

Commercial Bulletin

Monthly Service

INDUSTRY SLAMS PARALLEL TRADE CLAMPDOWN BID

Experts have warned that MHRA proposals to further restrict the trading of medicines between pharmacies are unnecessary and could hamper pharmacy practices.

The MHRA has suggested limiting inter-pharmacy trade in the absence of a wholesale dealer license to emergency, not for profit, instances, in a consultation (MLX 365) published last month.

The agency said this would "have the effect of limiting unregulated inter-pharmacy trade, which will also limit the opportunity for counterfeit medicines to enter the legitimate supply chain".

But Gareth Jones, the NPA's NHS liaison manager, warned: "The proposals could significantly restrict legitimate and long established pharmacy practices, such as selling stock to other pharmacies (to resolve local stock shortages) and GP surgeries." The NPA board will consider the issue in full, and the association will express reservations to the MHRA, he added.

David Reissner, head of healthcare at law firm Charles Russell, questioned how restricting transfer of medicines between pharmacies would reduce counterfeit medicines entering the supply chain. "Transfer between pharmacies is recycling the product whether it is a counterfeit medicine or not," he said. The proposal was not doing what it said on the tin, he added.

Mr Reissner encouraged pharmacists to respond to the MHRA's consultation, which ends on March 12. The consultation features a number of measures designed to beef up supply chain security, such as a "fit and proper person" test for those applying for a wholesaler dealer licence.

Local exchange of medicines without wholesale dealer licenses would be allowed only when occasional, in small quantities (ie to meet an individual patient's needs) and not for profit.

MHRA proposals to tackle parallel trade

- Limit parallel trading between pharmacies without wholesaler dealer licences (WDL)
- Consider capping parallel trading without a WDL to no more than 5 per cent of the total retail trade in licensed medicinal products at the registered pharmacy
- Introduce targeted inspections
- Establish the real size of the parallel trade through pharmacy and launch an impact analysis on changes to rules governing wholesale activity

Chemist and druggist 16/01/10



GOVERNMENT CANCELS SWINE FLU VACCINE ORDER

The UK has "sufficient" doses of swine flu vaccine to cope with the current pandemic and aims to suspend future orders, the Department of Health (DH) has said.

The government had entered

into negotiations with big pharma to cancel the UK order, with manufacturer Baxter having stopped production, a DH statement said.

Negotiations with GSK, also under contract to produce the vaccine for the UK, were ongoing, a DH spokesperson added.

Surplus doses have been put up for sale to other countries who are still in short supply, the DH added.

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Special points of Interest

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Generic substitution: DH backs “prescribing flexibility”

The Department of Health (DH) has begun a consultation on plans to allow generic substitution in England, with the aim of bringing the substitution rate from 83% to 88%.

Announcing the consultation, which will run until March 30, the Department points out that the National Health Service (NHS) spends about £9 billion a year on branded prescription drugs in the UK. In England in 2008, 83% of prescription items were prescribed generically, the remaining 17% being prescribed and dispensed by the brand name. The great majority of these drugs are available only as branded products, but 5% were prescribed by brand where the drug concerned is available as a generic.

Therefore, says the Department, the generic prescribing rate for 2008 could potentially have been 88% - assuming that there were no clinical reasons why the patient needed a specific manufacturer's product – and that closing this 5% gap is the key driver behind the proposal.

Realisation of savings will be most significant in relation to products that have very recently come off patent, when prices fall, it adds.

The consultation is seeking views on the following three options for the implementation of generic substitution in England:

- 1) do nothing – keep the current situation as it is;
- 2) introduce dispensing flexibility but with specific exclusions, so that the arrangements do not apply to a selected group of products on an exempt list; and
- 3) introduce dispensing flexibility but limiting the scheme in such a way that the arrangements only apply to a selected group of products on a select list.

The Department's preferred approach is Option 3, with an opt-out endorsement, it says, for reasons which include considerations relating to patient safety and clinical need, savings to the NHS and manageability of implementation for clinicians and prescription infrastructure providers.

“Where clinically appropriate, it is only sensible to allow more expensive branded products to be substituted with the same generic medicines which are just as effective as the branded version,” said Health Minister Mike O'Brien, commenting on the initiative.

Generic substitution will “deliver value for money and savings to the NHS which will go directly back into health services, ultimately benefitting patients and improving the care they receive,” he added.

The Association of the British Pharmaceutical Industry (ABPI) said it welcomed the consultation, and particularly the “essential emphasis” given to patient safety in the Department's proposals.

“It is important to ensure that patients' health and safety is not compromised in the implementation of this new policy,” said ABPI director general Richard Barker.

