

17 January 2012

Proposal to fully fund Symbicort Turbuhaler and Vannair

PHARMAC is seeking feedback on a proposal to fully subsidise budesonide with eformoterol (Symbicort Turbuhaler and Vannair) from 1 March 2012 through a provisional agreement with AstraZeneca.

In summary, the effect of this proposal would be as follows:

- Budesonide with eformoterol powder for inhalation (Symbicort Turbuhaler) would be fully funded from 1 March 2012.
- Budesonide with eformoterol aerosol inhaler (Vannair) will be fully funded from 1 March 2012 through a reduction in price and subsidy.

We also wish to notify that Symbicort Turbuhaler and Vannair will be fully funded for the month of February 2012. This will mean that there would be no disruption for patients during February and, should this proposal be accepted, there would also be no disruption from 1 March 2012.

Further details, including how to provide feedback on this proposal can be found below and on the following page.

Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by **Tuesday 31 January 2012** to:

Christine Chapman
Therapeutic Group Manager
PHARMAC
PO Box 10 254
Wellington 6143

Email: christine.chapman@pharmac.govt.nz

Fax: 04 460 4995

All feedback received before the closing date will be considered by PHARMAC's Board (or Chief Executive acting under delegated authority) prior to making a decision on this proposal.

Details of the proposal

Budesonide with eformoterol powder for inhalation (Symbicort Turbuhaler)

- The price and subsidy for budesonide with eformoterol powder for inhalation (Symbicort Turbuhaler) would be amended from 1 March 2012 as follows (ex-manufacturer, exclusive of GST):

Chemical	Formulation	Brand	Pack size	Current subsidy and price	Proposed subsidy and price
Budesonide with eformoterol	Powder for inhalation, 100 mcg with 6 mcg eformoterol	Symbicort Turbuhaler 100/6	120 dose OP	\$41.25 (\$55.00)	\$55.00
Budesonide with eformoterol	Powder for inhalation, 200 mcg with 6 mcg eformoterol	Symbicort Turbuhaler 200/6	120 dose OP	\$45.00 (\$60.00)	\$60.00
Budesonide with eformoterol	Powder for inhalation, 400 mcg with 12 mcg eformoterol	Symbicort Turbuhaler 400/12	60 dose OP	\$45.00 (\$60.00)	\$60.00

- Confidential rebates would apply to Symbicort Turbuhaler. The result of these rebates would be to reduce the effective price of Symbicort Turbuhaler to the combined net (post-rebate) cost of fluticasone and salmeterol inhalers.
- Symbicort Turbuhaler would have subsidy and delisting protection until 30 June 2015.
- **Please note:** to avoid any disruption to patients, a separate decision has been made to fully fund Symbicort Turbuhaler for the month of February 2012 for all eligible patients, at the proposed subsidies and prices listed in the table above.

Budesonide with eformoterol aerosol inhaler (Vannair)

- The price and subsidy for budesonide with eformoterol aerosol inhaler (Vannair) would be amended from 1 March 2012 as follows (ex-manufacturer, exclusive of GST):

Chemical	Formulation	Brand	Pack size	Current subsidy and price	Proposed subsidy and price
Budesonide with eformoterol	Aerosol inhaler, 100 mcg with 6 mcg eformoterol	Vannair	120 dose OP	\$33.96	\$26.49
Budesonide with eformoterol	Aerosol inhaler, 200 mcg with 6 mcg eformoterol	Vannair	120 dose OP	\$40.06	\$31.25

- Vannair would have subsidy and delisting protection until 30 June 2015.

- **Please note:** to avoid any disruption to patients, a separate decision has been made to fully fund Vannair for the month of February 2012 for all eligible patients, at the proposed subsidies and prices listed in the table above.

Background

Symbicort Turbuhaler has been fully funded under endorsement for existing patients since July 2011. At its September 2011 meeting, PHARMAC's Board approved a proposal to parity price Symbicort Turbuhaler and Vannair to the combined net costs of fluticasone and salmeterol and remove the endorsement for full subsidy for current patients.

Under this new proposal, Symbicort Turbuhaler and Vannair patients would be fully funded from 1 March 2012 until at least 30 June 2015.

Please note: This proposal only relates to budesonide with eformoterol combination inhalers. As per PHARMAC's notification of 21 October 2011, a manufacturer's surcharge will apply to Oxis Turbuhaler and Foradil as follows (ex-manufacturer, excl GST):

Chemical	Formulation	Brand	Pack size	New subsidy and price 1 Feb 2012	New subsidy and price 1 July 2012
Eformoterol fumarate	Powder for inhalation 6 mcg	Oxis Turbuhaler	60 dose OP	\$11.51 (\$16.90)	\$10.32 (\$16.90)
Eformoterol fumarate	Powder for inhalation 12 mcg	Foradil	60 dose OP	\$23.02 (\$35.80)	\$20.64 (\$35.80)