Pharmacode® System Guide

For Pharmacode® Customers

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Introduction

Pharmacode® is a coding and identification system used primarily for pharmaceutical subsidy claiming and for ordering of ethical and retail stock by community pharmacy from wholesaler.

Its use in claiming for funded pharmaceuticals is exclusive to New Zealand - PHARMAC incorporates Pharmacode® in their Pharmaceutical Schedule[1] (the Schedule) to identify pharmaceuticals down to the pack size and strength.

This guide provides an overview of the Pharmacode® system - including:

- The benefits of Pharmacode®
- Procedure for submitting products into the Pharmacode® system
- Product changes that require a new Pharmacode®

Pharmacode® is a registered trademark of the Pharmacy Guild of New Zealand (Inc.) (the Guild). Pharmaceutical Services Limited (PSL) administers the Pharmacode® system on behalf of the Guild.

Pharmacode® essentials

Purpose of Pharmacode®

Pharmacode® ensures products are coded in a manner that enables:

- Community pharmacy to order products from any pharmaceutical wholesaler using their dispensing and Point of Sale (POS) software[2]
- Unique identification of medicines on the Schedule down to the pack size, brand, supplier, and strength
- Submission of community pharmacy claims to Sector Services[3] for medicines dispensed – and processing these claims for payment.

[1] The Pharmaceutical Schedule is a list of the prescription medicines and therapeutic products subsidised by the New Zealand Government. https://www.pharmac.govt.nz/tools-resources/pharmaceutical-schedule/

[2] Over the counter medicines and retail items are also included in the Pharmacode® system

[3] Sector Services is the Government organisation that processes the subsidy payments to pharmacies.

Pharmacode® identifier

The Pharmacode® identifier (Pharmacode® ID) is the unique 6 to 7-digit code assigned to pharmacy items by the Pharmacode® system. The Pharmacode® identifiers are proprietary to the Guild - only the Pharmacode® system can authorise and assign Pharmacode® IDs to pharmacy items.

The Pharmacode® ID allows information about medicines to be stored (e.g. in-patient medicine records), exchanged (e.g. in a prescription), and reported (e.g. in a claim) either electronically or in hard copy without risk of uncertainty, confusion, or ambiguity.

Pharmacode® Data

This refers to the Pharmacode® ID and the pharmacy items the identifier relates to. The data includes item details, classifications, coding, Schedule price (manufacturers price), and subsidies when applicable.

Each variation of a pharmacy item has its own Pharmacode® ID assigned to it. No Pharmacode® may be used for a product it was not originally issued for.

> Example:
> ACME Ointment 1%, *30gram* pack has a Pharmacode® ID 2070139
> ACME Ointment 1%, *100gram* pack has a Pharmacode® ID 2088200

Any change to a product, formulation, pack size or strength means a new Pharmacode® must be applied for and assigned.

Benefits of a unique identifier for all stakeholders

Pharmacode® offers a unique product identifier – that relates to dispensing activities from the time a pharmaceutical enters the pharmacy sector until the last time a pharmacy needs to query the dispensing of that pharmaceutical from a patient's record.

Pharmacode® delivers information:

- essential for purchase, stock management and supply of a pharmaceutical from the time it is approved for market
- about the subsidy applicable to a pharmaceutical and the rules governing the application of that subsidy
- about the usage of subsidised pharmaceuticals within New Zealand
- for processing of payments claims and preparation of reports which can readily be subjected to reconciliation and audit.

Applying for a Pharmacode®

Pharmacode® Submission Form

A product can be submitted using an online application form. Customers can find the application form here: http://www.psl.co.nz/Pharmacode® .

Product Details

The application form is solely for submitting product details into the Pharmacode® system. In addition to the Manufacturer/Sponsor/Distributor Details - requested product details to be submitted are:

1 Brand Name or Trade Name
Banner the product is sold under, e.g.: Panadol.

2 Product Name or Description of Form
The product/description, e.g.: Rapid.

3 Formulation - Active Ingredients
The International Medical Name, e.g.: Paracetamol.

4 Formulation - Strengths of Active Ingredients
The strength of ingredients, e.g.: 500mg

5 Unit, form and Quantity e.g.: weight g, volume mL, 28 tablets, 125 mL gel
The quantity of each unit, and its form - e.g.: 16 caplets - the size would be 16, the unit would be caplets.

6 EAN/GS1 Barcode (On Packaged Product). This is commonly referred to as a GTIN code.

7 Supplier (Any Code used by the company submitting the product)

8 Medsafe Classification
As defined in the Medicines Act 1981, e.g.: Prescription Medicine, Restricted Medicine, Unapproved Medicine (Section 29).

9 Cost to Wholesale (ex. Manufacturer)
The "Cost to Wholesaler" or Manufacturers Price as listed on the Schedule, exclusive of GST, not the RRP.

