



Australian Government

Department of Health and Ageing

Ex-Manufacturer Pricing for the Pharmaceutical Benefits Scheme (PBS)

**1 October 2012
Legislative Amendments**

Information session for Responsible Persons



Australian Government

Department of Health and Ageing

Today's Presentation

Part A: Amendments

- Proposed changes and implementation
- Impacts

Part B: PB11a form changes

Part C: What to do

- Timing



Current situation

- The Responsible Person (RP) and Government agree to an **‘Approved Price to Pharmacists’** for each brand of pharmaceutical item.

Each of these is a different pharmaceutical item

Brand, form (incl strength)	Pack Size	Approved Price to Pharmacist
Zeus [®] tablets, 100mg	10	\$35.00
Zeus [®] tablets, 200mg	10	\$70.00
Zeus [®] capsules, 200mg	10	\$70.00
Zeus [®] capsules, 200mg	20	\$140.00

These are the same pharmaceutical item, but there are two price agreements – one for each pack size.

(Note: there may be more than one PBS item code for this pharmaceutical item).

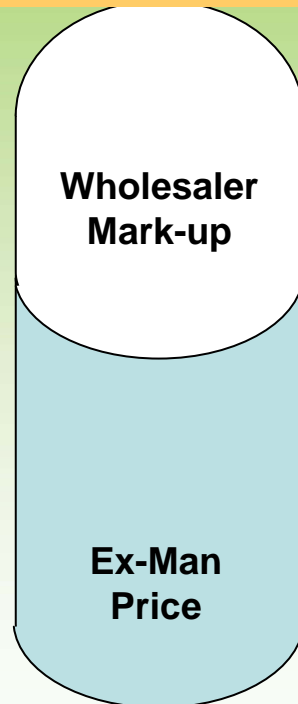


APP = Ex-Manufacturer price + Wholesaler Mark-up

Price agreed/
determined
here



Approved Price to Pharmacists
(APP)



Wholesaler Mark-up
(per 5th Community Pharmacy Agreement)
= 7.52% * Ex-Manufacturer price
(or + \$69.94 for maximum quantity)

