

PHARMACEUTICAL BENEFITS

PRICING AUTHORITY

ANNUAL REPORT

For the year ended 30 June 2008



PHARMACEUTICAL

BENEFITS

PRICING

AUTHORITY

Annual Report

For the year ended 30 June 2008

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Minister The Hon Nicola Roxon MP
Minister for Health and Ageing
Parliament House
CANBERRA ACT 2600

Dear Ms Roxon

I present herewith the twenty-first annual report of the Pharmaceutical Benefits Pricing Authority (PBPA) on the operations of the PBPA, and on the PBPA's interpretation of its operating guidelines for the year ended 30 June 2008.

This report is made in accordance with the requirement of sub-section 34C(2) of the *Acts Interpretation Act 1901*, that in the absence of specific requirements to the contrary, an annual report should be furnished to you as soon as practicable after the end of the report period.

Yours sincerely

Diana K. Macdonell

Diana Macdonell
Acting Chair
2008

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PREFACE

This is the twenty-first annual report of the Pharmaceutical Benefits Pricing Authority covering the operations of the PBPA for the year ended 30 June 2008.

Tabling requirements

It is a requirement of sub section 34C(3) of the *Acts Interpretation Act 1901*, that in the absence of specific requirements to the contrary, the annual report shall be laid before each House of the Parliament within 15 sitting days of that House after the day on which the Minister receives the report.

Structure of report

The report is divided into six chapters:

- chapter 1 provides basic information about the PBPA's genesis, membership and financial arrangements;
- chapter 2 addresses the factors considered by the PBPA for pricing of pharmaceutical benefits made available under the Government's Pharmaceutical Benefits Scheme administered by the Department of Health and Ageing;
- chapter 3 contains information on the different pricing policies;
- chapter 4 addresses information on PBS Reforms;
- chapter 5 contains information on the Highly Specialised Drugs program; and
- chapter 6 contains related tables, figures and acronyms

CHAPTER 1

Pharmaceutical Benefits Pricing Authority

The Pharmaceutical Benefits Pricing Authority (PBPA) is an independent non-statutory body established in 1988 which is required to:

- review the prices of products supplied under the Pharmaceutical Benefits Scheme (PBS) and, since 2006, the vaccines on the National Immunisation Program (NIP); and
- recommend prices for new items that are recommended for listing on the PBS and, since 2006, the NIP.

Membership

The PBPA's membership for the 2007-2008 financial year was:

Chair	Dr Michael Nahan
Industry nominees	Dr Brendan Shaw - appointed with effect from February 2008, as the nominee of Medicines Australia. Mr Mike Hobbs - as the nominee of the Generic Medicines Industry Association.
Consumer nominee	Ms Jo Watson - as the nominee of the Consumers' Health Forum, Australian Consumer's Association and Australian Federation of Aids Organisations.
Department of Health and Ageing Representative	Mr Stephen Dellar Ms Diana Macdonell - appointed with effect from January 2008.
Department of Innovation, Industry, Science and Research (formerly known as Department of Industry, Tourism and Resources)	Mr Michael Schwager

Meetings

The PBPA met three times during the 2007-2008 financial year. The type and date of these meetings were as follows:

<i>Type of Meeting</i>	<i>Date</i>
Regular	15 August 2007
Regular	12 December 2007
Regular	16 April 2008

Co-ordination to achieve timely outcomes

These three meetings were the regular scheduled meetings and are coordinated with meetings of the Pharmaceutical Benefits Advisory Committee (PBAC) so that the PBAC outcomes can be dealt with as soon as possible, consistent with the need to collect pricing information.

Financial arrangements

The Department of Health and Ageing budget, in addition to financing the PBS, provides funds for:

- the fees and expenses incurred by the Chairman, industry and consumer nominees, in accordance with determinations made from time to time by the Remuneration Tribunal;
- the day to day operations of dealing with pricing matters under the Scheme; and
- the costs of associated meetings, seminars and other related expenses.

For the year ended 30 June 2008 the PBPA operating costs were:

PBPA operating costs 2007-2008	Total costs \$
Direct costs including Chairman's, industry and consumer nominees' expenses	19,456
Salaries	574,472
Members & secretariat travel and allowances	18,308
Administrative costs	4,881
Total costs	617,117

Secretariat Support

The PBPA is serviced by a Secretariat staffed within the Pharmaceutical Evaluation Branch of the Department of Health and Ageing.

The PBPA supports best management practice in communicating with Responsible Persons and other interested parties to make the PBPA's decisions and decision making processes as transparent as possible, subject to the confidences in which certain commercially sensitive information must be held.

Consultation with respective Secretariat staff on the interpretation of the PBPA's guidelines, practices and procedures is encouraged to ensure that all interested parties gain a clear understanding of those matters and have the maximum opportunity to make their views known to the PBPA.

CHAPTER 2

Pharmaceutical Benefits Scheme

The PBPA, along with the PBAC and its sub-committees, evaluate all submissions from sponsors for the listing and pricing of drugs on the Pharmaceutical Benefits Scheme. While the PBAC is a statutory committee that assesses the clinical benefit and cost-effectiveness of drugs, the PBPA is a non-statutory committee that recommends prices of drugs for PBS listing purposes.

The PBPA's objective in reviewing prices of items listed under the PBS is to secure a reliable supply of pharmaceutical products at the most reasonable cost to Australian taxpayers and consumers, consistent with maintaining a sustainable pharmaceutical industry in Australia.

Under its terms of reference the PBPA is required to determine or recommend to the Minister for Health and Ageing prices of items listed as pharmaceutical benefits or recommended by the PBAC for listing. The Secretariat also conducts negotiations with Responsible Persons, where necessary, on proposed prices.

Factors considered by the PBPA

In reviewing the price of listed items and in considering the price of items recommended for listing, the PBPA takes account of the following factors:

- (a) PBAC comments on clinical and cost effectiveness aspects of items;
- (b) the prices of alternative brands of a drug;
- (c) comparative prices of items containing drugs in the same Anatomical Therapeutic Chemical (ATC) Group;
- (d) costs information, when provided by the Responsible Person or estimated by the PBPA;
- (e) prescription volumes, economies of scale and other factors such as expiry dates, storage requirements, product stability and special manufacturing requirements;
- (f) level of activity being undertaken by the company in Australia, including new investment, production, research and development;*

- (g) prices of items containing the drug in reasonably comparable overseas countries;
- (h) other relevant factors which the applicant company may wish the PBPA to consider; and
- (i) any directions of the Minister.

Price adjustments for items require the approval of the Minister for Health and Ageing.

* Factor (f) is presently not taken into consideration in determining prices.

The Pricing Authority is presently seeking advice on this matter.

Establishing prices for new listings

For new or extended listings recommended by the PBAC, the PBPA may advise the price to be negotiated by the Department of Health and Ageing. The PBAC recommendation, based on economic evaluations considered by the Economics Sub-Committee, is a major consideration in determining initial prices.

Increasingly, the PBPA considers deeds of agreement containing risk sharing arrangements to contain overall costs of drugs on the PBS and to manage the financial risks to the Government resulting from uncertainty about drugs utilisation.

At 30 June 2008 there were 60 deeds of agreement in place or in development.

A comprehensive overview of the different pricing methods used by the PBPA, including cost-plus method, reference pricing and different types of risk sharing arrangements, are provided in the PBPA's Policies, Procedures and Methods manual. This manual is available on the Department of Health and Ageing's website.

High Cost Medicines

All proposed listings with a predicted net cost to the PBS in excess of \$10 million per annum in at least one of the first four years of listing must be considered by Cabinet. This means that, where the Department of Health and Ageing, in consultation with the Department of Finance and Deregulation, has estimated the cost of a proposed new listing or extension to listing as being above this threshold, Cabinet consideration will be required before the listing can be finalised.

The following products expected to cost more than \$10 million per annum had their listing extended or were newly listed in 2007-2008:

Atomoxetine (Strattera®) for the treatment of Attention Deficit Hyperactivity Disorder for a 1 July 2007 listing date;

Ezetimibe (Ezetrol®) and ezetimibe and simvastatin (Vytorin®) for the treatment of high cholesterol for a 1 August 2007 listing date;

Ranibizumab (Lucentis®) and verteporfin (Visudyne®) for the treatment of age-related macular degeneration for a 1 August 2007 listing date;

Infliximab (Remicade®) for the treatment of Crohn disease for a 1 October 2007 listing date;

Docetaxel (Taxotere®) for the treatment of prostate cancer for a 1 November 2007 listing date;

Infliximab (Remicade®) for the treatment of psoriasis for a 1 December 2007 listing date;

Sevelamer (Renagel®) for the treatment of hyperphosphataemia for a 1 December 2007 listing date;

Topiramate (Topamax®) for the prevention of migraine for a 1 December 2007 listing date; and

Varenicline (Champix®) to aid smoking cessation for a 1 January 2008 listing date.

Reviewing prices for existing items

The main mechanisms used by the PBPA for reviewing prices of pharmaceutical benefits supplied through the PBS are:

- reference pricing, i.e. comparing the prices of products that are considered by the PBAC to produce similar health benefits: or, where this is not available;
- on the basis of further cost effectiveness justification by the Responsible Person to the PBAC; and/or
- a margin on the cost of manufacture, or landed cost.

These mechanisms are outlined in the PBPA Policies, Procedures and Methods manual on the Department of Health and Ageing's website.

The PBPA may also request additional data from Responsible Persons, including drug utilisation data, so that relevant treatment costs can be independently calculated.

The Weighted Average Monthly Treatment Cost (WAMTC) methodology is a form of reference pricing that is outlined in the WAMTC manual. This can also be found on the Department of Health and Ageing's website.

Therapeutic Relativities

The PBPA issues relativity sheets that identify the basis of pricing comparisons between therapeutically similar products. These are mainly based on the advice from the PBAC. If necessary, clarification can be obtained from the Secretariat, and the relativities may be changed by the presentation of further data to the PBAC.

Annual Scheduled Review of Anatomical Therapeutic Chemical (ATC) groups

The PBPA reviews annually the price of each drug listed in the Schedule of Pharmaceutical Benefits by ATC groupings. Responsible Persons are asked to submit cost and other data that they wish the PBPA to consider in reviewing product prices.

