol	216	\$ 14.14	
B&H	Nicotine	Gum 2 mg (Classic)	Habitrol	384	\$ 22.26	Up to 384 pieces available on a PSO
B&H	Nicotine	Gum 2 mg (Fruit)	Habitrol	384	\$ 22.26	
B&H	Nicotine	Gum 2 mg (Mint)	Habitrol	384	\$ 22.26	
B&H	Nicotine	Gum 4 mg (Classic)	Habitrol	384	\$ 25.67	
B&H	Nicotine	Gum 4 mg (Fruit)	Habitrol	384	\$ 25.67	
B&H	Nicotine	Gum 4 mg (Mint)	Habitrol	384	\$ 25.67	
H	Nicotine	Oral Spray 1 mg per dose	N/A	N/A	N/A	N/A
H	Nicotine	Soln for inhalation 15 mg cartridge	N/A	N/A	N/A	N/A

#### **Note**

- Section B – Nicotine will not be funded under the Dispensing Frequency Rule in amounts less than 4 weeks of treatment.
- Section B&H – Habitrol Gum 2 mg and 4mg (Classic) to be delisted 1 March 2017 due to low demand for this flavour
- Section H –1% DV limit applies to all Habitrol presentations
- Section H – Nicotine solution for inhalation 15 mg cartridge and oral spray 1 mg per dose are currently listed in Section H of the Pharmaceutical Schedule subject to the restrictions outlined below.

#### *Restricted*

#### *Initiation*

*Any of the following:*

- 1. For perioperative use in patients who have a “nil by mouth” instruction; or*
- 2. For use within mental health inpatient units;*
- 3. For acute use in agitated patients who are unable to leave the hospital facilities.*

We understand that the brands currently used by DHB hospital are Nicorette Inhalator and Nicorette QuickMist Mouth Spray (supplied by Johnson & Johnson); however, this use is not subject to a listing agreement with PHARMAC and there is no set price for these brands in Section H. These presentations are not listed in Section B of the Pharmaceutical Schedule.

PHARMAC now seeks proposals for community supply (including use by Authorised Providers) and hospital supply of nicotine gum, lozenges and/or patches, as well as hospital or community and hospital supply of nicotine oral spray and solution for inhalation, from no earlier than 1 July 2017.

**Please note that for the reasons outlined above this RFP does NOT include a distribution component to Authorised Providers; therefore, the cost of this should not be included in the pricing in any proposal.**

### 3. Clinical advice

The most recent advice that PHARMAC has received from the Pharmacology and Therapeutics Advisory Committee (PTAC) regarding various aspects of NRT is summarised below. For the full minutes please refer to the Application Tracker on [PHARMAC's website](#).

#### **Nicotine inhaler and oral spray for smoking cessation – PTAC August 2014**

The Committee **recommended** that nicotine inhalers and/or nicotine oral spray be listed on the Pharmaceutical Schedule only if the average daily cost of each treatment was no more expensive than the weighted combined average daily cost of the currently funded nicotine presentations (gum, lozenges and patches).

The Committee noted its previous discussions and recommendations in relation to nicotine inhalers and oral spray. The Committee noted that in May 2013 it had recommended that the applications to fund nicotine inhaler and oral spray in the community be declined primarily on the basis that there was no strong evidence that these preparations are more effective than the currently funded forms of NRT and that funding additional NRT preparations would be associated with considerable expenditure without significant additional health gain. The Committee noted that in February 2014 it had again recommended that the application for funding of nicotine inhaler in the community be declined.

Given the lack of robust evidence of benefit beyond 6 months, and the potential for a large proportion of smokers to use the new formulations if funded, the Committee considered that there would be no clinical or financial justification to fund the new presentations if they were more expensive than the average weighted daily cost of the existing funded treatments.

The Committee noted that there was already a large range of funded pharmacotherapy options, including nicotine, bupropion, nortriptyline and varenicline.

#### **Nicotine replacement therapy (NRT) sample packs – PTAC August 2014**

The Committee **recommended** that nicotine gum, lozenges and patches should only be funded in 'sample' pack sizes only if the unit cost (i.e. the cost of a single piece of gum or lozenge or a single patch) was no more expensive than the unit cost of these presentations in the existing funded pack sizes.

