

19 October 2011

IMPORTED INTRAVENOUS IMMUNOGLOBULIN TENDER OUTCOMES

The National Blood Authority (NBA) announced today the successful conclusion of the tender for imported intravenous immunoglobulin (IVIg). IVIg is a critical plasma-derived blood product used to treat a range of neurological, immunological, haematological and other conditions. The NBA contracts for the supply of imported IVIg products because the amount of domestically produced product (Intragam P) which is made from Australian plasma donations is not sufficient to meet Australian requirements.

Products available under the National Blood Supply (NBS) arrangements (i.e. funded 63% by the Commonwealth and 37% by the states/territories)

From 1 January 2012 there will be two imported IVIg products available under the NBS arrangements – Kiovig, a 10% concentration product supplied by Baxter Healthcare Pty Ltd, and Octagam, a 5% concentration product supplied by Octapharma Australia Pty Ltd. A 10% formulation of Octagam is also expected to become available during 2012. When a request for IVIg is to be fulfilled with imported IVIg, clinicians will now be able to choose between the different available products to best suit their patients' needs (within the requirements of any local policies).

The new contracts will ensure sufficient supply of IVIg for all indications funded under the *Criteria for the Clinical Use of IVIg in Australia**.

Products available under the Jurisdictional Direct Order arrangements (i.e. no funding provided by the Commonwealth)

For indications which are not funded under the *Criteria*, i.e. therefore not funded under the NBS arrangements, Kiovig and Octagam will also be available under Jurisdictional Direct Order (JDO) arrangements, together with Flebogamma 5% DIF supplied by Grifols Australia Pty Ltd which is already available under the JDO arrangements.

Benefits of the new IVIg tender

The outcome of this tender maintains availability of IVIg products for Australian patients and improves supplier performance requirements and supply security measures to guard against risk to supply. The NBA estimates the outcome of the tender will save the Australian

community between \$13 million and \$16 million per year, with improved performance measures for suppliers. The new arrangements will remain in place for a minimum of three years, to 31 December 2014.

The NBA will work with the suppliers and the Australian Red Cross Blood Service in its role as distributor of IVIg under the NBS arrangements, to ensure a smooth transition to the new arrangements.

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**The Criteria for the Clinical Use of IVIg in Australia* (the Criteria, 2007) describes the qualifying criteria to receive IVIg funded under the NBS arrangements.

Background

Australia has imported IVIg for a number of years to meet the gap between the supply of the domestically produced product (Intragam P) and demand for this product.

The outcomes of the recent tender will be effective from 1 January 2012 to 31 December 2014, and may be extended for a further year. Interim arrangements will be in place for the remainder of 2011. The supply arrangements for IVIg from October 2011 are summarised below.

Funding arrangement	What indications are funded?	What products are available?		Who pays for the product?	How are products accessed?
		24 Oct to 31 Dec 2011	From 1 Jan 2012		
National Blood Supply (NBS) Arrangement	Indications funded under the <i>Criteria for the Clinical Use of IVIg in Australia</i> (Criteria)	Intragam P 6% (D) Octagam 5% (I) Flebogamma 5% DIF (I)	Intragam P 6% (D) Octagam 5% # (I) Kiovig 10% (I)	Cost is shared between the Commonwealth and the relevant State or Territory	Ordered from and distributed by the Blood Service.
Jurisdictional Direct Order (JDO) Arrangement	For indications that are not included under the Criteria	Octagam 5% (I) Flebogamma 5% DIF (I)	Octagam 5% # (I) Flebogamma 5% DIF (I) Kiovig 10% (I)	Individual jurisdiction, hospital, the patient's insurer by special agreement/arrangement, or patient bears full cost	Ordered from and supplied directly by the commercial supplier. Intragam P cannot be ordered under this arrangement

KEY:

% = Product Concentration

D = Domestic Product

I = Imported Product

It is anticipated that a 10% formulation of Octagam will become available under the NBA contract during 2012.