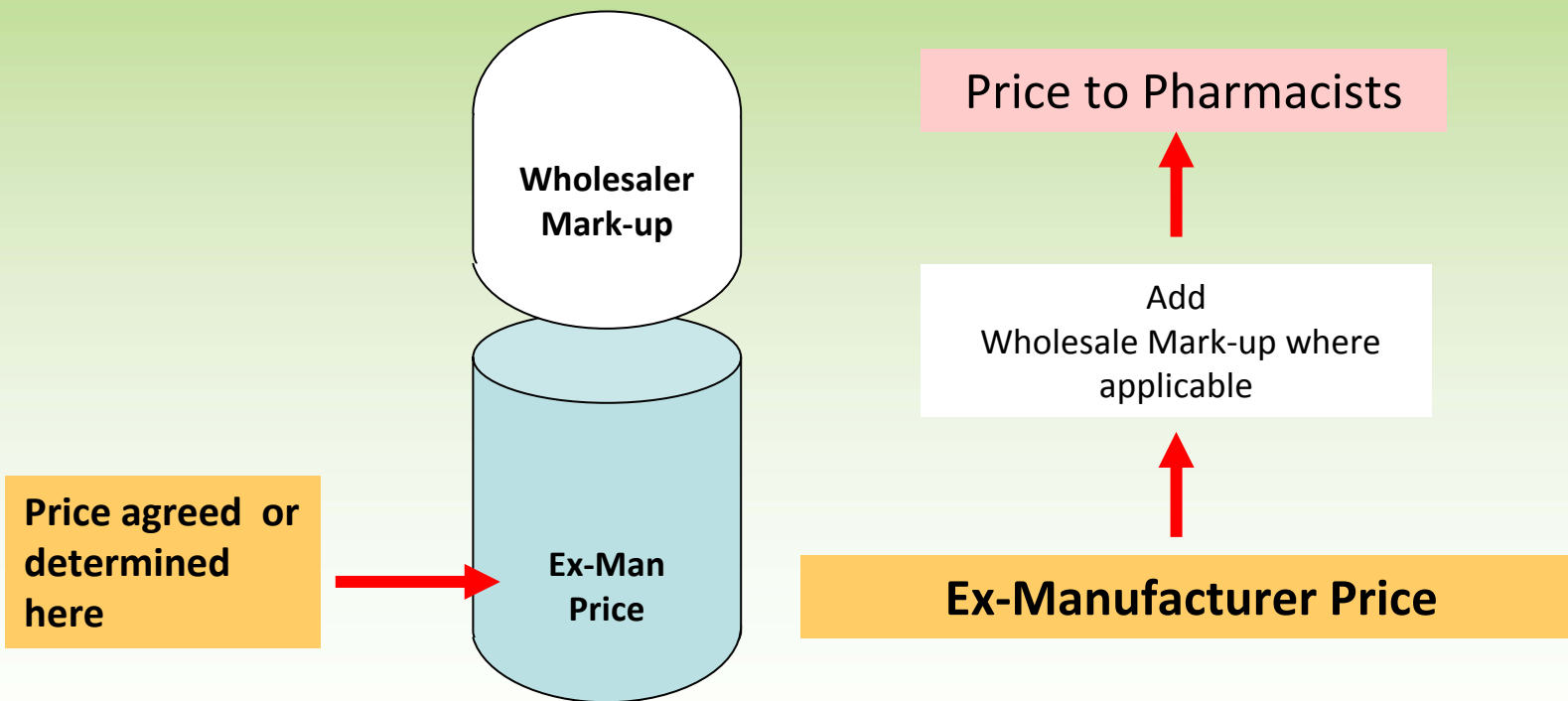


Ex-Manufacturer price =
Approved Price to Pharmacists –
Wholesale Mark-up



Upcoming changes

- All PBS prices will be agreed at the Ex-Manufacturer level.





Why move to Ex- Manufacturer pricing?

- It is logical to base price agreements with a manufacturer on the manufacturer's sale price
- Approved Price to Pharmacists-level pricing is not relevant for all PBS items e.g. s100 and those supplied through hospitals.
- Some PBS pricing legislation is based on the Ex-Manufacturer price, e.g. Expanded and Accelerated Price Disclosure requires a **single Ex-Manufacturer** price for each pharmaceutical item. This is so that we can compare the PBS price to disclosed prices.



Even when different quantities of an item have different PBS prices...

- Most prices are proportional: the price of larger pack sizes is directly proportional to the price of the smallest pack size.

We can already calculate a **single Ex-Manufacturer price** for most pharmaceutical items

Brand, form (incl strength)	Pack Size	Approved Price to Pharmacists (APP)	Ex-Manufacturer price for pack size (APP-Wholesaler Mark-up)	Ex-manufacturer price for lowest pack quantity (10)
Zeus® tablet, 50mg	10	\$23.00	\$21.39	\$21.39
Zeus® tablet, 50mg	100	\$230.00	\$213.91	\$21.39



However...

- Some drugs have historical pricing anomalies that mean that their **prices are not proportional**.
- This means that a **single Ex-Manufacturer price cannot be calculated** for some pharmaceutical items (about 1%).



Example of non-proportional pricing

- Multiple pack size pricing anomalies:

Brand, form, (incl strength)	Pack Size	Approved Price to Pharmacists for pack size	Ex-Man for pack size (APP-WSMU)	Ex-man for lowest pack quantity (25)
Hermes® capsule, 200mg	25	\$28.69	\$26.68	\$26.68
Hermes® capsule, 200mg	50	\$57.38	\$53.37	\$26.69
Hermes® capsule, 200mg	90	\$104.98	\$97.64	\$27.12

There are multiple Ex-Manufacturer prices. Each pack size has a different price for the lowest quantity of 25.

Result: **no single ex-man price** can be calculated for the pharmaceutical item



Pricing at Ex-Manufacturer level for the lowest pack size

- From 1 October 2012, there may be only **one** agreed Ex-Manufacturer price for each brand of pharmaceutical item – the “Approved Ex-Manufacturer Price” or AEMP.

The AEMP will be agreed or determined for the quantity in the **lowest PBS priced pack size** for any brand of that pharmaceutical item.

Eg: if there are pack sizes 25, 60 and 90 for a pharmaceutical item, the AEMP will be for 25.

All brands of a pharmaceutical item must have the **same** Approved Ex-Manufacturer Price



Ex-Manufacturer Prices for all other pack sizes

- Proportional prices will be calculated for all other pack sizes and will be called the “Proportional Ex-Manufacturer Price” or PEMP

Brand, form (incl strength)	Pack Size	Approved Ex-Man Price (AEMP) for lowest quantity	Proportional Ex-Man Price (PEMP)
Zeus® tablets, 100mg	10	\$10.00	\$10.00
Zeus® tablets, 100mg	100	\$10.00	\$100.00
Zeus® tablets, 100mg	120	\$10.00	\$120.00

One formal PBS price on which all price changes operate

Proportional prices calculated for other pack sizes and used for calculating Price to Pharmacists and DPMQ for these other packs.