The Committee noted that the currently funded pack sizes of NRT (28 patches, 216 lozenges and 384 pieces of gum) equate to approximately four weeks' treatment. The Committee noted that community smoking cessation providers wish to provide patients with smaller quantities than a whole pack, for sampling and demonstration purposes, but are currently prevented from providing patients with smaller quantities due to legislative requirements around breaking down original packs, re-packaging, and supply of pharmaceuticals outside of their original packaging – all of which are permitted only by doctors, pharmacists and other parties specifically licenced to do so.

The Committee considered that if PHARMAC were to fund sample packs, this would only be necessary for Authorised Providers, given that doctors and pharmacists can legally split the large packs.

The Committee noted that two key benefits of sample packs outlined in the Application were to encourage more smokers to commit to a quit attempt and to reduce waste.

The Committee considered that if sample packs were available funded for Authorised Providers, sample packs could replace up to 20% of the larger pack sizes, although the Committee considered it likely that patients would be given more than one sample pack (e.g. multiple sample packs of different flavours or formulations) and members were unsure to what extent 'unsanctioned' sampling was already occurring.

... while Members supported the idea of the use of sample packs, the Committee considered that there was no clinical or financial justification for the unit price of NRT to be more expensive in a smaller pack than a larger one.

#### 4. Types of proposals sought

PHARMAC is willing to consider the following types of proposals:

##### **Gum/Lozenge/Patch Proposals**

##### **Sole supply**

- Sole supply status would entail Sole Subsidised Supply in the Community via a listing in Section B of the Pharmaceutical Schedule and Hospital Supply Status in Part II of Section H of the Pharmaceutical Schedule, with a 1% DV limit, from no earlier than 1 July 2017 ending on 30 June 2020 but may be extended for a maximum period of a further 24 months in accordance with the provisions stated in Schedule 2, clause 6 (c) of this RFP.
- Sole Supply Status would be applied at the formulation level – e.g. gum, lozenge, patch. For the avoidance of doubt, suppliers made submit a sole supply proposal for gum only, lozenges only, patches only (etc) or a proposal for sole supply of all or multiple formulations.

##### **Pack size requirements within each proposal**

- Within each proposal for gum, lozenges and/or patches suppliers must submit:
  - A price for one pack size suitable for dispensing a supply of up to four weeks' treatment ("standard supply"); **and**
  - A price for one pack size suitable for standard supply (outlined above) and a price for a small pack size (suitable for use as a trial pack) as follows:
    - Gum & lozenge – pack of 12 - 36 pieces (preference for less than or equal to 20 pieces)
    - Patch – pack of 7 patches or less.
- Depending on unit pricing relative to the standard supply pack sizes, funded access to small pack sizes may be restricted to Authorised Providers only, potentially in limited quantities.
- For the avoidance of doubt, PHARMAC's request for proposals in relation to a small pack size is to allow health professionals and/or smoking cessation counsellors to offer patients a trial of the different types and flavours (where relevant) of certain formulations of NRT. No level of tracking and follow-up would be required by the supplier. Funding of a small pack size is not guaranteed.

##### **Minimum presentation requirements within each proposal**

- Gum – Two strengths, two flavours of each, including a mint variety.
- Lozenge – Two strengths.
- Patch – Three strengths (low, medium and high) for titration purposes – for example 7/14/21 mg per 24 hours or 10/15/25 mg per 16 hours.

## **Oral Spray/Solution for Inhalation Proposals**

### **Sole supply**

- Sole supply status would entail:
  - Hospital Supply Status in Part II of Section H of the Pharmaceutical Schedule, with a 1% DV limit, from no earlier than 1 July 2017 ending on 30 June 2020 but may be extended for a maximum period of a further 24 months in accordance with the provisions stated in Schedule 2, clause 6 (c) of this RFP; or
  - Sole Subsidised Supply in the Community via a listing in Section B of the Pharmaceutical Schedule and Hospital Supply Status in Part II of Section H of the Pharmaceutical Schedule, with a 1% DV limit, from no earlier than 1 July 2017 ending on 30 June 2020 but may be extended for a maximum period of a further 24 months in accordance with the provisions stated in Schedule 2, clause 6 (c) of this RFP.
- Sole Supply Status would be applied at the formulation level – e.g. oral spray, solution for inhalation.
- Suppliers that wish to submit proposals for either or both of the oral spray or solution for inhalation delivery methods must submit at least one individual proposal for either or both presentations for hospital sole supply only and may submit proposals for both community and hospital sole supply
- Community listing of the oral spray or solution for inhalation would only occur if sufficient funds were available, and PTAC's advice (ie. that these presentations be listed on the Pharmaceutical Schedule only if the average daily cost of each treatment was no more expensive than the weighted combined average daily cost of the currently funded nicotine presentations (gum, lozenges and patches)) would be taken into account in the evaluation of proposals for community listing of these presentations.

