

PRESS RELEASE

For Immediate Release



PHARMACEUTICAL SERVICES NEGOTIATING COMMITTEE

59 Buckingham Street
Aylesbury, Buckinghamshire HP20 2PJ
Telephone (01296) 432823
Fax 01296 438427
www.psn.org.uk

18 February 2008

Seven AZ Products to enter Discount not Deducted List

The Department of Health have confirmed that the following products will be added to the 'List of Drugs for which Discount is not Deducted' (Part II of the Drug Tariff) with effect **1st March 2008**:

Arimidex 1mg tablets
Casodex 50mg tablets
Casodex 150mg tablets
Seroquel 100mg Tablets
Seroquel 150mg Tablets
Seroquel 200mg Tablets
Seroquel 300mg Tablets

There are set criteria for the entry of products to the list. Following a decision by AstraZeneca to adjust the basis of calculation of their pharmacy rebates, these seven products now meet the criterion for high cost, low volume items where no discount is available.

AstraZeneca have confirmed that from the 1st March 2008, they will be excluding these seven products from the calculation of their monthly rebates. To ensure the change in their rebate scheme is cost neutral to pharmacy, AstraZeneca will also be making a corresponding downward adjustment to the levels of purchases required to qualify for a monthly rebate.

PSNC has been working with both AstraZeneca and the Department of Health for a number of weeks to secure this change.

Sue Sharpe, *PSNC Chief Executive Officer*, commented, "PSNC is pleased that this particular issue has been resolved. We are continuing to work with the Department of Health to address other instances where medicines are dispensed at a loss and PSNC hopes they can be resolved in the near future. The evaluation of available purchase profit income takes into account purchasing of both proprietary and generic medicines so adjustment is made in the funding arrangements to reflect the losses made where these occur."

Alan McDougall, *Medical and Regulatory Affairs Director for AstraZeneca*, commented: "AstraZeneca has maintained an open dialogue with PSNC regarding its new supply and delivery service. Through this new service, AZ now also has a much more open and direct relationship with its customers. As a result, we are pleased to have been able to move quickly and effectively in working with PSNC to achieve this change in the interests of our customers. Following this decision we will be writing to all our customers in the near future with a revised supply contract."

-- ENDS --

Notes for editors:

1. The Pharmaceutical Services Negotiating Committee (PSNC) is the body that represents community pharmacy on NHS matters and seeks to secure the best possible NHS services provided by pharmacy contractors in England and Wales.
2. If a product is in the 'List of Drugs for which Discount is not Deducted', it will automatically be exempt from discount deduction. No endorsement is required. Background information on the 'List of Drugs for which Discount is not Deducted' is available on the PSNC website (<http://www.psn.org.uk/zd>)

For further information contact:

Dipen Shah, Head of Public Relations, at PSNC, 59 Buckingham Street, Aylesbury, Buckinghamshire, HP20 2PJ, e-mail: dipen.shah@psnc.org.uk - office: 01296 432823, mobile: 0785 228 1399.

www.psn.org.uk