The ATC groups and the PBPA meetings at which they were reviewed are as follows:

<i>ATC Code</i>	<i>Major Group</i>	<i>PBPA Meeting</i>
D	Dermatologicals	15 August
M	Musculoskeletal system	15 August
N	Nervous system	15 August
	Section 100 items	15 August
A	Alimentary tract & metabolism	12 December
S	Sensory organs	12 December
V	Various	12 December

H	Systemic hormonal preparations, excluding sex hormones	12 December
J	General antiinfectives for systemic use	12 December
P	Antiparasitic products	12 December
B	Blood & blood forming organs	18 April
C	Cardiovascular system	18 April
L	Antineoplastics & immunomodulating agents	18 April
R	Respiratory system	18 April
G	Genito urinary system & sex hormones	18 April

Statistical summary of items considered by the PBPA

Results of ATC group reviews for 2007-2008

<i>Product review results</i>	<i>2005-2006</i>	<i>2006-2007</i>	<i>2007-2008</i>
Number of brands reviewed	2,780	3,045	3,467
Number of brands for which price applications were received	449 16.15%	385 12.64%	372 10.73%
Number of brands for which price increases were granted	140 5.04%	163 5.35%	138 3.98%
Number of vaccines for which price applications were received*	n/a	7	3
Number of vaccines for which price increases were granted	n/a	5	1

* The PBPA assumed responsibility for pricing vaccines in December 2006.

PBAC recommendations for 2007-2008

<i>Recommendations and listings</i>	<i>2005-2006</i>	<i>2006-2007</i>	<i>2007-2008</i>
Number of items recommended for listing by the PBAC	52	67	54
Section 100 (based on PBAC meetings held in 2007-2008 financial year, including strengths)	14	15	14
Number of items listed	138	125	179
Section 100 (based on new items listed in the PBS Schedule for 2007-2008)	13	33	14
Number of vaccines recommended for listing by the PBAC on the National Immunisation Program	n/a	3	4
Estimate of additional cost of drugs for new or extensions to listings during 2007-2008**		\$212 million	\$193.3 million***

** Values are estimated net costs to the PBS and Repatriation Pharmaceutical Benefits Scheme (RPBS) for the financial year for each drug listed on the PBS between 1 July 2007 and 30 June 2008. Note that drugs are listed at stages throughout the year so the value is not the estimated cost to the PBS and RPBS for the full 2007-2008 financial year.

*** \$6.3 million of this value is for drugs that were not considered by the Cabinet.

Estimated cost of price increases of existing items for 2007-2008

The general price increases granted to Responsible Persons in 2007-2008 are collectively estimated to add \$19.2 million to the cost of the PBS in a full year based on the latest available twelve months prescription volume for each item at the time of review. A comparison with the estimated full year costs in the previous year is set out below:

<i>Approval of price increases</i>	<i>2006-2007 \$ million</i>	<i>2007-2008 \$ million</i>
Recommended by the PBPA and subsequently approved by the Minister for Health and Ageing	15.9	19.2

Cost of the Pharmaceutical Benefits Scheme

The total cost of the PBS for 2007-2008 was \$7,033.82 million. This comprised \$4,839.62 million for persons covered by concession cards, and \$1,217.86 million for general patients not covered by concession cards. Other PBS expenditure was \$976.34 million, which includes expenditure on other categories including Highly Specialised Drugs, Doctor's Bag and Safety Net Card Supply. In addition, there was PBS revenue of \$24.95 million which has not been included in the above PBS total cost.

<i>Category</i>	<i>Processed script numbers # million</i>	<i>Cost to Government (excludes patient contributions) \$ million</i>
General	24.16	1,217.86
Concessional	146.80	4,839.62
PB Other	*	976.34
Total	170.96**	7,033.82
Revenue	***	-24.95
Total (incl. revenue)	***	7,008.87

* PB Other contains diverse programs. The majority of data are collected by the State Governments and script volume is unavailable.

** Does not include Doctor's Bag (\$0.34 million).

*** Script numbers do not apply to PBS revenue.

Note: For the general public, where a pharmaceutical benefit has a dispensed price below the general patient contribution (that is, below \$31.30), the consumer pays the full amount. The above figures do not include these amounts.

Effects of price adjustments

Prices or price adjustments determined or recommended by the PBPA have an impact on:

- Responsible Persons through adjusted selling prices;
- wholesalers through the margin on the prices of products to pharmacist;
- pharmacists through the mark-up on wholesale prices;
- hospitals dispensing highly specialised drugs to community-based patients through the special distribution arrangements provided for under Section 100 of the *National Health Act 1953*; and
- consumers and taxpayers that, either directly or indirectly, bear part or all of the cost of items dispensed under the PBS.

The prices set by the PBPA cover not only subsidised products, but also products listed in the Schedule priced below the maximum co-payment for general patients. The co-payment for general patients for the period of the report was \$30.70 changing to \$31.30 effective 1 January 2008, while the concessional co-payment was \$4.90, changing to \$5.00 effective 1 January 2008.

CHAPTER 3

Special Patient Contributions (SPC)

Special patient contributions may apply when a manufacturer and the Government cannot agree about the price of a product listed on the PBS. In these cases, the product continues to be listed on the PBS, but patients pay an amount in addition to the standard patient co-payment. These additional amounts are paid to the Responsible Person, not to the Government.

The advantage of special patient contributions is that patients are not denied subsidised access to the drugs altogether, increasing the treatment options available for doctors and patients. There are provisions to exempt special patient contributions in certain clinical circumstances.

There are three types of special patient contributions, which are discussed below.

Brand Premium Policy

The Brand Premium Policy was introduced in December 1990, at the request of the pharmaceutical industry. The policy allows Responsible Persons to set their own prices on PBS listed brands in particular circumstances. It applies mainly to drugs which are no longer under patent.

The policy operates where there are a number of therapeutically equivalent brands available. The Government subsidises each of the available brands to the level of the lowest priced brand. Responsible Persons of other brands are able to set a price higher than the price of the lowest priced brand. Patients then pay the difference between the price of the lowest priced brand and the price of the brand which is dispensed to them – this is known as the brand premium.

The brand premium is not paid to the Government. The Responsible Person receives the benefit of the brand premium paid.

The principle is that there should always be available at least one therapeutically equivalent brand without a brand premium. Unless the prescribing doctor or dentist has specifically indicated otherwise on the prescription, a pharmacist can dispense another brand of the same medicine at the patient's request. In this way, patients can avoid paying a brand premium.

In the year ending 30 June 2008, 353 of the approximately 3,500 brands listed on the PBS during that year attracted a brand premium. The average brand premium was \$3.03, and premiums ranged from \$0.08 to \$76.86. The majority of brand premiums were in the range of \$1.00 to \$4.00.

Therapeutic Group Premium Policy

The Therapeutic Group Premium Policy was introduced in 1998.

The policy applies within specifically defined groups of drugs which have similar safety and health outcomes. Within these groups, the drugs can be interchanged at the patient level. The Government subsidises all drugs within a group to the level of the lowest priced drug. The difference in price between the lowest priced drug and higher priced drugs within the group is called a therapeutic group premium (TGP). The TGP is paid by the patient and goes to the Responsible Person, not to the Government.

The principle is that there is always at least one drug within each group of drugs available without a TGP. In addition, when a patient, for a medical reason, is only able to take a drug with a premium, the prescribing doctor can request an exemption from the premium from Medicare Australia.

As at 30 June 2008, four of the six TGP groups were affected by the Therapeutic Group Premium Policy. These are Angiotensin II antagonists and Calcium Channel Blockers that are used to treat cardiovascular disease, Proton Pump Inhibitors and the H₂ receptor antagonists for the treatment of peptic ulcers. The prices of items in these groups are reviewed by the PBPA each year, as for all drugs listed on the PBS. As at 30 June 2008, there were 109 items within the four groups. Four of the items attracted TGPs, which ranged from \$2.00 to \$4.18.

Other Special Patient Contributions

There are currently six drugs with special patient contributions other than brand or therapeutic group premiums listed on the PBS. Five of these have been introduced because the companies and the Minister could not agree on a new price when a price reduction was required by the 12.5% price reduction policy. The sixth, bleomycin, has had a special patient contribution for a number of years.

<i>Drug</i>	<i>Use</i>	<i>SPC*</i>
Bleomycin	Some cancers	\$437.01
Levetiracetam	Epilepsy	\$7.13 - \$19.84
Escitalopram	Depression	\$4.30
Amoxycillin (paediatric drops)	Antibiotic for use in children	\$0.61
Naratriptan	Migraine	\$2.78
Zolmitriptan	Migraine	\$2.76

* The Government has ensured that patients will not be financially disadvantaged. The treating doctor can seek an authority from Medicare Australia to waive this type of special patient contribution where there is no clinically suitable alternative listed on the PBS at the benchmark price. Doctors are encouraged to seek a waiver whenever appropriate so that patients are not financially disadvantaged. Bleomycin is the only drug for which the SPC cannot be waived.

Brand Substitution

Since 1 December 1994 there has been a policy of brand substitution. Under the policy, a pharmacist can substitute a brand other than that prescribed by the patient's doctor without reference back to the prescriber. This practice is only allowed in cases where the brand to be substituted is equivalent to that prescribed by the doctor.

Equivalent brands are shown in the Schedule of Pharmaceutical Benefits as having been demonstrated to be bioequivalent or therapeutically equivalent or that justification for not needing bioequivalence or therapeutic equivalence data has been provided to and accepted by the Therapeutic Goods Administration. If other brands are not shown in this way it does not imply that they are not equivalent, but simply that it is unknown whether or not they are equivalent.

Since 1 May 1999 Responsible Persons have been able to vary claimed prices or reduce approved prices to pharmacist without reference to the PBPA.

The following table shows the effect of brand substitution*

	<i>June 2005</i>	<i>June 2006</i>	<i>June 2007</i>	<i>June 2008</i>
Number of products** with a premium	335	345	360	353
Average brand premium	\$2.78	\$2.76	\$2.88	\$3.03
Weighted average brand premium***	\$1.77	\$1.76	\$1.83	\$2.17
Brand premium range	\$0.06 to \$79.48	\$0.06 to \$79.48	\$0.09 to \$76.86	\$0.08 to \$76.86
Prescriptions dispensed with a brand premium during the year (million)	30.0	30.1	27.9	25.2
Prescriptions dispensed at the benchmark level during the year (million)	50.5	51.9	52.7	53.0
Percentage at the benchmark level	63%	63%	65%	68%
Products** at the benchmark price	996	1014	1089	1183

* Figures only include those scripts processed by Medicare Australia, so general scripts that fall under the co-payment are not included.

