5.18 ACICLOVIR

Eye ointment 30 mg per g, 4.5 g

Xorox®,

Clinect Pty Ltd

1. Purpose of Application
	1. The minor submission requested a General Schedule Restricted Benefit listing of a new generic brand of aciclovir 3% eye ointment (Xorox®), hereafter referred to as Xorox, for the treatment of Herpes simplex keratitis (HSK), under the same conditions as the current Section 19A approved product, AciVision®.
2. Background

Registration status

* 1. Xorox was listed on the ARTG on 6 November 2020 and was considered by the TGA delegate to be bioequivalent to the originator brand, Zovirax® ophthalmic ointment, sponsored by GlaxoSmithKline Australia Pty Ltd (GSK Australia).
	2. On 24 October 2014 GSK Australia, in consultation with the TGA, recalled Zovirax after metal particles were found in three different lots of the active pharmaceutical ingredient, aciclovir. This recall resulted in a product shortage for this medicine (paragraph 3.1, aciclovir (AciVision), Public Summary Document (PSD), July 2015).
	3. The TGA approved the importation and supply of an unregistered product in Australia, AciVision, under Section 19A of the *Therapeutic Goods Act 1989*, from 25 February to 30 June 2016 (paragraph 3.3, aciclovir (AciVision), PSD, July 2015).
	4. On 15 March 2018, GSK Australia notified the TGA of the discontinuation of Zovirax.

Previous PBAC consideration

* 1. Xorox has not been previously considered by the PBAC.
	2. Zovirax ophthalmic ointment was PBS listed on 1 April 1985.
	3. At its July 2015 meeting, the PBAC recommended the temporary Restricted Benefit listing of aciclovir AciVision 3 mg/ml (3%, 4.5 g) on the PBS as an alternative to currently listed, aciclovir Zovirax (3%, 4.5 g), to ensure access to a treatment for HSK (paragraph 6.1, aciclovir, PSD, July 2015).
	4. The PBAC considered there was a clinical need for aciclovir 3% eye ointment supply to be maintained on the PBS. The PBAC considered that the listing should remain during the validity of the Section 19A approval by the TGA (paragraph 6.2, Aciclovir, PSD, July 2015).
	5. At the time of PBAC consideration the current Section 19A approval for AciVision was due to expire on 28 February 2021. The Section 19A approval was subsequently extended until 30 April 2021.
	6. The PBAC considered a request from GSK Australia to delist Zovirax at its July 2018 meeting. The basis for GSK Australia’s request was that Zovirax will no longer be manufactured, due to repeated challenges in guaranteeing sustainable product supply. The PBAC considered that there is a clinical need for the supply of an aciclovir ointment to be maintained on the PBS, either by keeping this product on the PBS or by finding an alternative supply.
	7. Zovirax was delisted from the PBS on 1 December 2019.

*For more detail on the PBAC’s view, see section 6 PBAC outcome.*

1. Requested listing
	1. The submission requested Xorox be made available through the PBS under the same conditions as the current AciVision product.

*Add 2 new medicinal product packs (MPP)/trade product packs (TPP) (shown in italic text) to the existing treatment prescribing rule as restricted benefit as follows:*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **MEDICINAL PRODUCT****medicinal product pack** | **PBS item code** | **Max. qty packs** | **Max. qty units** | **№.of****Rpts** | **Available brands** |
| ACICLOVIR  |
| aciclovir 3mg/g (3%) eye ointment, 4.5g [existing MPP] | 11652G | 1 | 1 | 0 | AciVision [existing TPP] |
| *aciclovir 3mg/g (3%) eye ointment, 4.5g [new MPP]* | *NEW* | *1* | *1* | *0* | *Xorox [new TPP]* |

**Restriction Summary 5965 / Treatment of Concept: 5965**

|  |
| --- |
| **Category / Program:** GENERAL – General Schedule (Code GE)  |
| **Prescriber type:**  [x] Medical Practitioners [x] Nurse practitioners |
| **Restriction Type:**[x] Restricted benefit |
| **Indication:** Herpes Simplex Keratitis  |
| **Administrative Advice:**Shared Care Model: For prescribing by nurse practitioners where care of a patient is shared between a nurse practitioner and medical practitioner in a formalised arrangement with an agreed management plan. Further information can be found in the Explanatory Notes for Nurse Practitioners.  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **MEDICINAL PRODUCT****medicinal product pack** | **PBS item code** | **Max. qty packs** | **Max. qty units** | **№.of****Rpts** | **Available brands** |
| ACICLOVIR  |
| aciclovir 3mg/g (3%) eye ointment, 4.5g [existing MPP] | 11654J | 1 | 1 | 0 | AciVision [existing TPP] |
| *aciclovir 3mg/g (3%) eye ointment, 4.5g [new MPP]* | *NEW* | *1* | *1* | *0* | *Xorox [new TPP]* |