### **Bundling – Gum/Lozenge/Patch/Oral Spray/Solution for Inhalation**

- Suppliers may submit multiple proposals for a single formulation or proposals that bundle multiple formulations.
- Suppliers that wish to submit bundled proposals for any combination of the gum, lozenge, patch, oral spray or solution for inhalation formulations, must also submit at least one individual proposal for each of the gum, lozenge, patch, oral spray or solution for inhalation presentations included in the bundle.
- Suppliers that wish to submit bundled proposals for any combination which includes oral spray and/or solution for inhalation formulations, with any combination of the gum, lozenge or patch formulations, must also submit another bundled proposal for the corresponding formulations of the gum, lozenge or patch, without the oral spray and/or solution for inhalation presentations included.
- For Example:
  - Bundle 1 – Gum, Lozenge and Patch - Must also submit:
    - Individual proposals for Gum, Lozenge and Patch.

- Bundle 2 – Gum, Lozenge and Oral Spray - Must also submit:
  - Individual proposals for Gum, Lozenge and Oral Spray; and
  - Bundle for Gum and Lozenge.

### **Rebates**

- Rebates will be considered for all formulations.

### **Additional Information**

PHARMAC would reserve the right to add, amend and/ or delist different presentations, forms and strengths of nicotine currently listed in Section B and Part II of Section H of the Pharmaceutical Schedule as a result of this RFP process.

PHARMAC is not willing to consider the following types of proposals:

- proposals that include pharmaceuticals other than nicotine in the following formulations:
  - gum, lozenge (or sublingual tablets), patch, oral spray and solution for inhalation;
- proposals that include the cost of delivery of NRT to Authorised Providers;
- proposals that do not comply with the pack size, presentation, bundle or rebate requirements detailed above; or
- two-part pricing arrangements, whereby PHARMAC may make an up-front payment (in addition to any ongoing subsidy) in return for the listing of a pharmaceutical on specific terms.

Subject to the above, PHARMAC is open to considering any other types of proposals you may wish to put forward.

## Schedule 2: RFP process

PHARMAC expects to follow the process set out below in the sequence indicated.

### 1. Submission

- (a) You may submit more than one proposal. Each proposal will be considered as a separate proposal.
- (b) Proposals must be submitted to PHARMAC **via the Government Electronic Tenders Service (GETS)** no later than **4.00 p.m.** (New Zealand time) on **Friday 17 March 2017**. Late proposals will only be considered at PHARMAC's discretion, taking into account the need for fairness to other suppliers and integrity of the RFP process.
- (c) You cannot withdraw your proposal, once submitted, while the RFP process is continuing.
- (d) If you have any inquiries about this RFP you should submit them via GETS or alternatively contact Matthew Wolfenden, Procurement Manager, by email [procurement@pharmac.govt.nz](mailto:procurement@pharmac.govt.nz).