Implementation: items with a single Ex- Manufacturer price

- For most items, a single Ex-Manufacturer price can be calculated very simply (because they are proportional).

The amended legislation will **automatically calculate** an Approved Ex-Manufacturer Price for 1 Oct 2012. This will be the default price*.

**Approved Ex-Manufacturer Price
= Approved Price to Pharmacists – Wholesale
Mark-up**

*Note: for a small number of pharmaceutical items, a fallback Approved Ex-Manufacturer Price will be specified in the Regulations. This is because other pricing anomalies cause the automatic calculation to generate an incorrect result.



For items without a single Ex- Manufacturer price...

1

A single **Approved Ex-Manufacturer Price** may be **negotiated** – proposed to be based on **weighted** current prices in most cases.

Using a weighted average is the fairest way to arrive at a single price and ensures nil impact for the PBS.

2

If no acceptable price is negotiated, the **'default'** price will apply, given by the legislation/regulations.

This will be the current **lowest Ex-Manufacturer price** for lowest pack quantity.

3

Once the Approved Ex-Manufacturer Price for the lowest pack quantity is in place for all RPs (by default, agreed or determined), it is flowed on to other quantities to give **Proportional Ex-Manufacturer Prices**.



Weighting to generate an Approved Ex-Manufacturer Price

- The weighting method takes the different prices, and uses volume or market share to arrive at a price somewhere in between.
- Here, the proposed price is closer to the higher price because more of the total market is sold at that price.

Brand, form (incl. strength)	Pack Size	Current Ex-Manufacturer price for pack size	Current Ex-Manufacturer for lowest pack quantity (100)	Market share (based on volume)	Approved Ex-Manufacturer Price for lowest pack quantity (100)	Proportional Ex-Manufacturer Price for other pack sizes
Heracles [®] tablet, 30mg	100	\$4.53	\$4.53	33%	\$4.56	-
Heracles [®] tablet, 30mg	200	\$9.14	\$4.57	67%	\$4.56	\$9.12



Impacts – PBS

Consistent with the Statement of Principles of Commitment, these changes are designed to have nil impact for the PBS.

- Of 2400 pharmaceutical items on the PBS, about **40** pharmaceutical items (**around 1%**) will see changes to the current Ex-Manufacturer price, when prices are weighted.
- Weighting Ex-Manufacturer price changes by PBS volume means that any price increases for a pharmaceutical item are offset by a corresponding decrease.
- The weighting method is intended to provide **no additional PBS costs or savings** generated by the changes.



Impacts – PBS cont...

Of about **40** pharmaceutical items with individual brand price changes (based on default ex-man price):

- **17** less than \$0.02c.
 - **13** between \$0.02c and \$5
 - **9** over \$5
- Neutral Ex-Manufacturer price impact when weighted across all brands as intended

- Around another **70** pharmaceutical items will see a **1 cent change up or down** to the **price to pharmacists** for one or more pack sizes due to rounding when the wholesaler mark-up is added.

- Price changes generally result in a corresponding change in the reimbursed price to pharmacists.



Impacts – Responsible Persons

- Modelling shows that across all products, very few Responsible Persons will see gains or losses in ex-man sales revenue.

True impact depends on each Responsible Persons product portfolio and sales volume

Pharmaceutical Item	Company A	Company B	Company C
Drug A, tablet, 30mg	No brand	No change	No change
Drug B, tablet, 50mg	Up 1c	Up 1c	Up 1c
Drug C, capsule, 200mg	Down 1c	No brand	Down 1c
Drug D, powder for injection, 25mL	No brand	Up 2c	No brand
TOTAL IMPACT PER RP	NIL IMPACT	Up 3c	NIL IMPACT

All RPs will need to be aware of the changes to pricing agreements.

The expected maximum impact (gain or loss) for an Responsible Persons ranges up to **\$7k** per year if the weighting method is used.



Mark-ups

- Wholesaler and other mark-ups will continue to be based on the longstanding pricing provisions in the 5th Community Pharmacy Agreement.

The method for adding wholesaler mark-up will be included in the legal instrument that sets out 'fees and mark-ups', commencing 1 October 2012



Other related changes

For transition (on 1 October 2012)

Existing **single brand combination items** will need a **new price agreement** – they have no default price because they may be impacted by component drug price changes. All single brand combination item RPs received a letter.