**Restriction Summary 5964 / Treatment of Concept: 5964**

|  |
| --- |
| **Category / Program:** GENERAL – General Schedule (Code GE)  |
| **Prescriber type:**  [x] Optometrist |
| **Restriction Type:**[x] Restricted benefit |
| **Indication:** Herpes Simplex Keratitis  |

1. Comparator
	1. The submission nominated AciVision as the main comparator as AciVision is the only PBS-listed brand of aciclovir eye ointment, but acknowledged that AciVision is not ARTG registered and supplied as a Section 19A item. The PBAC considered this was appropriate.
	2. The submission nominated Zovirax as an alternative comparator.
	3. The PBAC could only recommend listing aciclovir (Xorox) at a higher price than the alternative therapy or therapies if it is satisfied that it provides, for some patients, a significant improvement in efficacy or reduction of toxicity over the alternative therapy or therapies (the Act, Section 101(3B)). The PBAC considered that the alternative therapy in this case is the currently listed S19A product, AciVision. The PBAC considered that given there are no data to establish superiority over AciVision, there is no justification for the price of Xorox to be higher than the price of AciVision.
	4. The submission considered that Xorox could also be considered equivalent to AciVision, as AciVision comprises the same active ingredient, strength and formulation as Zovirax, and Xorox has been determined to be bioequivalent to Zovirax.

*For more detail on the PBAC’s view, see section 6 PBAC outcome.*

1. Consideration of the evidence
	1. The submission proposed a higher approved ex-manufacturer price (AEMP) of $'''''''''''' compared with the current AciVision AEMP of $49.50. The submission indicated that the requested price is on the basis of securing ongoing supply of an ARTG registered medicine to provide a critical treatment in a low volume, mature market.The proposed AEMP of $'''''''''' represents an increase of ''''''''''''% from the AEMP of Zovirax ($25.10) when it was PBS-listed, and an increase of '''''% from the current AEMP of AciVision.The pre-PBAC Response indicated that significant costs have been incurred by Agepha Pharma, the company which holds the ARTG registration for Xorox, in setting up the required framework to be able to sell in Australia including costs associated with TGA registration and PBAC submission. The pre-PBAC Response noted that given Agepha Pharma is a small company with ''' ''''''''''' '''''''''''''''' '''' '''''' ''''''''''''''''' ''''''''''''''' '''' ''''''''''''''''''''''' '''''''''' ''''' ''''''' ''''''''''''''''''''' ''''''''''''''' ''''''''' '''' ''''' ''''''''''''''''' '''''''''' ''''''' '''''''''''' '''''' ''''''''''''''' '''''''''''''''' '''' '''''''''' ''''' '''''''''' ''' ''''''''''''''''''''''' ''''''''''''' '''' ''''''''''' ''''''''''''

Sponsor hearing

* 1. There was no hearing for this item as it was a minor submission.

Consumer comments

* 1. The PBAC noted and welcomed the input from one individual via the Consumer Comments facility on the PBS website. The comment described the impact of HSK on a patient’s quality of life.

Estimated PBS usage & financial implications

* 1. The submission estimated a net cost to the PBS of $0 to < $10 million in Year 6 of listing, with a total net cost to the PBS of $0 to < $10 million over the first 6 years of listing. This is summarised in Table 1 below.
	2. The submission used a market-share approach to estimate a 100% market share, with the assumption that Section 19A would be revoked for AciVision when Xorox is listed.
	3. The submission noted that the market size has likely been impacted by years of supply challenges, and considered that additional growth beyond a return to that prior to the Zovirax supply disruptions is not expected. The submission applied an annual growth rate of ''''''% for the first six years of listing which results in 20,000 to < 30,000 PBS services by 2026*.* The sponsor considered this represents a gradual return of the market to its approximate size prior to Zovirax supply disruptions noting that average PBS services for the three years prior to supply disruption (2011/12, 2012/13, 2013/14) was 29,600.