### 2. Evaluation

- (a) Following the deadline for submitting proposals an Evaluation Committee comprising PHARMAC staff will evaluate each proposal to select its preferred proposal(s).
- (b) The Evaluation Committee will evaluate proposals in light of PHARMAC's statutory objective which is "to secure for eligible people in need of pharmaceuticals, the best health outcomes that are reasonably achievable from pharmaceutical treatment and from within the amount of funding provided". In doing so the Evaluation Committee will be guided by the Factors for Consideration (Factors) that form part of PHARMAC's then current Operating Policies and Procedures (OPPs), as published on PHARMAC's website ([www.pharmac.govt.nz](http://www.pharmac.govt.nz)), to the extent applicable. More information on the Factors can be found at [www.pharmac.health.nz/factors-for-consideration](http://www.pharmac.health.nz/factors-for-consideration).
- (c) The requirement for PHARMAC to pursue its statutory objective means that particular emphasis will be given to those aspects of proposals which demonstrate "health outcomes", and those aspects of proposals which demonstrate the impact on the "funding provided" for pharmaceuticals. Those Factors which relate directly to these aspects will be given the greatest weight by the Evaluation Committee but all Factors are important.
- (d) The information to be taken into account in applying the Factors by the Evaluation Committee will be at its discretion, however it will include:
  - (i) information provided by you in accordance with Schedule 4 and Appendix A of this RFP; and
  - (ii) any other information that the Evaluation Committee considers to be relevant having regard to probity principles.
- (e) Each proposal will be evaluated on the basis that the price offered, the expenditure entailed, and any other terms included in the proposal, are the best that the supplier is able to offer. If you do not put forward your best terms you risk having your proposal excluded at the evaluation stage.



- (f) PHARMAC is not bound to select the lowest priced proposal or any proposal.

### 3. **PHARMAC may request further information**

- (a) PHARMAC may request such further information as it considers necessary from or about you for the purposes of clarifying or evaluating your proposal.
- (b) If PHARMAC requests further information from or about you, it is not obliged to request the same or any other information from or about any other party, provided that in PHARMAC's judgment this would not be unfair to any other party.

### 4. **Negotiation**

- (a) PHARMAC may negotiate with the submitter(s) of one or more preferred proposals, in the latter case whether or not the acceptance of either supplier's proposal would exclude acceptance of the other proposal.
- (b) Negotiations will proceed on the basis that PHARMAC's standard terms and conditions for supply of pharmaceuticals, which are available on GETS, will apply.
- (c) Given that PHARMAC expects your proposal to be the best you can offer, PHARMAC does not intend to initiate negotiation with you on price. However, PHARMAC does not exclude the possibility that the final price agreed will be different from the price put forward in your proposal, as a result of the impact that other negotiated terms may have on price.
- (d) PHARMAC may negotiate and enter into a provisional agreement with a preferred supplier(s) on whatever special terms, in addition to PHARMAC's standard terms and conditions, PHARMAC considers appropriate.
- (e) If PHARMAC and the supplier(s) are unable to reach a provisional agreement within what PHARMAC considers to be a reasonable time, PHARMAC may terminate those negotiations and negotiate with a different supplier(s).

### 5. **Consultation and approval**

- (a) Any provisional agreement will be conditional on consultation with suppliers and other interested parties, to the extent PHARMAC considers consultation to be necessary or appropriate, and on Board approval (or approval by the Board's delegate acting under delegated authority).
- (b) PHARMAC will not consider any counter-offers received during consultation.
- (c) The provisional agreement and responses to consultation will be considered by PHARMAC's Board (or by the Board's delegate acting under delegated authority) in accordance with the Factors in PHARMAC's then current OPPs.
- (d) If the Board or its delegate does not approve the provisional agreement, then PHARMAC may initiate negotiations for a provisional agreement with any other supplier(s).
- (e) The RFP process will be complete once PHARMAC has notified supplier(s) of either:
  - (i) the Board's or its delegate's decision to accept a negotiated agreement; or
  - (ii) the termination of the RFP process.