** Product is defined as a unique combination of 'brand name' and 'form and strength'.

*** Weighted average brand premium is calculated by:
 $\text{scripts} \times \text{premium} = \text{total premium value}$,
 $\text{total premium value} / \text{total scripts} = \text{weighted average brand premium}$

Weighted Average Monthly Treatment Cost (WAMTC)

The WAMTC methodology applies to groups of drugs that are considered to be therapeutically similar by the PBAC. Under the evidence-based approach used for the listing and pricing of drugs, it is the practice to price these at the same level.

Each WAMTC group is reviewed annually in line with PBPA meetings and may be subject to ad hoc reviews if a price reduction is offered by a Responsible Person of a drug in a WAMTC group.

There are two categories of drug groups to which the WAMTC methodology applies:

- Therapeutic Group drugs; and
- Non-Therapeutic Group drugs, where the mode of action is not necessarily the same but the drugs have been listed on a cost minimisation basis as providing similar health outcomes. It may be that the group could form a Therapeutic Group but has not been designated so by a decision of the Government.

There are currently six Therapeutic Group WAMTC groups:

- H₂ receptor antagonists (H₂RA)(cimetidine, ranitidine, nizatidine, famotidine);
- Calcium Channel Blockers (CCB) (dihydropyridines) (amlodipine, felodipine, lercanidipine, nifedipine);
- ACE inhibitors (captopril, enalapril, fosinopril, lisinopril, quinapril, ramipril, trandolapril);
- HMGs (statins) (pravastatin and simvastatin only)
- Proton Pump Inhibitors (PPIs) (esomeprazole, lansoprazole, omeprazole, pantoprazole, rabeprazole); and
- Angiotensin II receptor antagonists (ATRA) (candesartan, eprosartan, irbesartan, telmisartan).

There is currently no non-Therapeutic Group WAMTC group.

The ACE inhibitors and CCBs group review was delayed in April 2007 and subsequently re-run and results tabled at the August 2007 PBPA meeting, with the resultant price reductions applied from 1 December 2007.

The PPIs and H₂RA groups were reviewed in December 2007, with resultant price adjustments applied from 1 April 2008.

The ATRA, CCBs, ACE inhibitors and HMG (statins) groups were reviewed in April 2008, with the resultant price reductions to be applied on 1 August 2008 and for F2 formulary drugs on 1 December 2008.

The usual implementation date of 1 August 2008 conflicted with the introduction of statutory price reductions for F2 drugs on 1 August 2008.

12.5% Price Reduction Policy

In general, the prices Australian taxpayers pay for generic medicines are high compared to some other OECD countries. Therefore, since October 2004, for the first new generic brand of a medicine already listed on the PBS, the Responsible Person must offer a price reduction of at least 12.5% compared to the current lowest priced brand.

From 1 August 2005 until 1 August 2007, 12.5% price reductions were applied administratively with agreement from industry. During this period 67 brands received 12.5% price reductions.

Since 1 August 2007 the 12.5% price reductions, triggered by the first listing of a new generic brand, are applied with statutory authority through the *National Health Act 1953*. In the 2007–2008 financial year there has been three rounds of reductions, occurring in August and December 2007 and April 2008 and a total of 21 new brands of drug have triggered 12.5% price reductions.

CHAPTER 4

Pharmaceutical Benefits Scheme (PBS) Reforms

Overview and application to PBPA considerations

From 1 August 2007, drugs on the PBS are included in separate formularies:

- a. Formulary 1 (F1) which comprises drugs with only a single brand; and
- b. Formulary 2 (F2) comprising drugs with multiple brands and single brand drugs that are in a Therapeutic Group with a drug that has multiple brands.

For a transitional period, from 1 August 2007 until 31 December 2010, F2 will be divided into two parts: F2T and F2A. On 1 January 2011, F2T and F2A will be merged into a single formulary – F2.

The separation of drugs into F1 and F2 allows the Government to pay competitive prices for multiple brand drugs without affecting the viability of single-brand drugs that do not operate in a competitive market. This is achieved through de-linking the prices of drugs in F1 from the prices of drugs in F2 and then applying statutory price reductions to drugs in F2. In addition, it is anticipated that eventually, all drugs in F2 will be subject to price disclosure, thus reflecting real market prices.

From 1 August 2007, price links will exist between:

- a. drugs in F1 where the drugs are in the same Reference Pricing Group or Therapeutic Group;
- b. drugs in F2 that are members of a Therapeutic Group; and
- c. drugs listed on the Combination Drugs List and the individually listed component drugs (which may be in F1 or F2).

Formularies will affect the ongoing pricing arrangements for drugs once they are listed. However, the formularies are not intended to alter the current price setting practices for the listing of new drugs/ items or extensions to listings. Consequently, comparators for an F1 drug may be in F2 and vice versa and form the basis of PBAC assessment of clinical benefit and cost-effectiveness of the drug, and subsequently PBPA consideration of price.

In order to meet the requirements of the above policies, the Reference Pricing Group document which groups drugs whose prices are linked has been amended to contain only drugs in F1 or drugs on the Combination Drugs List.

The Department of Health and Ageing will publish the names of drugs on the formularies on its website and update the list monthly to reflect the latest version of the Schedule of Pharmaceutical Benefits.

The Department of Health and Ageing will also publish the Reference Pricing group and Therapeutic Relativity Sheets on a regular basis to reflect changes in these documents.

CHAPTER 5

The Highly Specialised Drugs Program

Program overview

In addition to the drugs available under usual PBS arrangements, a number of drugs are also made available under alternative arrangements that are clinically appropriate.

These alternative arrangements are provided for under Section 100 (s100) of the *National Health Act 1953*. One of the programs under s100 is the Highly Specialised Drugs (HSD) Program. The Australian Government provides funding for specialised medicines under the HSD Program.

Highly Specialised Drugs are for the treatment of chronic conditions which, because of their clinical use or other specialist requirements, are restricted to supply through public and private hospitals that have appropriate specialist facilities. To prescribe these drugs as pharmaceutical benefit items, medical practitioners are required to be affiliated with these specialist hospital units.

The HSD Program is administered by the Access and Systems Branch, of the Pharmaceutical Benefits Division, while the process of selecting and reviewing drugs and procedures is the responsibility of the Highly Specialised Drugs Working Party.

Subsidy for drugs under this program commences following recommendation by the Pharmaceutical Benefits Advisory Committee (PBAC), approval by the Australian Government, and the States and Territories accepting the offer of subsidy.

To gain access to a Government funded drug under this program, a patient must attend a participating hospital and be a day-admitted patient, a non-admitted patient or a patient on discharge. Government subsidy is not available for hospital in-patients and funding for any in-patient use is provided by the state in public hospitals. Patients must also be under appropriate specialist medical care, meet the specific medical criteria and be an Australian resident in Australia (or other eligible person).

A patient will be required to pay a contribution for each supply of a Highly Specialised Drug at a similar rate to the PBS.

Highly Specialised Drugs Working Party

The Australian Health Ministers' Advisory Council established the Highly Specialised Drugs Working Party in 1991. The Working Party consists of representatives from the Health Department of each of the States and Territories, the Australian Private Hospitals Association and the Commonwealth as chair.

The Working Party's terms of reference are:

- selecting drugs proposed for inclusion in the funding arrangements for highly specialised drugs;
- referring proposed drugs with supporting information to the PBAC for consideration for listing as pharmaceutical benefits under section 100 supply arrangements;
- monitoring information on potential new highly specialised drugs which might come under the funding arrangements;
- monitoring the quality use of drugs supplied under these arrangements; and
- investigating and making recommendations on procedures to monitor drugs supplied by public hospitals under the section 100 arrangements to patients in community settings.

Program expenditure

During 2007–2008 there were 78 drugs subsidised under the HSD Program, compared to 2006–2007 when 71 were subsidised. There were seven new drugs listed under the HSD Program during 2007–2008. These new drug listings are:

1. Ibandronic acid
2. Abatacept
3. Sevelamer
4. Sitaxentan
5. Tipranavir
6. Darunavir
7. Rituximab

The Government expenditure for 2007-2008 amounted to \$672,839,644.
 Drugs were categorised as follows¹

<i>Indications Grouping</i>	<i>Number of Drugs</i>	<i>Public Hospital</i>	<i>Private Hospital</i>	<i>Combined</i>
Acromegaly Agents	2	\$14,119,631	\$7,506,954	\$21,626,585
Antiarthritic Agents	4	\$7,108,480	\$29,683,725	\$36,792,205
Bisphosphonate Agents	3	\$12,110,094	\$10,852,267	\$22,962,360
Haemopoietic Agents	4	\$94,362,386	\$33,276,713	\$127,639,099
Hepatitis B or C Agents	9	\$58,976,446	\$16,006,763	\$74,983,209
HIV/AIDS Antiretroviral Agents	23	\$124,640,964	\$1,382,758	\$126,023,722
Immunocompromised Conditions	10	\$8,788,695	\$1,338,878	\$10,127,573
Immunosuppressive Agents	7	\$58,900,273	\$5,356,780	\$64,257,053
Iron Overload Agents	3	\$10,880,717	\$3,095,588	\$13,976,306
Malignancy Agents	5	\$54,213,707	\$38,833,722	\$93,047,429
Other Conditions	3	\$50,296,895	\$4,352,151	\$54,649,046
Pulmonary Arterial Hypertension Agents	5	\$3,529,715	\$23,225,341	\$26,755,057
Grand Total	78	\$497,928,004	\$174,911,640	\$672,839,644

^{1.} All expenditure figures quoted in table refer to Government expenditure only and exclude the patient co-payment.
 Some figures in this table are subject to final reconciliation with each state and territory and may change slightly.