10 Release Date (If Known)

Confidentiality

Products can be submitted to the Pharmacode® system catalogue in advance of the product being launched in the marketplace. On request, products not yet available are placed in the confidential section of the Pharmacode® system - this means only the supplying company has access to this information. Products remain in the confidential file until the company notifies PSL of the release date.

Date of release

This is the date on which the information, regarding the product, will be released to Pharmacode® users. If the date of release is not known, it can be flagged as confidential. The company must notify the date of release once it becomes public information.

Effective date

This is the date the product or the new pack size is available in the marketplace. Where products are confidential this date is the same as the release date.

Payment and Terms of Trade

- Payments by direct credit are to be made to Pharmaceutical Services Ltd.
- Please reference the invoice number as a reference with online banking payments.
- Any charges for international transfers are the responsibility of the company making the order.
- We accept credit card payment by Visa or MasterCard.

Pricing

The fee per Pharmacode® (exclusive of GST) is:

- For ethical products - $50.00
- For retail products (non-ethical) - $100.00
- Section 29 products - $25.00

We offer the following discounted rates for bulk orders of retail product Pharmacodes®. Please note these rates are only eligible for retail Pharmacode® orders made on a single purchase order.

Number of New retail products	Rate per Pharmacode®
0 - 24	$100.00 +GST
25 – 199	$75.00 +GST
200 and over	$50.00 +GST

Our account details are as follows

Bank: ANZ Bank, ANZBNZ22
Branch: Manners Street, Wellington
Account name: Pharmaceutical Services Ltd
Account number: 01-0517-0002420-00

Where can I get further assistance?

For general Pharmacode® enquiries, contact info@pharmacode.co.nz
For accounts enquiries, contact accounts@pgnz.org.nz

Product changes that require a new Pharmacode®

Product changes are any modifications or improvements during the life of a product where the new product replaces the old one in the supply chain.

Should the brand owner decide to create a variant of an existing product (e.g., with different active ingredient), a new Pharmacode® ID must be applied for.

The following questions can be applied to determine whether a product change requires a new Pharmacode®.

Because of the Product Change:

- Is there anything community pharmacy needs to do differently when dispensing to the patient?
- Is there anything community pharmacy needs to do differently to order the product from their wholesaler?
- Does the product change affect the uniqueness of that medicine on the PHARMAC Schedule?
- Would community pharmacy be paid any differently for the dispensing the changed product – and/or - is there any difference in the claims lodgement process for that medicine to the Ministry of Health?

If you answered YES to any of the above questions - the product change would require a new Pharmacode®. The following section outlines the product characteristic changes that require a new Pharmacode®.

If you are unsure whether a product change requires a new Pharmacode® contact PSL on 04 802 8200 or email us on info@pharmacode.co.nz.

Changes to Product Characteristics that require a new Pharmacode®

Changes to product details such as supplier stock codes, barcodes, or price - do not require a new Pharmacode®. Exceptions are made for items which are confidential as they may be subject to changes to obtain Medsafe approval and for corrections when information on record may be inaccurate or erroneous.

Although this list is not exhaustive, the basic pre-defined characteristics[4] of a product are:

1. Brand Name or Trade Name
2. Product Name or Description
3. Formulation - Active Ingredients
4. Formulation – Strength(s) of Active Ingredient(s)
5. Unit form e.g.: capsules, tablets, liquid, gel
6. Quantity e.g.: 28 tablets, 125 mL gel
7. Combination of Packs
8. Packaging configuration (e.g.: blister to bottle) and/or pack size
9. Medsafe approval

Brand Name

Brand is defined as the name used by a brand owner to uniquely identify a line of trade item. The Brand is recognisable by the patient.

Product Name and Description

Product Name is defined as a secondary brand name, or name to uniquely identify a product that is part of a line of trade items.

[4] A Pharmacode® ID is allocated to each product in the Pharmacode® system. Each Pharmacode® ID is for a product with a set of defined "characteristics". A different Pharmacode® ID is allocated to each type or variation of a product's characteristics. If a product that already has a Pharmacode® ID changes its characteristics- a new Pharmacode® ID must be allocated.

Formulation[5]

Formulation or characteristic change that will alter the existing trade item. A new Pharmacode® ID would be required if the pharmacy is expected to distinguish the new from the old trade item and dispense accordingly - or if regulations or other requirements dictate so - or if changes alter the fundamental patient benefit. A change in the product formulation that results in an immediate release to sustained release dose, for example, would require a new Pharmacode®.

Unit Form

A change in the unit form (e.g. tablets to capsules) would require a new Pharmacode®.

Quantity

A change in the quantity (e.g. a pack of 30 tablets to 90 tablets) would require a new Pharmacode®.

Combination of Packs

Two or more retail trade items normally sold separately - that are bound together creating a new trade item. Example: A bottle of shampoo bound together with a bottle of conditioner.

Medsafe Approval

All medicines entering the New Zealand pharmaceutical supply chain require a Pharmacode® including unapproved medicines (Section 26 and Section 29 of the Medicines Act 1981). There are distinct ordering and payments processes for unapproved and approved medicines.