## 6. Miscellaneous

- (a) PHARMAC reserves the right, having regard to probity principles:
  - (i) to make such adjustments to the above RFP process as it considers appropriate, at any time during the process, provided that it notifies suppliers affected by those changes;
  - (ii) not to accept any proposal;
  - (iii) to seek clarification of any proposal;
  - (iv) to meet with any supplier in relation to its proposal;
  - (v) to enter into an agreement or arrangement that differs in material respects from that envisaged in this RFP letter;
  - (vi) to suspend this RFP process. For example, if during the RFP process (and before a provisional agreement is entered into) it becomes apparent to PHARMAC that further consultation is appropriate or required we may suspend the RFP process in order to consult. In this situation we may ask you to adapt and resubmit your proposal in light of consultation, or alternatively we may request that new proposals be submitted;
  - (vii) to terminate this RFP process at any time, by notifying suppliers who submitted proposals, and, following termination, to negotiate with any supplier(s) on whatever terms PHARMAC thinks fit; and
  - (viii) to readvertise for proposals.
- (b) PHARMAC may consult or seek clinical advice from PTAC or its relevant sub-committee at any stage of the RFP process. PHARMAC will notify you if the clinical advice results in any changes to the terms of the RFP.
- (c) PHARMAC intends to provide a provision, in any agreements that include sole supply arising from this RFP, that PHARMAC may elect at its sole discretion to extend the sole supply period beyond the initial sole supply period for any Pharmaceutical or Pharmaceuticals resulting from this RFP process, subject to the following:
  - (i) should PHARMAC elect to extend the initial sole supply period for a Pharmaceutical or Pharmaceuticals it shall do so by providing written notice to the supplier of the Pharmaceutical or Pharmaceuticals at least six months prior to the end date of the initial sole supply period;
  - (ii) should no written notice be provided by PHARMAC before the date being six months prior to the date of expiration of the initial sole supply period, no such extension shall occur; and
  - (iii) any extension of the sole supply period shall be for a maximum period of 24 months inclusive and shall take effect immediately following the end of the initial sole supply period.
- (d) You must not initiate or engage in any communication with other suppliers in relation to the RFP, whether before or after submitting their proposal(s), until such

time as a provisional agreement is accepted by PHARMAC's Board or the Board's delegate.

- (e) You must not at any time initiate any communication with PHARMAC, the Ministry of Health (including its operating unit Medsafe), the Minister of Health (or any Associate Ministers) or DHBs or advisors to PHARMAC with a view to influencing the outcome of this RFP process.
- (f) You must pay your own costs for preparing and submitting your proposal.
- (g) Proposals are submitted in reliance on your own knowledge, skill, and independent advice, and not in reliance on any representations made by PHARMAC.
- (h) Your submission of a proposal will be taken as acceptance of the terms contained in this RFP letter. PHARMAC may exclude your proposal if you do not comply with any of the terms contained in this RFP letter.
- (i) This is an RFP and not a tender. Your proposal is not an offer capable of being converted into a contract for the supply of NRT by PHARMAC's apparent acceptance and instead a separate agreement needs to be negotiated.
- (j) PHARMAC is not liable in any way whatsoever for any direct or indirect loss (including loss of profit), damage or cost of any kind incurred by you or any other person in relation to this RFP.
- (k) PHARMAC will consider your proposal and information exchanged between us in any negotiations relating to your proposal, excluding information already in the public domain, to be confidential to us and our employees, legal advisors and other consultants, the Ministry of Health and DHBs (**Confidential Information**). However, you acknowledge that it may be necessary or appropriate for PHARMAC to release Confidential Information:
  - (i) pursuant to the Official Information Act 1982; or
  - (ii) in the course of consultation on a provisional agreement entered into with a supplier; or
  - (iii) in publicly notifying any approval by the PHARMAC Board of that agreement; or
  - (iv) otherwise pursuant to PHARMAC's public law or any other legal obligations.

PHARMAC may consult with you before deciding whether to disclose Confidential Information for the purposes described in sub-clauses (i) to (iv) above. You acknowledge, however, that it is for PHARMAC to decide, in its absolute discretion, whether it is necessary or appropriate to disclose information for any of the above purposes, provided that PHARMAC shall act in good faith in disclosing any Confidential Information.

## 7. **Anticipated timetable**

- (a) Following receipt of proposals, PHARMAC anticipates:
  - (i) the Evaluation Committee evaluating proposals in **March 2017**;

- (ii) negotiating with submitter(s) of one or more preferred proposals in **April 2017**;
- (iii) if applicable consulting on a provisional agreement by **May 2017**;
- (iv) PHARMAC's Board or its delegate considering the provisional agreement in or after **May 2017**,

provided that the above time frames are only approximate and may be extended, without notice being required from PHARMAC, if any stages of the RFP process take longer than anticipated.

- (b) Under this indicative timetable, the earliest that changes to the Pharmaceutical Schedule could be implemented is **1 July 2017**.
- (c) Please note that if a proposal for sole supply is accepted, the date of implementation may be later to allow for an orderly transition to any sole supply arrangement.

## 8. **Governing Law**

This RFP is governed by New Zealand law, and the New Zealand courts have exclusive jurisdiction in all matters relating to this RFP.