Existing **claimed prices** (items with premiums / SPC) will get a **default reduction** in line with any reduction to the approved price, but they can also be negotiated.



Other related changes

In future (post-1 Oct 2012)

If a **pack size lower** than the existing lowest pack quantity is listed, all Responsible Persons with a brand of that pharmaceutical item will be required to provide a **new price agreement**. Listing times for new lower pack sizes will be extended to permit processing and deal with the requirement for new price agreements. This is uncommon.

Statutory price reductions and price disclosure reductions will be **applied to the Approved Ex-Manufacturer Price** instead of the Approved Price to Pharmacists.



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Part B: PB11a form changes



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PB11a form changes

- A new Pb11a form has been designed to reflect the new pricing arrangements
- The form will be available at pbs.gov.au by the end of June 2012
- All price requests for prices effective from 1 October 2012 onward must use the new PB11a form



Australian Government
Department of Health and Ageing

Request for Approved Ex-manufacturer Price

draft 12 June 12 PB11a

(price agreed under section 85AD or determined under section 85B of the *National Health Act 1953*)

Instructions for completing a PB 11a form are available on the PBS website at <http://www.pbs.gov.au/info/industry/useful-resources/pbs-forms>

Responsible Person (s84AF of the Act)	Responsible Person's Full Postal Address	Responsible Person's Authorised Representative:	
		• Name	
		• Telephone (Direct)	
		• E-mail address	

Drug:						Requested Effective Date:			
PBS Code	Form (including strength)	Manner of Admin	Brand	Pricing Quantity	Price for Agreement or Determination (Ex-man price for pricing quantity) (AEMP)	Manufacturer's PBS Pack Sizes	Proportional Ex-manufacturer Price for other pack sizes (PEMP)	Price Claimed by Responsible Person (Ex-Man for pack size) (where applicable)	Comment

The Responsible Person requests:

- A) agreement to the price in the 'Price for Agreement or Determination' column in the table above where:
- there is no Price Claimed for the pricing quantity, and the responsible person has a pack size equal to that quantity; or
 - the responsible person does not have a pack size equal to the pricing quantity, and there is at least one Manufacturer's PBS Pack Size that does not have a Price Claimed;
- B) a price premium/special patient contribution for pack sizes for which the Price Claimed is completed.

Signature (Responsible Person's Authorised Representative mentioned above): _____ **Date:** _____

For Department of Health and Ageing completion only:			
Pricing accords with amount negotiated and recommended for agreement	Signed:	Date:	
Comments (if any):			

Responsible Person and Authorised Representative



Australian Government
Department of Health and Ageing

Request for Approved Ex-manufacturer Price

draft 1

(price agreed under section 85AD or determined under section 85B of *Health Act 1953*)

Instructions for completing a PB 11a form are available on the PBS website at <http://www.pbs.gov.au/info/industry/useful-resources>

Responsible Person (s84AF of the Act)	Manufacturer A	Responsible Person's Authorised Representative:
Responsible Person's Full Postal Address		<ul style="list-style-type: none">Name: Sally SmithTelephone (Direct)E-mail address

Responsible Person

Authorised Representative

Drug



Australian Government
Department of Health and Ageing

(price agreed under section 84AF of the *Health Act 1953*)

Instructions for completing a PB 11a form are available on the PBS website at <http://www.pbs.gov.au>

Responsible Person (s84AF of the Act)	Manufacturer A
Responsible Person's Full Postal Address	

Drug: **Alpha**

PBS Code	Form (including strength)	Manner of Admin	

Drug
(active ingredient)

The Responsible Person requests:

- A) agreement to the price in the 'Price for Agreement or Determination' column in the table

PBS Code



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(price agreed under section 84AF of the *Health Act 1953*)

Instructions for completing a PB 11a form are available on the PBS website at <http://www.pbs.gov.au>

Responsible Person (s84AF of the Act)	Manufacturer A
Responsible Person's Full Postal Address	

Drug: Alpha			
PBS Code	Form (including strength)	Manner of Admin	
1234X			
5678Y			

PBS Item Code



The Responsible Person requests:
A) agreement to the price in the 'Price for Agreement or Determination' column in the table

Form (including strength) and manner of administration



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(price agreed under section 84AF of the *Health Act 1953*)

Instructions for completing a PB 11a form are available on the PBS website at <http://www.pbs.gov.au>

Responsible Person (s84AF of the Act)	Manufacturer A
Responsible Person's Full Postal Address	

Drug: Alpha		Form (including strength)	Manner of Admin
PBS Code			
1234X		Tablet, 10mg	Oral
5678Yc		Tablet, 10mg	Oral