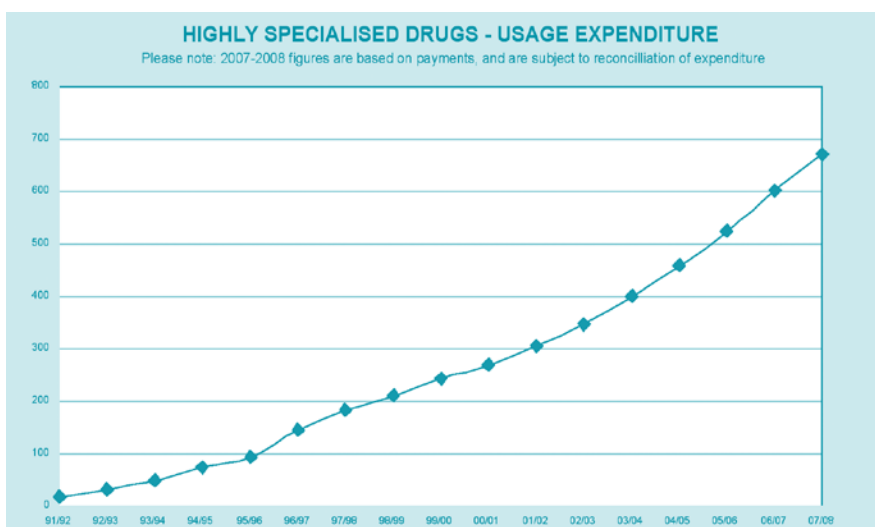
The Government expenditure through the HSD program in 2006-2007 was \$603.3 million.
 Before reconciliation, 2007-2008 costs totalled \$672.8 million, an increase of 11.5% from 2006-2007.
 At the end of the financial year, payments made to public hospitals via grants to the States and Territories will be reconciled against the actual drug usage.

Australian Government expenditure for HSDs is processed through two avenues; a grant process for public hospitals and a claims payment arrangement through Medicare Australia for private hospitals. For 2007–2008 the expenditure in public hospitals was \$497.9 million, an increase of 6.4% from the 2006–2007 expenditure of \$468.1 million. HSD expenditure processed through Medicare Australia showed an increase of 29.3% from the \$135.2 million in 2006–2007 to \$174.9 million in 2007–2008.

The HSD Program continues to increase at a steady rate across both public and private hospitals. The increase in expenditure over the last few years is due to the increase in number of drugs listed on the program and the increase of new private hospitals participating in the program.

The Highly Specialised Drugs – Usage Government² Expenditure Chart

The Highly Specialised Drugs Usage Government Expenditure chart outlines the program’s Government expenditure from 1991–1992 to 2007–2008 financial years.



2. All expenditure figures quoted in chart refer to Government expenditure only and exclude the patient co-payment.

CHAPTER 6

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Year end June 2007 to Year end June 2008

Table 1: Pharmaceutical Benefits Scheme Summary of ATC Group Reviews for 2007 – 2008

ATC group	Minor Group	No. of Products Reviewed	Script Volume	Govt cost \$	Total cost \$	Estimated cost to Government of Price Increases \$
A01	Stomatological preparations	8	198,486	1,267,928	1,970,364	34,028
A02	Drugs for acid related disorders	90	15,009,069	446,323,494	602,215,990	200,389
A03	Drugs for functional gastrointestinal disorders	7	685,719	3,905,276	6,218,457	1,233
A04	Antiemetics and anti-nauseants	69	810,802	15,998,220	21,881,682	-
A06	Laxatives	19	646,879	10,770,312	13,051,354	11,910
A07	Antidiarrheals, intestinal antiinflammatory/ antiinfective agents	35	860,896	47,948,810	57,435,022	69,279
A09	Digestives, incl. enzymes	5	59,863	8,712,011	9,338,664	-
A10	Drugs used in diabetes	104	6,129,136	278,141,612	310,595,448	8,432
A11	Vitamins	7	140,577	6,449,819	7,596,591	-
A12	Mineral supplements	8	307,082	2,601,357	3,632,704	171,592
A14	Anabolic agents for systemic use	1	9,608	163,353	195,792	-
B01	Antithrombotic agents	42	6,278,877	230,069,150	267,264,756	2,649,825
B02	Antihemorrhagics	1	32,399	944,489	1,622,562	-
B03	Antianemic preparations	9	586,501	7,903,759	10,657,839	15,893
B05	Blood substitutes and perfusion solutions	11	36,651	962,062	1,180,585	-
C01	Cardiac therapy	68	3,111,975	59,350,861	72,670,089	278,346
C02	Antihypertensives	24	768,356	11,013,994	14,009,648	67,970
C03	Diuretics	40	2,202,127	20,251,315	28,832,620	-
C04	Peripheral vasodilators	2	2,501	203,959	229,019	-
C07	Beta blocking agents	71	5,347,163	95,520,429	119,689,120	40,483
C08	Calcium channel blockers	78	7,017,573	133,409,801	165,457,623	-
C09	Agents acting on the renin-angiotensin system	232	19,187,089	400,500,965	493,236,045	33,443
C10	Lipid modifying agents	145	20,412,460	1,057,703,802	1,290,215,470	-
D01	Antifungals for dermatological use	21	113,818	9,685,445	11,284,695	26

Table 1: Pharmaceutical Benefits Scheme Summary of ATC Group Reviews for 2007 – 2008 (continued)

ATC group	Minor Group	No. of Products Reviewed	Script Volume	Govt cost \$	Total cost \$	Estimated cost to Government of Price Increases \$
D05	Antipsoriatics	5	90,454	7,626,176	8,601,870	280,094
D06	Antibiotics and chemotherapeutics for dermatological use	2	43,156	700,761	871,737	27,003
D07	Corticosteroids, dermatological preparations	38	2,150,501	22,535,640	32,892,522	4,265,464
D10	Anti-acne preparations	10	143,843	16,886,119	20,554,397	-
D11	Other dermatological preparations	2	35,508	2,574,273	3,228,817	-
G02	Other gynecologicals	7	87,286	14,333,894	16,332,141	1,508
G03	Sex hormones and modulators of the genital system	127	2,792,230	68,688,592	86,621,982	427,672
G04	Urologicals	4	194,986	2,370,954	3,074,288	-
H01	Pituitary and hypothalamic hormones and analogues	8	67,387	6,899,979	8,115,288	-
H02	Corticosteroids for systemic use	34	1,675,845	12,059,502	18,490,709	21,289,278
H03	Thyroid therapy	9	750,483	13,930,956	17,261,317	-
H04	Pancreatic hormones	1	42,051	1,459,604	1,740,597	-
H05	Calcium homeostasis	2	270	58,408	59,730	-
J01	Antibacterials for systemic use	356	11,475,696	122,360,055	175,859,209	468,478
J02	Antimycotics for systemic use	27	48,896	9,967,550	10,585,007	675
J04	Antimycobacterials	8	9,182	386,407	467,501	437
J05	Antivirals for systemic use	32	483,814	81,696,417	92,599,567	-
J07	Vaccines	6	494,305	13,368,630	16,101,873	-
L01	Antineoplastic agents	170	517,034	322,532,788	329,831,405	85,858
L02	Endocrine therapy	37	514,780	141,305,991	147,957,988	-
L03	Immunostimulants	18	92,251	97,888,847	99,623,226	-
L04	Immunosuppressants	73	395,365	181,470,780	187,628,691	266
M01	Antiinflammatory and antirheumatic products	84	4,749,078	87,046,488	108,283,843	-
M03	Muscle relaxants	18	138,780	6,516,007	7,732,595	-
M04	Antigout preparations	17	876,506	7,327,205	10,633,476	-
M05	Drugs for treatment of bone diseases	20	3,412,505	157,442,951	181,866,498	-
N02	Analgesics	136	10,756,891	201,031,062	245,376,193	400,566

Table 1: Pharmaceutical Benefits Scheme Summary of ATC Group Reviews for 2007 - 2008 (continued)

ATC group	Minor Group	No. of Products Reviewed	Script Volume	Govt cost \$	Total cost \$	Estimated cost to Government of Price Increases \$
N03	Antiepileptics	128	1,777,584	96,040,217	114,307,769	-
N04	Anti-Parkinson drugs	37	644,206	36,477,385	40,932,037	51,380
N05	Psycholeptics	129	7,406,379	359,298,151	395,604,612	37,560
N06	Psychoanaleptics	166	11,685,830	346,187,809	453,430,271	91,886
N07	Other nervous system drugs	15	252,876	32,602,849	37,007,901	44,940
P01	Antiprotozoals	5	1,711	66,817	73,628	148
P02	Anthelmintics	6	4,664	105,797	131,146	1,733
P03	Ectoparasiticides, incl. scabicides, insecticides and repellents	1	40,176	436,277	615,317	-
R03	Drugs for obstructive airway diseases	87	9,125,482	368,273,792	451,322,773	221,883
R05	Cough and cold preparations	2	190,486	2,508,274	3,285,206	219,244
R06	Antihistamines for systemic use	1	21,947	435,868	461,483	-
S01	Ophthalmologicals	100	6,739,664	170,579,957	204,625,902	107,392
S02	Otologicals	9	614,710	2,259,846	4,672,341	197,601
S03	Ophthalmological and otological preparations	1	27,915	110,456	228,922	-
V01	Allergens	3	3,162	571,510	644,570	-
V03	All other therapeutic products	12	44,123	6,967,024	7,455,576	-
V04	Diagnostic agents	31	441,837	20,255,854	22,829,487	-
V06	General nutrients	79	70,735	24,044,749	25,366,107	9,486
V07	All other non-therapeutic products	1	880	29,544	32,083	-
	*Ad hoc	62	61,790,720	2,783,352,621	3,210,922,311	2,300,124
	# Total (excludes section 100 drugs)	3,223	171,296,023	5,925,639,754	7,115,109,054	34,113,525

*Ad hoc - comprised of groups with less than 4 manufacturers and/or less than 10 products (for confidentiality) and items on an ad hoc basis.

