Attachment 2

PHARMACEUTICAL BENEFITS PRICING AUTHORITY

Therapeutic Relativity Sheets

ATC C09 – AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	**Effective Date:** 12/04	PAGE **1** OF **2**

1. The listed ACE inhibitors are all considered to be of similar safety and efficacy and are priced on an average-daily-dose comparison.

2. The angiotensin ii antagonist, irbesartan, was accepted for listing on the basis of similar safety and efficacy in the treatment of hypertension compared to enalapril, with the equivalent doses being 132mg irbesartan to 17mg enalapril.

3. Candesartan was recommended for listing on the basis of equivalence to irbesartan (8mg = 75mg) and enalapril (8mg = 10mg).

4. Telmisartan was recommended by the PBAC on the basis of cost minimisation compared to irbesartan (62 mg = 123.9 mg and 96.8 mg = 229.5 mg). Listing as a restricted benefit was accomplished by pricing being based on a comparison with enalapril on a weighted average monthly treatment cost basis.

5. Eprosartan mesylate was recommended on a cost minimisation basis compared to enalapril maleate. The equi-effective doses from the trials were 702mg for eprosartan and 20.6mg for enalapril. Listing was effected on the understanding that pricing would be reviewed on a weighted average monthly treatment cost basis.

6. Monoplus®, the combination tablets containing fosinopril sodium plus hydrochlorothiazide, was recommended on the basis that the fixed combinations were of similar safety and efficacy to the individual drugs taken concomitantly.

7. The combination tablets containing irbesartan plus hydrochlorothiazide (Avapro HCT® and Karvezide®), were recommended on the basis that the fixed combinations were of similar safety and efficacy to the individual drugs taken concomitantly.

8. Coversyl Plus®, the combination tablets containing perindopril erbumine 4mg plus indapamide hemihydrate 1.25mg. was recommended on a cost minimisation basis compared with perindopril erbumine 4mg and indapamide hemihydrate 2.5mg.

9. The combination tablet containing enalapril maleate 20mg plus hydrochlorothiazide 6mg was recommended on a cost minimisation basis compared with enalapril maleate 20mg and hydrochlorothiazide 12.5mg as individual items.

10. The combination tablet of candesartan 16mg plus hydrochlorothiazide 12.5mg was recommended for listing on a cost minimisation basis compared to the individual components.

11. The fixed combination of quinapril hydrochloride plus hydrochlorothiazide was recommended on the basis that the price to pharmacist would be no greater than the sum of the individual components.

12. The combination tablet of eprosartan mesylate 600mg (base) plus hydrochlorothiazide 12.5mg was recommended for listing on a cost minimisation basis compared to the individual components.