Form, including strength

Manner of Administration

The Responsible Person requests:

A) agreement to the price in the 'Price for Agreement or Determination' column in the table

Brand



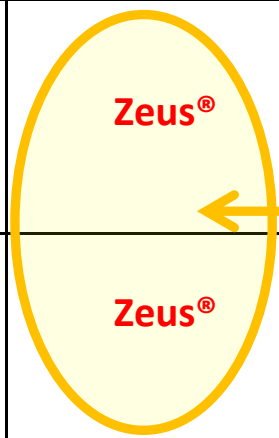
Australian Government
Department of Health and Ageing

(price agreed under section 84AF of the *Health Act 1953*)

Instructions for completing a PB 11a form are available on the PBS website at <http://www.pbs.gov.au>

<i>Responsible Person (s84AF of the Act)</i>	Manufacturer A
<i>Responsible Person's Full Postal Address</i>	

Drug: Alpha			
<i>PBS Code</i>	<i>Form (including strength)</i>	<i>Manner of Admin</i>	<i>Brand</i>
1234X	Tablet, 10mg	Oral	Zeus®
5678Yc	Tablet, 10mg	Oral	Zeus®



Brand (trading name)

The Responsible Person requests:
 A) agreement to the price in the 'Price for Agreement or Determination' column in the table

Pricing quantity

agreed under section 85AD or determined under section 85B of the *National Health Act 1953*)

the PBS website at <http://www.pbs.gov.au/info/industry/useful-resources/pbs-forms>

<i>Responsible Person's Authorised Representative:</i>	
▪ <i>Name</i>	Sally Smith
▪ <i>Telephone (Direct)</i>	
▪ <i>E-mail address</i>	

			Requested Effective Date:			
<i>Brand</i>	<i>Pricing Quantity</i>	<i>Price for Agreement or Determination (Ex-man price for pricing quantity) (AEMP)</i>	<i>Manufacturer's PBS Pack Sizes</i>	<i>Proportional Ex-manufacturer Price for other pack sizes (PEMP)</i>	<i>Price Claimed by Responsible Person (Ex-Man for pack size) (where applicable)</i>	<i>Comment</i>
Zeus®	5					
Zeus®						

Pricing quantity (lowest PBS pack size)



'nation' column in the table above where:

Price for Agreement or Determination

Australian Government

Department of Health and Ageing

agreed under section 85AD or determined under section 85B of the *National Health Act 1953*)

the PBS website at <http://www.pbs.gov.au/info/industry/useful-resources/pbs-forms>

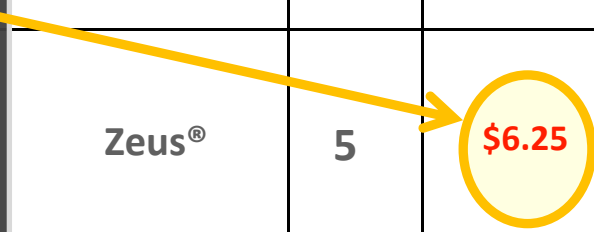
Responsible Person's Authorised Representative:

- | | |
|-----------------------------|-------------|
| ▪ <i>Name</i> | Sally Smith |
| ▪ <i>Telephone (Direct)</i> | |
| ▪ <i>E-mail address</i> | |

Requested Effective Date:

<i>Brand</i>	<i>Pricing Quantity</i>	<i>Price for Agreement or Determination (Ex-man price for pricing quantity) (AEMP)</i>	<i>Manufacturer's PBS Pack Sizes</i>	<i>Proportional Ex-manufacturer Price for other pack sizes (PEMP)</i>	<i>Price Claimed by Responsible Person (Ex-Man for pack size) (where applicable)</i>	<i>Comment</i>
Zeus®	5	\$6.25				
Zeus®						

Requested price (ex-man price for pricing quantity)



'nation' column in the table above where:

Manufacturer's PBS Pack Sizes

agreed under section 85AD or determined under section 85B of the *National Health Act 1953*)

the PBS website at <http://www.pbs.gov.au/info/industry/useful-resources/pbs-forms>

<i>Responsible Person's Authorised Representative:</i>	
▪ <i>Name</i>	Sally Smith
▪ <i>Telephone (Direct)</i>	
▪ <i>E-mail address</i>	