Table 2: Pharmaceutical Benefits Scheme – Highest Cost Items – 12 Months to 30 June 2008

Rank	Item	Drug	Form	Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)
1	8215	ATORVASTATIN CALCIUM	Tablet 40mg (atorvastatin)	3,379,925	221,035,634	263,761,111	78.04
2	8358	CLOPIDOGREL HYDROGEN SULFATE	Tablet 75mg (base)	2,309,279	171,178,105	189,701,902	82.15
3	8214	ATORVASTATIN CALCIUM	Tablet 20mg (atorvastatin)	3,525,189	156,879,433	200,758,114	56.95
4	8521	ATORVASTATIN CALCIUM	Tablet 80mg (atorvastatin)	1,185,209	114,669,810	129,355,028	109.14
5	8173	SIMVASTATIN	Tablet 40mg	2,349,666	108,029,980	132,120,502	56.23
6	8601	ESOMEPRAZOLE MAGNESIUM TRIHYDRATE	Tablet (enteric coated), equivalent to 40mg esomeprazole	1,990,842	95,999,482	118,960,582	59.75
7	8187	OLANZAPINE	Tablet 10mg	299,830	88,294,806	90,715,027	302.55
8	8626	TIOTROPIUM BROMIDE MONOHYDRATE	Capsule containing powder for oral inhalation 18micrograms (base) (for use in Handihaler)	1,254,746	87,317,369	95,262,205	75.92
9	8008	PANTOPRAZOLE SODIUM SESQUIHYDRATE	Tablet (enteric coated), equivalent to 40mg pantoprazole	2,381,652	71,934,775	96,464,742	40.50
10	8600	ESOMEPRAZOLE MAGNESIUM TRIHYDRATE	Tablet (enteric coated), equivalent to 20mg esomeprazole	2,683,770	67,547,593	100,234,227	37.35
11	8519	FLUTICASONE PROPIONATE with SALMETEROL XINAFOATE	Oral pressurised inhalation 250micrograms-25micrograms (base) per dose (120 doses), CFC-free formulation	953,646	62,207,840	74,168,143	77.77
12	8302	VENLAFAXINE HYDROCHLORIDE	Capsule 150mg (base) (modified release)	1,260,310	60,276,657	79,587,547	63.15
13	2012	SIMVASTATIN	Tablet 20mg	1,849,520	58,391,678	75,344,513	40.74
14	8511	ALENDRONATE SODIUM	Tablet equivalent to 70mg alendronic acid	1,288,381	54,315,945	63,568,256	49.34
15	8213	ATORVASTATIN CALCIUM	Tablet 10mg (atorvastatin)	1,776,082	51,563,767	71,580,267	40.30
16	9039	INSULIN GLARGINE	Injections (human analogue) 100units per mL, 3mL, 5	117,591	48,026,507	49,540,331	421.29
17	9043	ROSUVASTATIN CALCIUM	Tablet 10mg (rosuvastatin)	869,946	46,915,608	59,898,989	68.85
18	1382	RANIBIZUMAB	Solution for intravitreal injection 3mg in 0.3mL	22,877	46,867,184	47,078,067	2057.88
19	9110	OMEPRAZOLE	Tablet 20mg (as magnesium)	1,699,245	46,203,267	63,592,748	37.42
20	8508	RABEPRAZOLE SODIUM	Tablet 20mg (enteric coated)	1,583,453	45,126,932	63,866,944	40.33
21	8405	IRBESARTAN with HYDROCHLOROTHIAZIDE	Tablet 300mg-12.5mg	1,707,623	44,871,576	51,812,177	30.34

Table 2: Pharmaceutical Benefits Scheme – Highest Cost Items – 12 Months to 30 June 2008 (continued)

Rank	Item	Drug	Form	Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)
22	8757	EZETIMIBE	Tablet 10mg	735,737	43,324,791	51,667,303	70.23
23	8432	FLUTICASON PROPRIONATE with SALMETEROL XINAFOATE	Powder for oral inhalation in breath actuated device 500micrograms-50micrograms (base) per dose (60 doses)	633,548	42,175,574	49,883,442	78.74
24	8313	SIMVASTATIN	Tablet 80mg	619,190	42,089,206	48,597,621	78.49
25	8093	GOSERELIN ACETATE	Subcutaneous implant (long acting) 10.8mg (base) in pre-filled injection syringe	38,111	41,827,676	42,125,460	1,105.34
26	8333	OMEPRAZOLE	Tablet 20mg	1,318,785	41,378,412	54,344,232	41.21
27	8134	VALACLOVIR HYDROCHLORIDE	Tablet 500mg (base)	285,209	40,995,623	47,770,797	167.49
28	8197	PRAWASTATIN SODIUM	Tablet 40mg	878,025	40,068,670	48,465,035	55.20
29	8101	INTERFERON BETA-1b	Injection set comprising 1 vial powder for injection 8,000,000.I.U. (250micrograms) and solvent	33,168	38,311,456	38,931,978	1173.78
30	8243	LATANOPROST	Eye drops 50micrograms per mL (0.005%), 2.5mL	1,285,016	37,131,353	47,043,067	36.61
31	8301	VENLAFAXINE HYDROCHLORIDE	Capsule 75mg (base) (modified release)	1,160,711	35,343,388	54,240,663	46.73
32	8248	IRBESARTAN	Tablet 300mg	1,274,847	31,170,599	36,293,885	28.47
33	8741	ADALIMUMAB	Injection 40mg in 0.8mL pre-filled syringe	17,502	30,286,825	30,528,833	1744.31
34	8431	FLUTICASON PROPRIONATE with SALMETEROL XINAFOATE	Powder for oral inhalation in breath actuated device 250micrograms-50micrograms (base) per dose (60 doses)	669,975	29,312,907	39,134,638	58.41
35	8179	ANASTROZOLE	Tablet 1mg	169,351	28,927,974	31,365,737	185.21
36	9012	ALENDRONATE SODIUM with COLECALCIFEROL	Tablet equivalent to 70mg alendronic acid with 70micrograms colecalciferol	672,949	28,302,266	32,943,896	48.95
37	8470	RAMIPRIL	Capsule 10mg	1,132,189	27,433,393	31,990,555	28.26
38	8440	CELECOXIB	Capsule 200mg	1,014,510	27,357,795	31,478,290	31.03
39	8899	RISEDRONATE SODIUM and CALCIUM CARBONATE	Pack containing 4 tablets risedronate sodium 35mg and 24 tablets calcium carbonate 1.25g (equivalent to 500mg calcium)	598,515	26,864,822	31,188,802	52.11
40	8185	OLANZAPINE	Tablet 5mg	231,093	26,023,115	28,112,054	121.65

Table 2: Pharmaceutical Benefits Scheme - Highest Cost Items - 12 Months to 30 June 2008 (continued)

Rank	Item	Drug	Form	Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)
41	8625	BUDESONIDE with EFORMOTEROL FUMARATE DIHYDRATE	Powder for oral inhalation in breath actuated device 200micrograms-6micrograms per dose (120 doses)	601,543	25,934,074	34,735,676	57.74
42	8220	CITALOPRAM HYDROBROMIDE	Tablet 20mg (base)	976,290	25,688,851	32,936,600	33.74
43	8435	INSULIN ASPART	Injections (human analogue) 100units per mL, 3mL, 5	105,630	25,585,397	27,227,761	257.77
44	8288	SALBUTAMOL SULFATE	Oral pressurised inhalation 100micrograms (base) per dose (200 doses), CFC-free formulation	1,999,934	25,500,404	33,126,984	16.56
45	9008	PERINDOPRIL	Tablet containing 10mg perindopril arginine	1,155,657	25,278,499	35,432,828	30.66
46	2845	PERINDOPRIL with INDAPAMIDE HEMIHYDRATE	Tablet containing 5mg perindopril arginine-1.25mg indapamide hemihydrate	1,021,881	25,130,545	29,449,605	28.82
47	9044	ROSUVASTATIN CALCIUM	Tablet 20mg (rosuvastatin)	306,231	24,616,946	29,209,055	95.38
48	8258	CARVEDILOL	Tablet 25mg	243,527	24,577,049	26,733,390	109.78
49	8609	INSULIN ASPART-INSULIN ASPART PROTAMINE SUSPENSION	Injections (human analogue) 100units (30units-70units) per mL, 3mL, 5	98,005	24,529,895	25,474,059	259.93
50	8294	RITUXIMAB	Solution for i.v. infusion 500mg in 50mL	9,601	24,432,866	24,590,291	2561.22

Table 3: Pharmaceutical Benefits Scheme – Most Prescribed Items – 12 Months to 30 June 2008

Rank	Item	Drug	Form	Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)
1	8214	ATORVASTATIN CALCIUM	Tablet 20mg (atorvastatin)	3,525,189	156,879,433	200,758,114	56.95
2	8215	ATORVASTATIN CALCIUM	Tablet 40mg (atorvastatin)	3,379,925	221,035,634	263,761,111	78.04
3	1081	ATENOLOL	Tablet 50mg	2,969,778	20,476,319	32,171,718	10.83
4	8600	ESOMEPRAZOLE MAGNESIUM TRIHYDRATE	Tablet (enteric coated), equivalent to 20mg esomeprazole	2,683,770	67,547,593	100,234,227	37.35
5	8008	PANTOPRAZOLE SODIUM SESQUIHYDRATE	Tablet (enteric coated), equivalent to 40mg pantoprazole	2,381,652	71,934,775	96,464,742	40.50
6	8173	SIMVASTATIN	Tablet 40mg	2,349,666	108,029,980	132,120,502	56.23
7	8358	CLOPIDOGREL HYDROGEN SULFATE	Tablet 75mg (base)	2,309,279	171,178,105	189,701,902	82.15
8	8288	SALBUTAMOL SULFATE	Oral pressurised inhalation 100micrograms (base) per dose (200 doses), CFC-free formulation	1,999,934	25,500,404	33,126,984	16.56
9	8601	ESOMEPRAZOLE MAGNESIUM TRIHYDRATE	Tablet (enteric coated), equivalent to 40mg esomeprazole	1,990,842	95,999,482	118,960,582	59.75
10	2012	SIMVASTATIN	Tablet 20mg	1,849,520	58,391,678	75,344,513	40.74
11	2089	TEMAZEPAM	Tablet 10mg	1,778,250	6,529,567	12,935,567	7.27
12	8213	ATORVASTATIN CALCIUM	Tablet 10mg (atorvastatin)	1,776,082	51,563,767	71,580,267	40.30
13	3119	CEPHALEXIN	Capsule 500mg	1,709,479	11,953,941	19,093,901	11.17
14	8405	IRBESARTAN with HYDROCHLOROTHIAZIDE	Tablet 300mg-12.5mg	1,707,623	44,871,576	51,812,177	30.34
15	9110	OMEPRAZOLE	Tablet 20mg (as magnesium)	1,699,245	46,203,267	63,592,748	37.42
16	1215	CODAINE PHOSPHATE with PARACETAMOL	Tablet 30mg-500mg	1,668,311	7,787,876	14,184,476	8.50
17	8508	RABEPRAZOLE SODIUM	Tablet 20mg (enteric coated)	1,583,453	45,126,932	63,866,944	40.33
18	3162	DIAZEPAM	Tablet 5mg	1,409,068	5,206,304	10,706,417	7.60
19	8333	OMEPRAZOLE	Tablet 20mg	1,318,785	41,378,412	54,344,232	41.21
20	8511	ALENDRONATE SODIUM	Tablet equivalent to 70mg alendronic acid	1,288,381	54,315,945	63,568,256	49.34
21	8243	LATANOPROST	Eye drops 50micrograms per mL (0.005%), 2.5mL	1,285,016	37,131,353	47,043,067	36.61
22	2430	METFORMIN HYDROCHLORIDE	Tablet 500mg	1,283,039	13,315,958	17,951,749	13.99
23	8248	IRBESARTAN	Tablet 300mg	1,274,847	31,170,599	36,293,885	28.47
24	8302	VENLAFAXINE HYDROCHLORIDE	Capsule 150mg (base) (modified release)	1,260,310	60,276,657	79,587,547	63.15