**Table 1: Estimated use and financial implications**

|  | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** | **Year 6** |
| --- | --- | --- | --- | --- | --- | --- |
| **Estimated extent of use** |
| Number of scripts dispenseda | '''''''''''''''''1 | ''''''''''''''''''1 | '''''''''''''''''1 | '''''''''''''''1 | '''''''''''''''''1 | '''''''''''''''''1 |
| **Estimated financial implications of Xorox** |
| Cost to PBS/RPBS | $'''''''''''''''''''''2 | $'''''''''''''''''''''2 | $'''''''''''''''''''''2 | $'''''''''''''''''''''''''2 | $'''''''''''''''''''''''2 | $''''''''''''''''''''''2 |
| Copayments | -$'''''''''''''''''''2 | -$'''''''''''''''''''''2 | -$''''''''''''''''''2 | -$''''''''''''''''''2 | -$''''''''''''''''''2 | -$'''''''''''''''''''2 |
| Cost to PBS/RPBS less copayments | $'''''''''''''''''''''''''2 | $''''''''''''''''''''''2 | $''''''''''''''''''''''''2 | $''''''''''''''''''''''''2 | $''''''''''''''''''''''''2 | $''''''''''''''''''''''''2 |
| **Estimated financial implications for AciVision** |
| Cost to PBS/RPBS | -$''''''''''''''''''''''''2 | -$''''''''''''''''''''''2 | -$'''''''''''''''''''''''2 | -$'''''''''''''''''''''''''2 | -$''''''''''''''''''''''''2 | -$'''''''''''''''''''''''''2 |
| Copayments | $''''''''''''''''''''2 | $'''''''''''''''''''''2 | $'''''''''''''''''''''2 | $'''''''''''''''''''''2 | $''''''''''''''''''''2 | $'''''''''''''''''2 |
| Cost to PBS/RPBS less copayments | -$'''''''''''''''''''2 | -$''''''''''''''''''''2 | -$'''''''''''''''''''''''''2 | -$''''''''''''''''''''''''2 | -$'''''''''''''''''''''''''2 | -$''''''''''''''''''''''''2 |
| **Net financial implications** |
| Net cost to PBS/RPBS  | $'''''''''''''''''''''2 | $''''''''''''''''''''2 | $''''''''''''''''''''2 | $'''''''''''''''''''''2 | $'''''''''''''''''''''2 | $''''''''''''''''''2 |

a As estimated by the submission in Section 4 Utilisation and Cost Workbook.. A growth of 7.5% per year is assumed.

Source: Section 4 Utilisation and Cost Workbook (Sheet 3b. Impact – proposed (pub), Sheet 4b. Impact – affected (pub)

*The redacted values correspond to the following ranges*

*1 20,000 to < 30,000*

*2 $0 to < $10 million*

* 1. As a minor submission, the financial estimates have not been independently evaluated.
	2. The modelled financial impact of recommending listing of Xorox at the requested AEMP compared to the AEMP for Zovirax and AciVision is provided in Table 2.

**Table** **2**: **Estimated financial implications of the requested AEMP**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Details of price increase** | **2021-22** | **2022-23** | **2023-24** | **2024-25** | **2025-26** | **TOTAL** |
| Increase aciclovir eye ointment AEMP from $25.10 to $''''''''''''' on 1 July 2021 (+'''''''''''''''%) | $'''''''''''''''''1 | $''''''''''''''''''''1 | $''''''''''''''''''''1 | $'''''''''''''''''''1 | $'''''''''''''''''''''1 | $'''''''''''''''''''''''1 |
| Increase aciclovir eye ointment AEMP from $49.50 to $'''''''''''' on 1 July 2021 (+'''''''''''''%) | $''''''''''''''''''''1 | $''''''''''''''''''''1 | $'''''''''''''''''1 | $'''''''''''''''''1 | $''''''''''''''''''''1 | $''''''''''''''''''''''''''1 |

*Estimated using the department’s Pharmacy Remuneration and Negotiation Consolidated Information System (PhRANCIS).*

*The redacted values correspond to the following ranges*

*1 $0 to < $10 million*

*For more detail on the PBAC’s view, see section 6 PBAC outcome.*

1. PBAC Outcome
	1. The PBAC did not recommend the listing of the Xorox brand of aciclovir 3% eye ointment for the treatment of HSK. The PBAC considered there was an inadequate basis for the requested AEMP, which was higher than the delisted Zovirax and the currently listed Section 19A approved product, AciVision.
	2. The PBAC reiterated there was a clinical need for aciclovir 3% eye ointment supply to be maintained on the PBS. However, the PBAC noted that under Section 101(3B) of the *National Health Act 1953*, when the proposed medicine is substantially more costly than an alternative therapy, the Committee cannot make a positive recommendation unless it is satisfied that, for some patients, the proposed medicine provides a significant improvement in efficacy and/or reduction of toxicity over the alternative therapy. The PBAC considered that AciVision was an appropriate alternative therapy, and that the available evidence did not support that Xorox provides a significant improvement in efficacy or reduction of toxicity over this therapy.
	3. The PBAC noted that this submission is eligible for an Independent Review.

**Outcome:**

Not recommended

1. Context for Decision

The PBAC helps decide whether and, if so, how medicines should be subsidised through the Pharmaceutical Benefits Scheme (PBS) in Australia. It considers applications regarding the listing of medicines on the PBS and provides advice about other matters relating to the operation of the PBS in this context. A PBAC decision in relation to PBS listings does not necessarily represent a final PBAC view about the merits of the medicine or the circumstances in which it should be made available through the PBS. The PBAC welcomes applications containing new information at any time.

1. Sponsor’s Comment

Clinect and the Department of Health are working towards an alternative pathway to listing this product.