Manufacturer's
PBS Pack Sizes

			Requested Effective Date:			
<i>Brand</i>	<i>Pricing Quantity</i>	<i>Price for Agreement or Determination (Ex-man price for pricing quantity) (AEMP)</i>	<i>Manufacturer's PBS Pack Sizes</i>	<i>Proportional Ex-manufacturer Price for other pack sizes (PEMP)</i>	<i>Price Claimed by Responsible Person (Ex-Man for pack size) (where applicable)</i>	<i>Comment</i>
Zeus®	5	\$6.25	10			
Zeus®			25			

indicated in the 'Requested Effective Date' column in the table above where:

Proportional Ex-Manufacturer Prices for other pack sizes

Australian Government

Department of Health and Ageing

as agreed under section 85AD or determined under section 85B of the *National Health Act 1953*)

on the PBS website at <http://www.pbs.gov.au/info/industry/useful-resources/pbs-forms>

Responsible Person's Authorised Representative:

- | | |
|-----------------------------|-------------|
| ▪ <i>Name</i> | Sally Smith |
| ▪ <i>Telephone (Direct)</i> | |
| ▪ <i>E-mail address</i> | |

Requested Effective Date:

<i>Brand</i>	<i>Pricing Quantity</i>	<i>Price for Agreement or Determination (Ex-man price for pricing quantity) (AEMP)</i>	<i>Manufacturer's PBS Pack Sizes</i>	<i>Proportional Ex-manufacturer Price for other pack sizes (PEMP)</i>	<i>Price Claimed by Responsible Person (Ex-Man for pack size) (where applicable)</i>	<i>Comment</i>
Zeus®	5	\$6.25	10	\$12.50		
Zeus®			25	\$31.25		

Proportional ex-man price for other pack sizes

in the 'Price Claimed by Responsible Person' column in the table above where:

Prices claimed by Responsible Person

Australian Government

Department of Health and Ageing

as agreed under section 85AD or determined under section 85B of the *National Health Act 1953*)

on the PBS website at <http://www.pbs.gov.au/info/industry/useful-resources/pbs-forms>

Responsible Person's Authorised Representative:

- | | |
|----------------------|-------------|
| ▪ Name | Sally Smith |
| ▪ Telephone (Direct) | |
| ▪ E-mail address | |

Requested Effective Date:

Brand	Pricing Quantity	Price for Agreement or Determination (Ex-man price for pricing quantity) (AEMP)	Manufacturer's PBS Pack Sizes	Proportional Ex-manufacturer Price for other pack sizes (PEMP)	Price Claimed by Responsible Person (Ex-Man for pack size) (where applicable)	Comment
Zeus®	5	\$6.25	10	\$12.50	\$13.00	
Zeus®			25	\$31.25	\$32.00	

Claimed prices

in the 'Price Claimed by Responsible Person' column in the table above where:

Comment

Australian Government

Department of Health and Ageing

agreed under section 85AD or determined under section 85B of the *National Health Act 1953*)

the PBS website at <http://www.pbs.gov.au/info/industry/useful-resources/pbs-forms>

<i>Responsible Person's Authorised Representative:</i>	
▪ <i>Name</i>	Sally Smith
▪ <i>Telephone (Direct)</i>	
▪ <i>E-mail address</i>	

			Requested Effective Date:			
<i>Brand</i>	<i>Pricing Quantity</i>	<i>Price for Agreement or Determination (Ex-man price for pricing quantity) (AEMP)</i>	<i>Manufacturer's PBS Pack Sizes</i>	<i>Proportional Ex-manufacturer Price for other pack sizes (PEMP)</i>	<i>Price Claimed by Responsible Person (Ex-Man for pack size) (where applicable)</i>	<i>Comment</i>
Zeus®	5	\$6.25	10	\$12.50	\$13.00	Effective PEMP \$10.00
Zeus®			25	\$31.25	\$32.00	Effective PEMP \$25.00

Comments e.g effective prices for Special Pricing Arrangements

nation' column in the table above where:

Requested effective date

Australian Government
Department of Health and Ageing

agreed under section 85AD or determined under section 85B of the *National Health Act 1953*)

the PBS website at <http://www.pbs.gov.au/info/industry/useful-resources/pbs-forms>

<i>Responsible Person's Authorised Representative:</i>	
• <i>Name</i>	Sally Smith
• <i>Telephone (Direct)</i>	
• <i>E-mail address</i>	

			Requested Effective Date: 1 October 2012			
<i>Brand</i>	<i>Pricing Quantity</i>	<i>Price for Agreement or Determination (Ex-man price for pricing quantity) (AEMP)</i>	<i>Manufacturer's PBS Pack Sizes</i>	<i>Proportional Ex-manufacturer Price for other pack sizes (PEMP)</i>	<i>Price Claimed by Responsible Person (Ex-Man for pack size) (where applicable)</i>	<i>Comment</i>
Zeus®	5	\$6.25	10	\$12.50	\$13.00	Effective PEMP \$10.00
Zeus®			25	\$31.25	\$32.00	Effective PEMP \$25.00

'nation' column in the table above where:

Requested effective date



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Part C: What to do next



What to do

1. Check prices published at <http://www.pbs.gov.au/info/industry/pricing/pricing-arrangements>
2. Some brands will not require any further action. Some brands will require contact from the Department.

