

Changes to the Access and Funding of Special Foods from 1 April 2011

The PHARMAC Board has made a number of decisions regarding the access and funding of Special Food products subsidised through the Pharmaceutical Schedule.

A summary of the changes is provided below; additional information regarding these changes - including the new Special Authority criteria and a summary of the issues raised in the consultation responses can be found in the full version of this document on PHARMAC's website at <http://www.pharmac.govt.nz/2011/02/28?q=special+foods>.

Summary of the changes

The changes effective 1 April 2011 are:

Special Authority Authorisation

- All vocationally registered medical practitioners and dietitians will be able to make initial applications for Special Food Special Authorities. Due to a number of system changes required by the Ministry of Health, the date that dietitians will be able to make Special Authority applications is currently unknown. We will notify you once the date is known.

Infant Formula

- Lactose free, soy and goats' milk (Delact, S26 Soy, Karicare Soy All Ages and Karicare Goats Milk) infant formula will no longer be funded, and the products will be delisted from the Pharmaceutical Schedule.
- A new funding pathway for elemental formula will be adopted. This will require:
 - extensively hydrolysed formula (and soy formula if considered appropriate) to be trialled before amino acid formula except in patients with anaphylaxis reactions to cows' milk and eosinophilic oesophagitis.
 - a reassessment of the patient (and reapplication) every 6 months to determine if a less specialised formula can be used.

Patients who currently have a valid Special Authority would not be affected by this change until their Special Authority approvals expire.

- The subsidy for remaining infant formula products will be altered to the effect that at least one brand in each category will be fully funded.
- The Neocate range will be reference priced to the Elecare range, however the supplier of Neocate has indicated that it will reduce its pricing to the level of Elecare which will mean that it would also be fully funded for eligible patients.

Extensively hydrolysed formula			
Brand	Pack size	Current Subsidy and Price (ex-man, excl. GST)	Subsidy from 1 April 2011 (ex-man, excl. GST)
Pepti Junior	450 g OP	\$15.52 (\$19.01)	\$19.01
Pepti Junior Gold	450 g OP	\$11.72 (\$15.21)	\$15.21

Amino acid formula			
Brand	Pack size	Current Subsidy and Price (ex-man, excl. GST)	Subsidy from 1 April 2011 (ex-man, excl. GST)
Elecare			
Elecare LCP	400 g OP	\$52.90 (\$56.00)	\$56.00
Elecare vanilla			
Neocate			
Neocate LCP	400 g OP	\$63.97 (\$67.08)	\$56.00*
Neocate Advance	400 g OP	\$52.90 (\$56.00)	\$56.00
Vivonex Pediatric	48.5 g OP	\$5.62 (\$6.00)	\$6.00

*The supplier of Neocate and Neocate LCP has indicated that it will reduce its price to match the subsidy.

Standard and Specialised Oral Feeds

- The current funding distinction between patients who use oral feeds as a supplement to their diet (500 ml daily volume limit) and those who use them as a complete diet will be removed.

Access to Standard Adult Oral Feeds (liquids and powders)

- The access criteria for standard adult oral feeds will be changed so that patients are either required to be malnourished and have tried other dietary measures prior to being funded, or meet other specified criteria (i.e. they are children, tube-fed or have a specified medical condition).
- Funding for powder and ready-mixed liquid oral feeds will be able to be accessed via the same Special Authority (separate forms are currently required).

Funding of Standard Adult Oral Feeds (liquids and powders)

- Reference pricing will be applied between the ready-mixed liquids and the powdered standard adult oral feeds. This will result in powdered products being fully funded and the subsidy for ready-mixed products being reduced to the level of the powdered products as outlined below.

- Whether a part-charge will exist for the ready-mixed liquids will depend on whether supplies of these products reduce their prices; this will be known on 12 March 2011.

Brand	Pack size	Current Price	Current Subsidy	New Subsidy
Powder formulations				
Sustagen Hospital Formula	900 g OP	\$10.22	\$10.22	\$10.22
Ensure	400 g OP	\$4.22	\$4.22	\$4.22
Ensure	900 g OP	\$9.50	\$9.50	\$9.50
Ready-mixed liquid formulations				
Fortisip	200 ml OP	\$1.12	\$1.12	\$0.72
Ensure Plus	200 ml OP	\$1.45	\$1.12	\$0.72
Ensure Plus	237 ml OP	\$1.33	\$1.33	\$0.85
Fortisip Multi Fibre	200 ml OP	\$1.12	\$1.12	\$0.72
2 Cal HN	237 ml OP	\$2.25	\$2.25	\$1.14

- The powder and ready-mixed liquid standard adult oral feeds will be added to the Discretionary Community Supply (DCS) list. This would enable DHB hospitals to provide these products to patients living in the community for up to 10 days prior to hospitalisation and 30 days following discharge without a Special Authority (funding would be from the DHB hospital's budget).

Gluten Free Food

- There will be no change to the current products and subsidies. However, PHARMAC will cease active management of gluten-free foods in the Pharmaceutical Schedule – no changes to the listings including the restrictions, subsidies and product range will occur. Products would be delisted from the Pharmaceutical Schedule upon notice that a supplier had discontinued a product. Over time we would expect that availability of subsidies would decrease.

Foods and Supplements for Inborn Errors of Metabolism

- All patients with inborn errors of metabolism will be eligible for Special Authority approval's without renewal for specific supplements and low protein baking mix and pasta. Subsidies will be increased to fully-fund those products that presently attract a surcharge.

If you wish to find out more, or if you have any questions about any of these decisions, please call our toll free number (9 am to 5 pm, Monday to Friday) on 0800 66 00 50.