Table 3: Pharmaceutical Benefits Scheme – Most Prescribed Items – 12 Months to 30 June 2008 (continued)

Rank	Item	Drug	Form	Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)
25	8626	TIOTROPIUM BROMIDE MONOHYDRATE	Capsule containing powder for oral inhalation 18micrograms (base) (for use in HandiHaler)	1,254,746	87,317,369	95,262,205	75.92
26	9007	PERINDOPRIL	Tablet containing 5mg perindopril arginine	1,251,687	22,560,561	27,772,423	22.15
27	1889	AMOXYCILLIN	Capsule 500mg	1,243,619	8,236,005	13,612,567	10.95
28	8784	PARACETAMOL	Tablet 500mg	1,241,689	12,079,500	16,094,941	12.96
29	8521	ATORVASTATIN CALCIUM	Tablet 80mg (atorvastatin)	1,185,209	114,669,810	129,355,028	109.14
30	8247	IRBESARTAN	Tablet 150mg	1,167,633	22,546,891	27,364,786	23.44
31	1746	PARACETAMOL	Tablet 500mg	1,164,796	5,526,542	9,229,140	7.92
32	8301	VENLAFAXINE HYDROCHLORIDE	Capsule 75mg (base) (modified release)	1,160,711	35,343,388	54,240,663	46.73
33	8254	AMOXYCILLIN with CLAVULANIC ACID	Tablet 87.5mg-125mg	1,156,771	13,942,475	18,803,351	16.26
34	9008	PERINDOPRIL	Tablet containing 10mg perindopril arginine	1,155,657	25,278,499	35,432,828	30.66
35	8470	RAMIPRIL	Capsule 10mg	1,132,189	27,433,393	31,990,555	28.26
36	8202	ASPIRIN	Tablet 100mg	1,033,732	3,702,117	7,299,527	7.06
37	2845	PERINDOPRIL with INDAPAMIDE HEMHYDRATE	Tablet containing 5mg perindopril arginine-1.25mg indapamide hemihydrate	1,021,881	25,130,545	29,449,605	28.82
38	8440	CELECOXIB	Capsule 200mg	1,014,510	27,357,795	31,478,290	31.03
39	2412	FRUSEMIDE	Tablet 40mg	990,537	5,129,384	8,361,379	8.44
40	8220	CITALOPRAM HYDROBROMIDE	Tablet 20mg (base)	976,290	25,688,851	32,936,600	33.74
41	8519	FUTICASONE PROPIONATE with SALMETEROL XINAFOATE	Oral pressurised inhalation 250micrograms-25micrograms (base) per dose (120 doses), CFC-free formulation	953,646	62,207,840	74,168,143	77.77
42	2751	AMLODIPINE	Tablet 5mg (as besylate)	923,725	14,105,237	17,853,762	19.33
43	8197	PRAVASTATIN SODIUM	Tablet 40mg	878,025	40,068,670	48,465,035	55.20
44	9043	ROSUVASTATIN CALCIUM	Tablet 10mg (rosuvastatin)	869,946	46,915,608	59,898,989	68.85
45	3133	OXAZEPAM	Tablet 30mg	845,138	2,779,655	5,787,770	6.85
46	1324	METOPROLOL TARTRATE	Tablet 50mg	831,687	5,959,369	9,087,858	10.93
47	8535	GLICLAZIDE	Tablet 30mg (modified release)	818,865	9,107,003	12,028,598	14.69
48	2843	WARFARIN SODIUM	Tablet 1mg	788,540	5,160,572	7,906,732	10.03
49	8513	MIRTAZAPINE	Tablet 30mg	788,427	20,345,158	28,891,353	36.64
50	8562	MELOXICAM	Tablet 15mg	775,436	18,394,146	21,946,952	28.30

Table 4: Pharmaceutical Benefits Scheme – Top 20 Responsible Persons by Total Cost for 2007–2008 (from processed PBS prescriptions)

Rank	Manufacturer	Script Volume	Govt Cost (\$)	Total Cost (\$)	Sales (Ex-Manufacturer) (\$)
1	Pfizer	17,791,702	810,610,385	985,786,456	742,546,684
2	AstraZeneca	13,881,541	590,211,857	730,416,408	546,218,026
3	Sanofi-Aventis	14,726,508	490,326,325	568,992,627	414,604,063
4	Alphapharm	25,882,519	393,622,134	522,916,374	315,582,387
5	GlaxoSmithKline	8,824,172	356,877,234	437,994,188	324,102,125
6	Sigma	16,977,382	271,764,238	355,614,380	218,341,787
7	Merck Sharp & Dohme	5,996,070	261,272,275	311,945,320	232,916,946
8	Bristol Myers Squibb	6,085,535	235,899,680	269,335,028	199,179,924
9	Wyeth	3,892,516	196,493,969	247,111,415	194,022,285
10	Eli Lilly	1,450,467	227,217,051	240,217,574	195,068,678
11	Janssen-Cilag	3,183,719	203,334,759	235,747,710	184,265,010
12	Novartis	2,617,758	191,885,451	209,275,417	172,442,154
13	Boehringer Ingelheim	4,660,147	166,597,563	190,660,754	137,944,388
14	Roche Products	1,995,591	164,088,932	178,685,680	145,724,702
15	Servier	5,596,449	103,090,410	131,319,448	84,242,251
16	Novo Nordisk	914,033	112,255,057	119,577,293	97,252,067
17	Abbott	1,525,733	110,954,638	118,925,856	98,418,699
18	Apotex	4,245,837	84,680,782	108,829,581	70,999,281
19	Bayer	1,267,176	89,687,826	100,483,513	80,687,766
20	Mundipharma	1,945,622	84,180,840	94,115,234	65,235,044
	Others	27,835,546	780,588,348	957,158,798	679,826,160
	Total	171,296,023	5,925,639,754	7,115,109,054	5,199,620,427

Note: Includes branded and unbranded scripts and Doctor's bag scripts. 'Others' contains scripts written for extemporaneously-prepared items and where the manufacturer is unknown.

Table 5: Pharmaceutical Benefits Scheme - Top 20 Responsible Persons by Market Share (Scripts) for 2007-2008 (from processed PBS prescriptions)

Rank	Manufacturer	Script Volume	Govt Cost (\$)	Total Cost (\$)	% of Total	Sales (Ex-Manufacturer) (\$)
1	Alphapharm	25,882,519	393,622,134	522,916,374	15.11	315,582,387
2	Pfizer	17,791,702	810,610,385	985,786,456	10.39	742,546,684
3	Sigma	16,977,382	271,764,238	355,614,380	9.91	218,341,787
4	Sanofi-Aventis	14,726,508	490,326,325	568,992,627	8.60	414,604,063
5	AstraZeneca	13,881,541	590,211,857	730,416,408	8.10	546,218,026
6	GlaxoSmithKline	8,824,172	356,877,234	437,994,188	5.15	324,102,125
7	Bristol Myers Squibb	6,085,535	235,899,680	269,335,028	3.55	199,179,924
8	Merck Sharp & Dohme	5,996,070	261,272,275	311,945,320	3.50	232,916,946
9	Senvier	5,596,449	103,090,410	131,319,448	3.27	84,242,251
10	Boehringer Ingelheim	4,660,147	166,597,563	190,660,754	2.72	137,944,388
11	Apotex	4,245,837	84,680,782	108,829,581	2.48	70,999,281
12	Wyeth	3,892,516	196,493,969	247,111,415	2.27	194,022,285
13	Janssen-Cilag	3,183,719	203,334,759	235,747,710	1.86	184,265,010
14	Sandoz	3,135,934	67,721,342	86,465,402	1.83	57,992,007
15	Aspen	2,674,630	22,584,736	33,862,043	1.56	15,989,131
16	Novartis	2,617,758	191,885,451	209,275,417	1.53	172,442,154
17	Roche Products	1,995,591	164,088,932	178,685,680	1.16	145,724,702
18	Nycomed	1,990,791	57,476,229	77,507,395	1.16	56,087,853
19	Mundipharma	1,945,622	84,180,840	94,115,234	1.14	65,235,044
20	Solvay	1,737,791	42,301,885	53,224,438	1.01	36,524,461
	Total Top 20	147,842,214	4,795,021,027	5,829,805,297	86%	4,214,960,510
	Others	23,453,809	1,130,618,727	1,285,303,756	14%	984,659,917
	Total	171,296,023	5,925,639,754	7,115,109,054	100%	5,199,620,427

Note: Includes branded and unbranded scripts and Doctor's bag scripts. 'Others' contains scripts written for extemporaneously-prepared items and where the manufacturer is unknown.