Listing details as at 1 May 2012										Prices as at 1 April 2012			1 October 2012 defaults based on 1 April 2012 prices						
Responsible Person	Drug	Manner of Administration	Form (including strength)	Brand	Item Code	Drug Type	Manufacturer code	Pack Size	MQ/DQ	APP/S100 exman	Exman level price	OPMQ	Pricing Quantity	AEMP	Pack quantity	PEMP	PTP for pack quantity	DPMC	DoHA contact
Manufacturer A	Beta	Oral	Tablet 10 mg	Yoda	2345B	GE	XX	30	30	\$132.57	\$123.30	\$152.25	30	\$123.30	30		\$132.57	\$152.25	
Manufacturer A	Beta	Oral	Tablet 15 mg	Yoda	3456C	GE	XX	30	30	\$188.14	\$174.98	\$212.56	30	\$174.98	30		\$188.14	\$212.56	
Manufacturer A	Beta	Oral	Tablet 20 mg	Yoda	4567D	GE	XX	30	30	\$229.01	\$212.99	\$253.43	30	\$212.99	30		\$229.01	\$253.43	
Manufacturer A	Beta	Oral	Tablet 30 mg	Yoda	6789F	GE	XX	30	30	\$279.07	\$259.55	\$303.49	30	\$259.55	30		\$279.07	\$303.49	

The 1 October 2012 prices on the website have been derived from the 1 April 2012 Approved Price to Pharmacists.



Website spreadsheet – no contact required

Australian Government

Department of Health and Ageing

Listing details as at 1 May 2012											Prices as at 1 April 2012			1 October 2012 defaults based on 1 April 2012 prices					DoHA contact
Responsible Person	Drug	Manner of Administration	Form (including strength)	Brand	Item Code	Drug Type	Manufacturer code	Pack Size	MQ/DQ	APP/S100 exman	Exman level price	DPMQ	Pricing Quantity	AEMP	Pack Quantity	PEMP	PTP for pack quantity	DPMQ	DoHA contact
Manufacturer A	Beta	Oral	Tablet 10 mg	Yoda	2345B	GE	XX	30	30	\$132.57	\$123.30	\$152.25	30	\$123.30	30		\$132.57	\$152.25	
Manufacturer A	Beta	Oral	Tablet 15 mg	Yoda	3456C	GE	XX	30	30	\$188.14	\$174.98	\$212.56	30	\$174.98	30		\$188.14	\$212.56	
Manufacturer A	Beta	Oral	Tablet 20 mg	Yoda	4567D	GE	XX	30	30	\$229.01	\$212.99	\$253.43	30	\$212.99	30		\$229.01	\$253.43	
Manufacturer A	Beta	Oral	Tablet 30 mg	Yoda	6789F	GE	XX	30	30	\$279.07	\$259.55	\$303.49	30	\$259.55	30		\$279.07	\$303.49	

Blank = no contact required

Prices as at 1 April 2012			1 October 2012 defaults based on 1 April 2012 prices							DoHA contact
APP/S100 exman	Exman level price	DPMQ	Pricing Quantity	AEMP	Pack Quantity	PEMP	PTP for pack quantity	DPMQ	DoHA contact	
\$132.57	\$123.30	\$152.25	30	\$123.30	30		\$132.57	\$152.25		
\$188.14	\$174.98	\$212.56	30	\$174.98	30		\$188.14	\$212.56		
\$229.01	\$212.99	\$253.43	30	\$212.99	30		\$229.01	\$253.43		
\$279.07	\$259.55	\$303.49	30	\$259.55	30		\$279.07	\$303.49		

For items with no DOHA contact, the 1 April ex-man level price and the 1 October Approved Ex-Man Price are the same. You need to check these prices.

In some cases, the 1 October 2012 price to pharmacists and DPMQ will be slightly different to the corresponding 1 April prices because of rounding.