The ABPI points out that during the most recent Pharmaceutical Price Regulation Scheme (PPRS) discussions, it had specified the need - based on patient welfare and international best practice - to ensure that certain groups of products would be excluded from substitution. These include: modified or sustained-release preparations; different formulations; medicines with a narrow therapeutic index/window where there is evidence regarding the risk of adverse reactions or inadequate efficacy; vaccines; biosimilars; devices and routes of administration, include site of action; and controlled drugs.

Such exclusions could be achieved through either proposed Options 2 or 3, says the ABPI, which adds that it will review these in more detail before responding to the consultation.

The British Generic Manufacturers Association (BGMA) said it strongly supports the Department's favoured alternative (Option 3) which, according to the group's director Warwick Smith; “offers a perfect balance.”

The UK generics industry saves the NHS £7 billion every year, says the BGMA, and Mr Smith pointed out that the Department's proposals focus on the “vast majority” of generics which are interchangeable and for which there is “no clinical reason for patients to receive much more expensive branded drugs rather than much more cost-effective generics.”

“For patients to receive the branded versions of these products achieves nothing but to waste scarce resources,” he said.

However, Mary Baker, president of the European Federation of Neurological Associations (EFNA), has said that the potential risk to the outcomes of “thousands of patients” from the introduction of automatic generic substitution is of “great concern.”

“It is already difficult for patients with long-term illnesses or with several conditions to keep up with all the different medicines they have to take each day. Complicating this further by introducing automatic generic substitution could make patients even less likely to take their medicines correctly,” she warned

Pharmatimes 07/10/10 www.pharmatimes.com <http://www.pharmatimes.com/UKNews/article.aspx?id=17173>

Other articles can also be found in the following magazines and websites

Pharmaceutical Marketing Volume 21/Jan 2010 www.pmlive.com

Generics bulletin 15/01/10 www.Generics-bulletin.com

Monthly Service

The full list of category M products is now available for download and analysis on wavedata.net

When you have logged in,

1. select 3. Analysis
2. Then click 'Open'
3. and M Category is the third item in the drop down.

Once run, this list will show you the Average, Minimum and Maximum traded prices of category M products by country,

Users can drill down to see where the data comes from or download the whole lot into Microsoft Excel.

For further information please give us a call on 01702 425 125 or email us at info@wavedata.co.uk

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ASDA UNVEILS PLANS FOR 25 NEW PHARMACIES

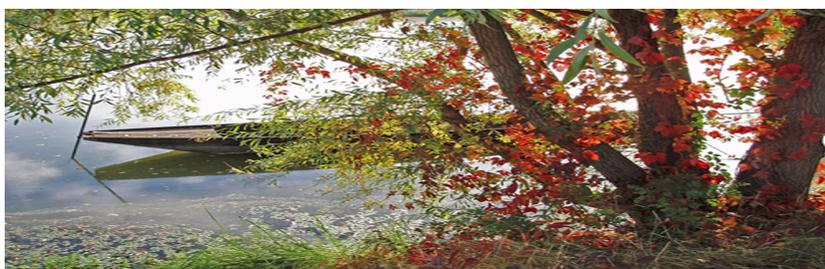
Asda is set to boost its in-store pharmacy business in 2010, with the opening of at least 25 new dispensaries.

But to really develop the pharmacy service offering, contractors would need to see stronger negotiating from LPCs over the next 12 months, superintendent pharmacist John Evans told C+D.

"We have about 25 pharmacies signed off already for next year across England, and we're going to look at Scotland again too," Mr Evans said. And he added that the aim continued to be to get a pharmacy in every Asda store.

Mr Evans stressed that 2010 would be an important year for LPCs, who needed to be reinforced and given the support needed to enable them to negotiate successfully. "I think they do need more support," he said. And he added that it was important for Company Chemists' Association representatives to support LPCs "to do the best for pharmacy, not the best for individual companies".

Chemist and druggist 07/01/10



WaveData — Top ten products
According to WaveData, these were the most commonly investigated products in searches of the online pricing data at www.wavedata.net

Both uk and pi prices were viewed for each product, giving some indication of where the focus was in December 09

Clopidogrel Tabs 75mg 28

Omeprazole Caps 20mg 28

Clopidogrel Tabs 75mg 30

Co-Codamol Caps 8mg/500mg 100

Metformin SR Tabs 500mg 28

Metformin SR Tabs 500mg 56

Omeprazole (Oral)

Paracetamol Caps 500mg 32

Terbinafine Cream 1% 15g

Terbinafine Cream 1% 30g

This bulletin now goes out to 950 plus people, and it is growing each month.

If you would like to add or suggest any articles/comments, please let me know by the 10th February 2010, as I will be issuing the next one on the 17th February 2010

If you have any colleagues who would like to receive this, please let them know about it.

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