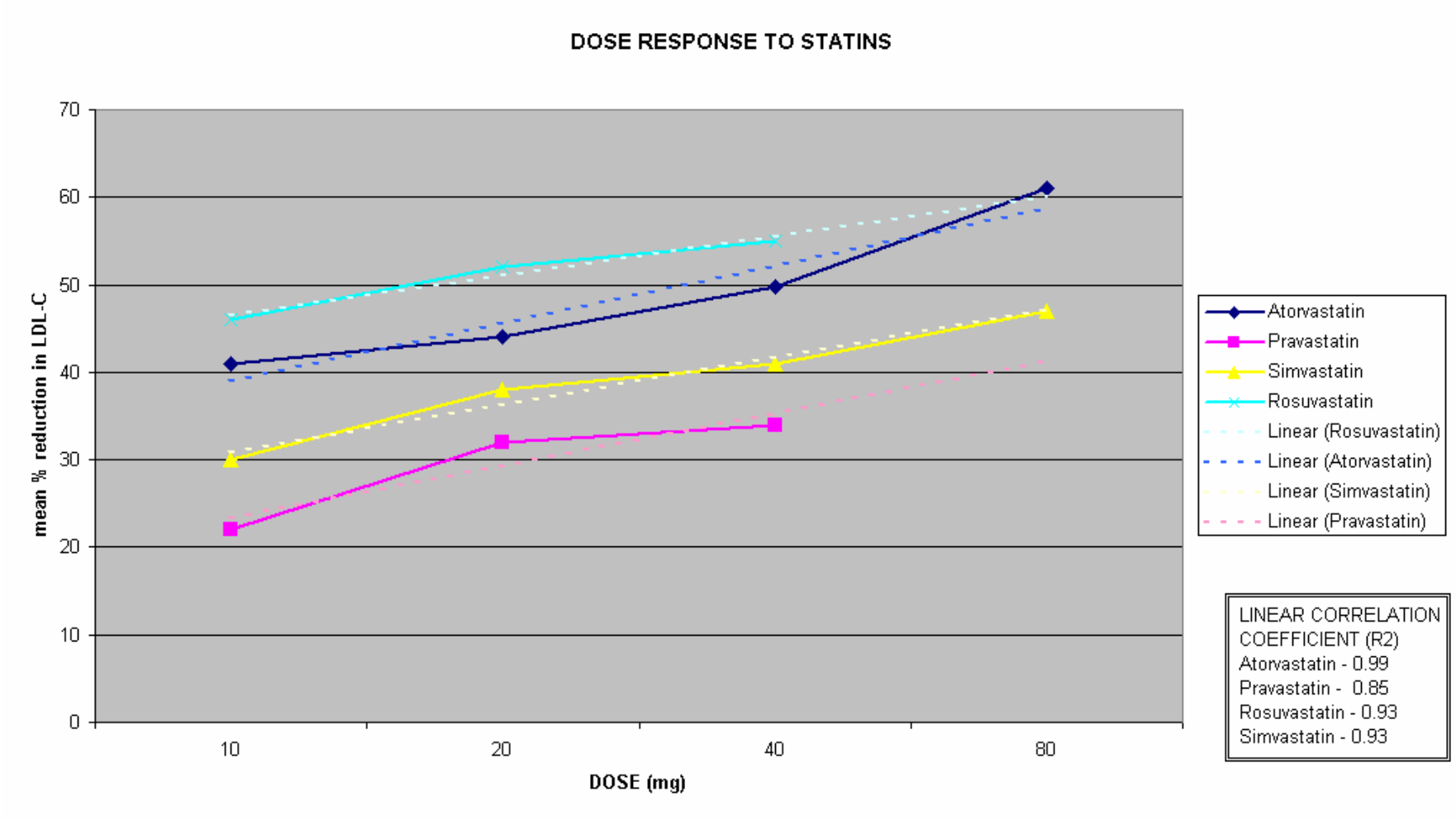
13. The combination of telmisartan plus hydrochlorothiazide was recommended for listing on a cost minimisation basis compared to the individual components.

14. The ramipril titration pack was accepted for listing with pricing being based on the sum of the cost of the individual components.

15. Captopril oral solution is restricted to use in patients unable to take solid dose forms of ACE inhibitors. In this setting it was recommended on the basis of acceptable cost effectiveness and is thus excluded from the WAMTC review of the ACE inhibitors.

APPROVED FOR USE BY:
DATE:

Attachment 3



Attachment 4

GMiA Comments on Price Disclosure Procedural Aspects as outlined to the Department on 4 June 2007

The price reductions will be relatively unpredictable in timing in that there will only 6 months forewarning and the reductions could be much greater than 10%. Reduced predictability of future revenue from products in the F2A formulary to 31 December 2010 and F2 on or after 1 January 2011 for all products will lead to reduced investment by the pharmaceutical industry in Australia.

Furthermore, the short notice of 6 months does not allow for good corporate governance, especially for companies listed on the Australian Stock Exchange (ASX) in particular and overseas exchanges in that these companies must provide a 12 month view of Likely Developments and Expected results. These companies will be even more reluctant to provide useful information given that key products may be impacted by price reductions during the year that were not predictable at the start of the year. If these price reductions were to impact a significant number of products in any one year, the companies may have to issue frequent unfavourable ASX releases advising of the impact of these price reductions.

The GMiA's concern is driven by the lack of transparency of the methodology and process proposed. The pricing disclosure life cycle is a 23-month process, but details of price reductions are only provided to the companies 6 months prior to their implementation.

The suggested remedy is that visibility be introduced in the data collection periods for example, 30 days after each quarter and annual collection periods, the information be shared with all sponsors of the molecule and give industry the opportunity to review validity of the data and determine whether price variation is likely and the quantum that price change.

The increased visibility of future price movements would provide crucial early warning information from which decisions could then be made.