Australian Government

Department of Health and Ageing

Website spreadsheet – contact required

Listing details as at 1 May 2012										Prices as at 1 April 2012						1 October 2012 defaults based on 1 April 2012 prices						DoHA contact				
Responsible Person	Drug	Manner of Administration	Form (including strength)	Brand	Item Code	Drug Type	Manufacturer code	Pack Size	MQ/DQ	APP/S100 exman	Exman level price	DPMQ	Claimed APP	Claimed exman	Claimed DPMQ	Premium	Pricing Quantity	AEMP	Pack Quantity	PEMP	PTP for pack quantity	DPMQ	Claimed exman	Claimed DPMQ	Premium	DoHA contact
Manufacturer A	Alpha	Oral	Tablet 200 mg	Zeus	1234X	GE	XX	25	50	\$27.26	\$25.35	\$66.40	\$29.13	\$27.09	\$70.50	\$4.10	25	\$25.35	25	\$27.26	\$27.09	\$29.13	\$70.50	\$4.10	Yes	
Manufacturer A	Alpha	Oral	Tablet 200 mg	Zeus	5678Y	GE	XX	90	90	\$99.73	\$92.75	\$116.12	\$102.51	\$95.34	\$119.18	\$3.06	25	\$25.35	90	\$91.26	\$98.12	\$93.81	\$100.86	\$117.37	\$3.02	Yes

Prices as at 1 April 2012							1 October 2012 defaults based on 1 April 2012 prices							DoHA contact		
APP/S100 exman	Exman level price	DPMQ	Claimed APP	Claimed exman	Claimed DPMQ	Premium	Pricing Quantity	AEMP	Pack Quantity	PEMP	PTP for pack quantity	DPMQ	Claimed exman	Claimed DPMQ	Premium	DoHA contact
\$27.26	\$25.35	\$66.40	\$29.13	\$27.09	\$70.50	\$4.10	25	\$25.35	25	\$27.26	\$27.09	\$29.13	\$70.50	\$4.10	Yes	
\$99.73	\$92.75	\$116.12	\$102.51	\$95.34	\$119.18	\$3.06	25	\$25.35	90	\$91.26	\$98.12	\$93.81	\$100.86	\$117.37	\$3.02	Yes

1 October 2012 default Approved Ex-Manufacturer Prices and Proportional Ex-Manufacturer Prices for the 200mg pharmaceutical item are not all the same as the 1 April 2012 ex-manufacturer level prices.

These items will require negotiations – 'Yes' in DoHA contact column.



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Important information

<p>When is a PB11a form required for 1 October 2012?</p>	<p>All single brand combination items All items that receive a weighted price letter Any other new price agreement or determination commencing 1 October 2012 (ie. different to the default)</p>
<p>What if another RP agrees to a weighted price or lower price?</p>	<p>All Responsible Persons for the affected pharmaceutical item will be notified of the offer. All Responsible Persons must agree to the same approved price to maintain PBS listing.</p>
<p>What if no RP agrees to a new AEMP for 1 October 2012?</p>	<p>The default Approved Ex-Man Price (or price in the Regulations) will apply for any listed brand of the affected pharmaceutical item.</p>
<p>Can we have a premium if we don't agree to the price?</p>	<p>It is intended that:</p> <ul style="list-style-type: none">- Brands with existing premiums can negotiate their 1 October premium.- Brands without a current premium can seek a premium from the next price change date under usual pricing procedures.



Timing

31 May 2012	<i>National Health Amendment (Pharmaceutical Benefits Scheme) Bill 2012</i> (the Bill) passed House of Reps.
20 June 2012	Please contact PBSpricing@health.gov.au by this date with any questions about brands with blank 'DoHA contact' column. Please include " AEMP Default Price Query " in the subject line.
28 June 2012	Last day for passage of the Bill.
9 July 2012	PB11a due - RP pricing response for negotiated prices. Please include " AEMP Negotiation " in the subject line.
23 July 2012	Negotiated prices for 1 Oct 2012 finalised with all RPs.
1 October 2012	Amendments in the Bill, related Regulation amendments, and default/negotiated approved ex-man prices commence.

- It would be difficult to do these changes at the same time as a normal price change point.
- Commencement on 1 October ensures the changes line up with price disclosure cycles.



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Contact

pbspricing@health.gov.au



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Key pricing terms

- Approved ex-manufacturer price (AEMP)
 - Agreed approved ex-manufacture price
 - Determined approved ex-manufacture price
- Claimed ex-manufacturer price
- Pricing quantity
- Proportional ex-manufacturer price (PEMP)