Table 6(a) - Pharmaceutical Benefits Scheme - Significant Drug Groups (incl Doctor's Bag) by Highest Government Cost - Year end June 2007 to Year End June 2008

ATC Group Level 2	Year Ending June 2007					Year Ending June 2008						
	Script Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)	Script Volume	(%diff)	Govt Cost (\$)	(%diff)	Total Cost (\$)	(%diff)	Average Price (\$)	(%diff)
Lipid modifying agents	18,757,397	1,004,444,984	1,207,798,678	64.39	20,412,460	8.8	1,057,703,802	5.3	1,290,215,470	6.8	63.21	-1.8
Drugs for acid related disorders	14,272,813	434,141,215	573,695,315	40.19	15,009,069	5.2	446,323,494	2.8	602,215,990	5.0	40.12	-0.2
Agents acting on the renin-angiotensin system	19,021,931	383,234,232	491,173,773	25.82	19,187,089	0.9	400,500,965	4.5	493,236,045	0.4	25.71	-0.4
Drugs for obstructive airway diseases	8,873,593	351,948,877	427,016,832	48.12	9,125,482	2.8	368,273,792	4.6	451,322,773	5.7	49.46	2.8
Psycholeptics	7,363,738	338,702,373	372,103,609	50.53	7,406,379	0.6	359,298,151	6.1	395,604,612	6.3	53.41	5.7
Psychoanaesthetics	11,937,641	329,862,635	446,666,885	37.42	11,685,830	-2.1	346,187,809	4.9	453,430,271	1.5	38.80	3.7
Antineoplastic agents	483,536	248,328,728	254,841,867	527.04	517,034	6.9	322,532,788	29.9	329,831,405	29.4	637.93	21.0
Drugs used in diabetes	5,901,044	243,343,604	272,928,041	46.25	6,129,136	3.9	278,141,612	14.3	310,595,448	13.8	50.68	9.6
Antithrombotic agents	5,905,564	207,810,703	240,679,115	40.75	6,278,877	6.3	230,069,150	10.7	267,264,756	11.0	42.57	4.4
Analgesics	10,601,676	175,061,343	216,028,173	20.38	10,756,891	1.5	201,031,062	14.8	245,376,193	13.6	22.81	11.9
Immunosuppressants	346,688	134,764,102	139,780,063	403.19	395,365	14.0	181,470,780	34.7	187,628,691	34.2	474.57	17.7
Ophthalmologicals	6,690,838	101,450,265	133,151,476	19.90	6,739,664	0.7	170,579,957	68.1	204,625,902	53.7	30.36	52.6
Drugs for treatment of bone diseases	3,339,910	161,686,762	185,082,726	55.42	3,412,505	2.2	157,442,951	-2.6	181,866,498	-1.7	53.29	-3.8
Endocrine therapy	471,456	130,326,918	135,995,882	288.46	514,780	9.2	141,305,991	8.4	147,957,988	8.8	287.42	-0.4
Calcium channel blockers	7,434,563	149,870,376	194,565,135	26.17	7,017,573	-5.6	133,409,801	-11.0	165,457,623	-15.0	23.58	-9.9
Antibacterials for systemic use	11,148,512	117,628,541	168,131,891	15.08	11,475,696	2.9	122,360,055	4.0	175,859,209	4.6	15.32	1.6
Immunostimulants	90,744	96,504,365	98,106,489	1081.13	92,251	1.7	97,888,847	1.4	99,623,226	1.5	1079.91	-0.1

Table 6(a) - Pharmaceutical Benefits Scheme - Significant Drug Groups (incl Doctor's Bag) by Highest Government Cost - Year end June 2007 to Year End June 2008

	Year Ending June 2007						Year Ending June 2008					
	Script Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)	Script Volume	(% diff)	Govt Cost (\$)	(% diff)	Total Cost (\$)	(% diff)	Average Price (\$)	(% diff)
ATC Group Level 2												
Lipid modifying agents	18,757,397	1,004,444,984	1,207,798,678	64.39	20,412,460	8.8	1,057,703,802	5.3	1,290,215,470	6.8	63.21	-1.8
Agents acting on the renin-angiotensin system	19,021,931	383,234,232	491,173,773	25.82	19,187,089	0.9	400,500,965	4.5	493,236,045	0.4	25.71	-0.4
Drugs for acid related disorders	14,272,813	434,141,215	573,695,315	40.19	15,009,069	5.2	446,323,494	2.8	602,215,990	5.0	40.12	-0.2
Psychoanaesthetics	11,937,641	329,862,635	446,666,885	37.42	11,685,830	-2.1	346,187,809	4.9	453,430,271	1.5	38.80	3.7
Antibacterials for systemic use	11,148,512	117,628,541	168,131,891	15.08	11,475,696	2.9	122,360,055	4.0	175,859,209	4.6	15.32	1.6
Analgesics	10,601,676	175,061,343	216,028,173	20.38	10,756,891	1.5	201,031,062	14.8	245,376,193	13.6	22.81	11.9
Drugs for obstructive airway diseases	8,873,593	351,948,877	427,016,832	48.12	9,125,482	2.8	368,273,792	4.6	451,322,773	5.7	49.46	2.8
Psycholeptics	7,363,738	338,702,373	372,103,609	50.53	7,406,379	0.6	359,298,151	6.1	395,604,612	6.3	53.41	5.7
Calcium channel blockers	7,434,563	149,870,376	194,565,135	26.17	7,017,573	-5.6	133,409,801	-11.0	165,457,623	-15.0	23.58	-9.9
Ophthalmologicals	6,690,838	101,450,265	133,151,476	19.90	6,739,664	0.7	170,579,957	68.1	204,625,902	53.7	30.36	52.6
Antithrombotic agents	5,905,564	207,810,703	240,679,115	40.75	6,278,877	6.3	230,069,150	10.7	267,264,756	11.0	42.57	4.4
Drugs used in diabetes	5,901,044	243,343,604	272,928,041	46.25	6,129,136	3.9	278,141,612	14.3	310,595,448	13.8	50.68	9.6
Beta blocking agents	5,193,142	88,823,307	111,249,228	21.42	5,347,163	3.0	95,520,429	7.5	119,689,120	7.6	22.38	4.5
Antiinflammatory and antirheumatic products	5,410,482	95,828,832	128,813,167	23.81	4,749,078	-12.2	87,046,488	-9.2	108,283,843	-15.9	22.80	-4.2
Drugs for treatment of bone diseases	3,339,910	161,686,762	185,082,726	55.42	3,412,505	2.2	157,442,951	-2.6	181,866,498	-1.7	53.29	-3.8
Cardiac therapy	3,168,212	57,525,015	70,642,970	22.30	3,111,975	-1.8	59,350,861	3.2	72,670,089	2.9	23.35	4.7
Sex hormones and modulators of the genital system	3,054,211	69,145,674	87,630,656	28.69	2,792,230	-8.6	68,688,592	-0.7	86,621,982	-1.2	31.02	8.1

Table 7(a) – Pharmaceutical Benefits Scheme - Significant Drugs (incl Doctor's Bag) Sorted by Highest Change to Government Cost - Year End June 2007 to Year End June 2008

Rank	Drug	Year Ending June 2007				Year Ending June 2008				Change	
		Volume	Govt Cost (\$)	Total Cost(\$)	Average Price (\$)	Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)	Govt Cost (\$)	%
1	ROSUVASTATIN CALCIUM	273,563	16,562,490	20,731,959	75.78	1,504,336	93,651,497	115,787,443	76.97	77,089,006	465.44
2	RAMBIZUMAB	0	0	0	0.00	31,240	63,974,200	64,266,594	2,057.19	63,974,200	New
3	INSULIN GLARGINE	57,208	22,384,393	23,172,317	405.05	117,591	48,026,507	49,540,331	421.29	25,642,114	114.55
4	ADALIMUMAB	21,752	37,812,832	38,116,256	1752.31	35,926	62,106,436	62,679,097	1,744.67	24,293,604	64.25
5	IMATINIB	0	0	0	0.00	5,934	24,024,284	24,126,032	4,065.73	24,024,284	New
6	AMLODIPINE BESYLATE with ATORVASTATIN CALCIUM	52,446	4,094,681	4,733,323	90.25	367,823	27,901,808	32,189,249	87.51	23,807,126	581.42
7	EZETIMIBE with SIMVASTATIN	188,615	24,715,372	26,926,292	142.76	378,441	44,848,913	49,352,912	130.41	20,133,542	81.46
8	ESOMEPRAZOLE MAGNESIUM TRIHYDRATE	4,080,968	147,772,321	194,303,857	47.61	4,780,929	166,227,430	223,161,239	46.68	18,455,109	12.49
9	ETANERCEPT	31,202	55,231,086	55,682,765	1784.59	42,087	73,323,632	73,997,543	1,758.20	18,092,546	32.76
10	ALENDRONATE SODIUM with COLECALCIFEROL	276,142	12,410,410	14,376,114	52.06	672,949	28,302,266	32,943,896	48.95	15,891,856	128.05
11	ATORVASTATIN CALCIUM	9,440,627	529,732,351	641,525,185	67.95	9,866,405	544,148,644	665,454,521	67.45	14,416,294	2.72
12	DOCEAXEL	10,776	20,234,496	20,425,910	1895.50	16,900	34,592,578	34,914,792	2,065.96	14,358,083	70.96
13	CLOPIDOGREL HYDROGEN SULFATE	2,111,423	157,471,339	173,226,770	82.04	2,309,279	171,178,105	189,701,902	82.15	13,706,765	8.70
14	VARENICLINE	0	0	0	0.00	107,550	12,680,048	14,754,514	137.19	12,680,048	New
15	BUDESONIDE with EFORMOTEROL FUMARATE DIHYDRATE	665,164	36,264,503	44,940,435	67.56	924,600	48,387,026	61,511,687	66.53	12,122,524	33.43
16	RISPERIDONE	425,783	73,468,307	76,539,539	179.76	503,042	84,021,319	87,812,666	174.56	10,553,012	14.36
17	METHYLPHENIDATE HYDROCHLORIDE	97,934	2,051,037	2,617,193	26.72	235,043	12,499,824	15,046,488	64.02	10,448,787	509.44

Table 7(a) – Pharmaceutical Benefits Scheme – Significant Drugs (incl Doctor's Bag) Sorted by Highest Change to Government Cost – Year End June 2007 to Year End June 2008 (continued)