### Schedule 3: Current listing and market information

The following information relates to the actual subsidised market size of NRT. The information is approximate and indicative only. PHARMAC makes no representation as to the accuracy of this information or as to the level of sales or likely sales of NRT and, while PHARMAC has taken all reasonable care in preparing the information set out below, it accepts no liability for any errors or omissions in the information. PHARMAC is not obliged to notify you in the event of any change to the figures below. Units below refer to units and not packs.

#### Financial Year Ending 30 June 2016

Chemical	Formulation	Strength	Community	Authorised Providers	Hospital	Total Units
Nicotine	Gum	2 mg	14,984,229	4,306,176	287,796	<b>19,578,201</b>
		4 mg	12,029,726	4,285,728	173,544	<b>16,488,998</b>
	Lozenge	1 mg	6,847,676	3,020,544	202,704	<b>10,070,924</b>
		2 mg	11,302,279	4,366,872	306,316	<b>15,975,467</b>
	Patch	14 mg	828,340	476,056	29,812	<b>1,334,208</b>
		21 mg	2,050,557	945,868	83,859	<b>3,080,284</b>
		7 mg	330,551	192,920	8,197	<b>531,668</b>
	Oral Spray	1 mg	-	-	74	<b>74</b>
	Soln for Inhalation	15 mg	-	-	84,873	<b>84,873</b>

#### Financial Year Ending 30 June 2015

Chemical	Formulation	Strength	Community	Authorised Providers	Hospital	Total Units
Nicotine	Gum	2 mg	14,264,632	3,098,112	222,480	<b>17,585,224</b>
		4 mg	11,855,713	2,261,760	158,016	<b>14,275,489</b>
	Lozenge	1 mg	6,526,245	1,964,736	170,304	<b>8,661,285</b>
		2 mg	10,359,758	3,312,360	288,516	<b>13,960,634</b>
	Patch	14 mg	830,905	292,404	31,724	<b>1,155,033</b>
		21 mg	2,057,391	624,708	87,749	<b>2,769,848</b>
		7 mg	314,486	138,208	8,736	<b>461,430</b>
	Oral Spray	1 mg	-	-	-	<b>-</b>
	Soln for Inhalation	15 mg	-	-	85,022	<b>85,022</b>

#### Schedule 4: Proposal form

An electronic version of this form is available on PHARMAC's website at [www.pharmac.govt.nz](http://www.pharmac.govt.nz) and on GETS ([www.gets.govt.nz](http://www.gets.govt.nz)). You should expand the boxes as necessary.

Director of Operations  
PHARMAC  
C/- Matthew Wolfenden

**By electronic transfer using GETS (<https://www.gets.govt.nz>)**

Dear Sir/Madam,

#### **Proposal for the supply nicotine replacement therapy**

In response to your request for proposals (RFP) dated 20 February 2017, we put forward the following proposal in respect of NRT.

Set out below is further information in support of our proposal.

- (a) Our contact details:

Name of supplier	
Contact person	
Address	
Phone	
Email address	

- (b) Details of pharmaceutical presentation – See Appendix A for optional template:

Chemical name	
Strength (eg 2 mg)	
Formulation (eg gum)	
Flavour(s) (if applicable)	
Brand name	
Pack size (eg 10's)	
Packaging type (eg blister)	
Pack Dimensions L W H (mm)	
Pack Weight (kg)	

- (c) Information relating to pricing (\$NZ, GST exclusive), including any related conditions or proposed terms affecting cost for PHARMAC (e.g. price in return for sole supply, reference price protection, risk sharing mechanisms, etc.) – See Appendix A for optional pricing template:

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- (d) Key features of our proposal:

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- (e) Evidence of market approval and any other required consents:

Date of Medsafe market approval	
<b>OR</b> Date of submission of dossier	
<b>OR</b> Expected date of dossier submission to Medsafe	
<b><i>Insert any other consents required for pharmaceutical</i></b>	

- (f) Information about our ability to ensure the continuity of supply of the pharmaceutical:

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- (g) Information about our previous supply performance and relevant expertise:

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- (h) Information relevant to the [Factors for Consideration](#) that PHARMAC should consider when evaluating our proposal:

- (i) Any other additional information that PHARMAC should consider when evaluating our proposal:

Signed for and on behalf of **<insert name of supplier>** by

\_\_\_\_\_  
**<Insert name>**  
**<Insert designation>**