



WHOLESALE BULLETIN

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PPRS: DH reveals detail behind branded drug price cuts

The cost of branded drugs to the NHS will be cut by 3.9 per cent from February 2009 under a new look Pharmaceutical Price Regulation Scheme unveiled by the Department of Health.

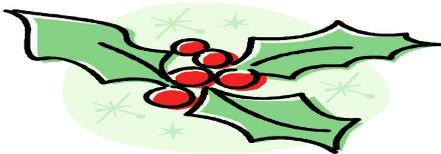
Further reductions of 1.9 per cent will be made in January 2010, the DH revealed. The 2009 pricing agreement also includes plans, subject to discussion, to introduce generic substitution.

The PPRS had originally been expected to deliver a one off 5 per cent cut in branded drugs prices in January next year. Delaying to February is likely to soothe industry fears over stock shortages during the busy new year period.

Generic substitution could begin from January 2010 subject to talks with affected parties, the PPRS agreement recommended. There would then be further price adjustments on January of each year to reflect the amount of money saved from the initiative.

The DH also outlined a flexible pricing arrangement that will allow manufacturers to supply medicines at low prices initially, raising them as value is proven. The deal follows OFT recommendations that the PPRS should take a value-based approach to drugs pricing.

Dr Richard Barker, director general of the Association of the British Pharmaceutical Industry, commented: "This landmark deal marks a turning point..For the first time the PPRS is much more than a simple economic agreement that looks at price alone."



Eli Lilly picks AAH and Phoenix as supply partners

Eli Lilly has signed a deal to supply its medicines exclusively through AAH and Phoenix from summer 2009.

The agreement marks the first manufacturer led supply deal not to include UniChem.

Andrew Hotchkiss, general manager at Lilly UK, said: "Lilly has recognised the current supply issues which have affected the whole pharmaceutical industry have highlighted the need to change and improve the service pharmacists receive."

Eli Lilly had acted to guarantee the "reliability, frequency and integrity" of drugs supply, the firm said.

The comments follow warnings of medicine shortages this January when the government cuts the price of branded drugs by 5 per cent.

Eli Lilly said it was working with AAH and Phoenix to ensure it could distribute to all UK pharmacies.

Commercial terms of the supply deal were under review, Eli Lilly said. Further details will follow in 2009.

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www.wavedata.co.uk

Special points of Interest:

This bulletin is free to interested wholesaler employees

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WaveData — Top ten products

According to wavedata, these are the products most looked at 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 November 08

Co-Codamol Caps 8mg/500mg 100

Alendronate Tabs 70mg 4

Prednisolone E/C Tabs 2.5mg 28

Lansoprazole Caps 30mg 28

Methotrexate Tabs 2.5mg 100

Omeprazole Caps 20mg 28

Amoxicillin Caps 500mg 21

Buprenorphine Sublingual Tabs 8mg 7

Clindamycin Caps 150mg 24

Lansoprazole Caps 15mg 28

Genus is third manufacturer to leave NI generics tender scheme

Drug manufacturer Genus has withdrawn from Northern Ireland's centralised tendering process for generic drugs.

Genus managing director Peter Ballard said: "The risks to patients are too great and Genus and the BGMA (British Generics Manufacturing Association) do not believe this system can work at this time."

Genus is the third drugs company to pull out of the tendering process which the Department for Health, Social Services and Public Safety (DHSSPS) announced in March.

With Teva withdrawing in August and Actavis last month, the announcement from Genus leaves the DHSSPS without three of the biggest players in generic drugs manufacturing.

Boots pairs up with GP surgery

A GP surgery has been opened in a purpose-built suite within a Boots store.

The surgery, situated within Boots' Southampton branch, has been transferred from its original site, along with the GPs, practice staff and over 4,000 registered patients.

At Boots, the surgery will offer appointment times and a walk-in facility, and it will have a separate entrance to the store.

Dr Adrian Higgins, professional executive committee chair at Southampton City PCT, welcomed the venture as an "innovative solution to local needs".

He added: "I am delighted that Southampton City PCT is working with Boots in this way. This is partnership with a purpose of delivering first class NHS primary care in top quality surroundings.

Tricia Kennerley, healthcare development director at Boots, said it was "an excellent example" of the potential for pharmacy to be involved in the wider provision of healthcare. She added: "The pharmacy is more than just a place to pick up prescriptions."

I will be issuing the next bulletin on the 14th January 09, please let me know by the 7th January 09 if you would like to add or suggest any articles/comments

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

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Wholesale Bulletin at
www.wavedata.co.uk

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Merry christmas and a happy new year
to you all