Rank	Drug	Year Ending June 2007				Year Ending June 2008				Change	
		Volume	Govt Cost (\$)	Total Cost(\$)	Average Price (\$)	Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)	Govt Cost (\$)	%
18	RITUXIMAB	33,170	60,378,949	60,911,674	1836.35	36,965	70,084,377	70,683,956	1,912.19	9,705,428	16.07
19	RISEDRONATE SODIUM and CALCIUM CARBONATE	381,216	17,187,343	19,952,992	52.34	598,515	26,864,822	31,188,802	52.11	9,677,479	56.31
20	VENLAFAXINE HYDROCHLORIDE	2,203,061	88,183,494	119,902,894	54.43	2,493,259	97,230,944	135,780,979	54.46	9,047,450	10.26
21	BUPRENORPHINE	248,909	9,060,529	10,401,537	41.79	453,785	17,818,011	20,286,917	44.71	8,757,481	96.66
22	FENTANYL	143,355	13,951,015	14,923,894	104.10	238,426	22,256,370	23,899,337	100.24	8,305,355	59.53
23	QUETIAPINE FUMARATE	248,778	49,131,811	51,160,789	205.65	316,415	57,070,262	59,925,723	189.39	7,938,451	16.16
24	TIOTROPIUM BROMIDE MONOHYDRATE	1,140,278	79,611,499	86,441,011	75.81	1,254,746	87,317,369	95,262,205	75.92	7,705,870	9.68
25	OXYCODONE HYDROCHLORIDE	1,306,152	42,153,128	47,892,021	36.67	1,509,547	49,700,137	56,804,787	37.63	7,547,009	17.90
26	CANDESARTAN CILEXTEL	1,317,408	29,214,705	35,309,561	26.80	1,557,108	36,113,385	44,517,855	28.59	6,898,680	23.61
27	ROSIGLITAZONE MALEATE with METFORMIN HYDROCHLORIDE	25,640	1,783,134	2,151,267	83.90	117,087	8,602,981	10,067,098	85.98	6,819,847	382.46
28	EZETIMIBE	629,871	37,228,345	44,145,572	70.09	735,737	43,324,791	51,667,303	70.23	6,096,447	16.38
29	MESALAZINE	141,273	25,182,666	27,850,126	197.14	152,776	30,979,855	34,018,221	222.67	5,797,189	23.02
30	DASATINIB	0	0	0	0.00	956	5,481,304	5,496,434	5,749.41	5,481,304	New
31	INSULIN ASPART	92,766	21,624,331	22,996,468	247.90	115,934	27,059,331	28,837,777	248.74	5,435,000	25.13
32	WARFARIN SODIUM	2,076,323	10,287,335	17,435,918	8.40	2,162,561	14,913,854	22,561,733	10.43	4,626,519	44.97
33	PERINDOPRIL	3,313,045	57,958,941	80,455,421	24.28	3,519,211	62,476,881	82,820,424	23.53	4,517,940	7.80
34	AMLODIPINE	1,846,979	33,593,510	48,806,572	26.43	1,977,329	38,063,256	47,431,533	23.99	4,469,746	13.31
35	BORTEZOMIB	0	0	0	0.00	589	4,191,021	4,199,186	7,129.35	4,191,021	New

Table 7(b) – Pharmaceutical Benefits Scheme – Significant Drugs (incl Doctor’s Bag) – Sorted by Highest Volume Change – Year End June 2007 to Year End June 2008

Rank	Drug	Year Ending June 2007				Year Ending June 2008				Change	
		Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)	Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)	Volume	%
1	ROSUVASTATIN CALCIUM	273,563	16,562,490	20,731,959	75.78	1,504,336	93,651,497	115,787,443	76.97	1,230,773	449.90
2	ESOMEPRAZOLE MAGNESIUM TRIHYDRATE	4,080,968	147,772,321	194,303,857	47.61	4,780,929	166,227,430	223,161,239	46.68	699,961	17.15
3	ATORVASTATIN CALCIUM	9,440,627	529,732,351	641,525,185	67.95	9,866,405	544,148,644	665,454,521	67.45	425,778	4.51
4	ALENDRONATE SODIUM with COLECALCIFEROL	276,142	12,410,410	14,376,114	52.06	672,949	28,302,266	32,943,896	48.95	396,807	143.70
5	AMLODIPINE BESYLATE with ATORVASTATIN CALCIUM	52,446	4,094,681	4,733,323	90.25	367,823	27,901,808	32,189,249	87.51	315,377	601.34
6	VENLAFAXINE HYDROCHLORIDE	2,203,061	88,183,494	119,902,894	54.43	2,493,259	97,230,944	135,780,979	54.46	290,198	13.17
7	BUDESONIDE with EFORMOTEROL FUIMARATE DIHYDRATE	665,164	36,264,503	44,940,435	67.56	924,600	48,387,026	61,511,687	66.53	259,436	39.00
8	CANDESARTAN CILEXETIL	1,317,408	29,214,705	35,309,561	26.80	1,557,108	36,113,385	44,517,855	28.59	239,700	18.19
9	RISEDRONATE SODIUM and CALCIUM CARBONATE	381,216	17,187,343	19,952,992	52.34	598,515	26,864,822	31,188,802	52.11	217,299	57.00
10	RABEPRAZOLE SODIUM	1,625,917	48,887,920	67,256,949	41.37	1,841,907	51,644,566	73,507,885	39.91	215,990	13.28
11	PERINDOPRIL	3,313,045	57,958,941	80,455,421	24.28	3,519,211	62,476,881	82,820,424	23.53	206,166	6.22
12	BUPRENORPHINE	248,909	9,060,529	10,401,537	41.79	453,785	17,818,011	20,286,917	44.71	204,876	82.31
13	OXYCODONE HYDROCHLORIDE	1,306,152	42,153,128	47,892,021	36.67	1,509,547	49,700,137	56,804,787	37.63	203,395	15.57
14	CLOPIDOGREL HYDROGEN SULFATE	2,111,423	157,471,339	173,226,770	82.04	2,309,279	171,178,105	189,701,902	82.15	197,856	9.37
15	EZETIMIBE with SIMVASTATIN	188,615	24,715,372	26,926,292	142.76	378,441	44,848,913	49,352,912	130.41	189,826	100.64
16	PANTOPRAZOLE SODIUM SESQUIHYDRATE	2,680,230	81,677,563	106,799,833	39.85	2,868,405	83,098,361	111,599,941	38.91	188,175	7.02

Table 7(b) – Pharmaceutical Benefits Scheme – Significant Drugs (incl Doctor's Bag) – Sorted by Highest Volume Change – Year End June 2007 to Year End June 2008 (continued)

Rank	Drug	Year Ending June 2007				Year Ending June 2008				Change	
		Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)	Volume	Govt Cost (\$)	Total Cost (\$)	Average Price (\$)	Volume	%
17	TELMISARTAN	947,927	18,147,642	22,008,098	23.22	1,120,560	21,792,540	26,490,298	23.64	172,633	18.21
18	AMOXYCILLIN	2,292,118	14,205,967	24,163,534	10.54	2,432,489	15,211,982	26,112,485	10.73	140,371	6.12
19	METHYLPHENIDATE HYDROCHLORIDE	97,934	2,051,037	2,617,193	26.72	235,043	12,499,824	15,046,488	64.02	137,109	140.00
20	LERCANIDIPINE HYDROCHLORIDE	1,185,730	27,933,582	36,143,280	30.48	1,318,607	27,297,903	34,764,952	26.36	132,877	11.21
21	AMLODIPINE	1,846,979	33,593,510	48,806,572	26.43	1,977,329	38,063,256	47,431,533	23.99	130,350	7.06
22	TELMISARTAN with HYDROCHLOROTHIAZIDE	454,661	10,461,958	12,310,031	27.08	581,638	13,597,620	16,024,207	27.55	126,977	27.93
23	FENOFBRATE	210,099	5,402,500	8,078,396	38.45	332,577	8,589,237	12,874,040	38.71	122,478	58.30
24	TIOTROPUM BROMIDE MONOHYDRATE	1,140,278	79,611,499	86,441,011	75.81	1,254,746	87,317,369	95,262,205	75.92	114,468	10.04
25	AMOXYCILLIN with CLAVULANIC ACID	1,434,915	16,399,176	22,381,208	15.60	1,545,800	17,515,364	24,136,686	15.61	110,885	7.73
26	VARENICLINE	0	0	0	0.00	107,550	12,680,048	14,754,514	137.19	107,550	New
27	EZETIMIBE	629,871	37,228,345	44,145,572	70.09	735,737	43,324,791	51,667,303	70.23	105,866	16.81
28	MEFORMIN HYDROCHLORIDE	2,670,114	31,711,021	41,158,670	15.41	2,766,870	33,181,747	43,239,190	15.63	96,756	3.62
29	FENITANYL	143,355	13,951,015	14,923,894	104.10	238,426	22,256,370	23,899,337	100.24	95,071	66.32
30	LATANOPROST with TIMOLOL MALEATE	175,140	6,111,426	7,570,711	43.23	270,192	9,440,187	11,743,334	43.46	95,052	54.27
31	ROSIGLITAZONE MALEATE with METFORMIN HYDROCHLORIDE	25,640	1,783,134	2,151,267	83.90	117,087	8,602,981	10,067,098	85.98	91,447	356.66
32	WARFARIN SODIUM	2,076,323	10,287,335	17,435,918	8.40	2,162,561	14,913,854	22,561,733	10.43	86,238	4.15
33	MIRTAZAPINE	906,167	24,216,293	33,501,950	36.97	986,708	26,571,631	37,131,545	37.63	80,541	8.89
34	STRONTIUM RANELATE	3,252	140,983	169,670	52.17	83,715	3,700,106	4,368,600	52.18	80,463	2474.26
35	RISPERIDONE	425,783	73,468,307	76,539,539	179.76	503,042	84,021,319	87,812,666	174.56	77,259	18.15

List of Acronyms

Acronym	Full Meaning
ATC	Anatomical Therapeutic Chemical
HSD	Highly Specialised Drugs
NIP	National Immunisation Program
OECD	Organisation for Economic Co-operation and Development
PBAC	Pharmaceutical Benefits Advisory Committee
PBPA	Pharmaceutical Benefits Pricing Authority
PBS	Pharmaceutical Benefits Scheme
RPBS	Repatriation Pharmaceutical Benefits Scheme
SPC	Special Patient Contribution
TGP	Therapeutic Group Premium
WAMTC	Weighted Average Monthly Treatment Cost