If you are unsure whether you need to apply for a new Pharmacode® for a product change - please contact PSL on 0064 4 802 8200 or email us on info@pharmacode.co.nz

Why does a change to a product characteristic require a new Pharmacode® ID?

The purpose of a new Pharmacode® ID for a product change is to maintain the integrity of the PHARMAC Schedule, pharmacy claiming system and the pharmaceutical supply chain – all of which are unique to New Zealand.

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[5] **Note: Minor formulation changes**: micro-nutrient changes in dietary supplements, or any change in the formula that does not require a change in the patient declaration as defined by legislation such as declared allergens or any change that the pharmacy would not recognise or need to interact with differently would keep the same Pharmacode®.

A change to a product characteristic without the issue of a new Pharmacode® ID can have adverse effects on the order, supply and claiming of medicines.

Case Study

A change in product pack size.
A pack size change can cause a range of problems with scripts that have - for whatever reason - been deferred from one claiming month to the next.

Scenario: A pharmacy dispenses 90 tablets in June from existing stock of 30 tablet packs. The pack size is changed from 30 tablets to 90 tablets without a new Pharmacode® ID. When the claim item is processed, the processing system sees the Pharmacode is associated with a 90-tablet pack for a claim. Through no fault of the pharmacy - they are paid a pack fee for one 90-tablet pack when they dispensed three x 30 tablet packs (which attracts three pack fees).

Expanding the example above - a pharmacy orders a medicine based on past usage of that medicine in their system. If the pack size change is not notified and a new Pharmacode® ID not issued, the pharmacy finds it is ordering* 3 times as much as they intended (or 3 times less). Another unintended consequence is inconsistency in historical dispensing information. A pharmacist dispensed 3 units last month and only 1 unit this month - when in fact they were dispensing the same amount.

A change in raw ingredient source.
Scenario: The paracetamol raw ingredient is made in China and the final tablets are manufactured in Australia. If the raw ingredient changed to a different site in China, but the final tablets are still manufactured in Australia, does the new pack need a new Pharmacode? (Medsafe need to approve the raw ingredient change.)

If the product is entering New Zealand and is pending Medsafe approval, then a new Pharmacode is required. If the raw active ingredient has been approved by Medsafe and is entering the New Zealand supply chain as a final product which has already been approved and carries the same characteristics, then a new Pharmacode is not required.

** Pharmacies order stock using the Pharmacode® number, and Pharmaceutical Wholesalers use the Pharmacode® as an intrinsic part of their operating systems*

These issues can be prevented by notifying PHARMAC and PSL of a product change - PSL can then allocate a new Pharmacode® ID at the time of pack size change (or applicable product characteristic change) to the marketplace

Procedure for Product Changes

The Notification of Product Changes form is used to notify PHARMAC and PSL of changes in price of subsidised products or the introduction of products with a new subsidy status.

The form is available here: https://www.pharmac.govt.nz/assets/notification-of-product-changes.pdf

Except for the price - any change notified on a Notification of Product Change form to the, Brand, Form and/or Pack Size will require a new Pharmacode® ID to be allocated. Exceptions are made for items which are confidential as they may be subject to change (e.g. to gain Medsafe approval and for corrections when information recorded may be in error).

Timelines for product changes or new listings[6]

Once a supplier decides to change the price or other details of a subsidised pharmaceutical product, the supplier must notify the marketplace, PSL, and PHARMAC by 4.30 pm on the 12th of the month prior to the change. After this deadline, all stock sold by the supplier must reflect the changed price of the product.

For New Listings on the Pharmaceutical Schedule the supplier must notify PHARMAC, PSL, and the market by 4.30 pm on the 12th of the month prior to listing. When notifying, the supplier must have stock available for supply.

PSL, PHARMAC and NZULM will then make appropriate changes in their databases.

[6]Process for notification of product changes can be viewed here: https://www.pharmac.govt.nz/medicines/how-medicines-are-funded/new-funding-applications/process-for-notification-of-product-changes/

Frequently Asked Questions

What is "Pharmacode®"?

Pharmacode® is a pharmaceutical coding system used by pharmacies and pharmaceutical wholesalers throughout New Zealand and PHARMAC. It is a unique coding system for items sold through pharmacies - and is also part of the community pharmaceutical subsidy claiming system.

What is the cost to apply for a Pharmacode®?

$50 for ethical and $100 for non-ethical $25 for Section 29 products registered in the Pharmacode® system. Special pricing for bulk purchases are listed on page 6. Note: all pricing excludes GST

How do I apply for a Pharmacode® ?

Online at http://www.psl.co.nz/Pharmacode®

Do I need to apply for a Pharmacode® for medicines funded under Exceptional Circumstances?

Yes – if the pharmaceutical is supplied through community pharmacy it is an absolute requirement.

Do I need a Pharmacode® for an unregistered medicine?

Yes – if the pharmaceutical is supplied through Community Pharmacy it is an absolute requirement.

Do I need a new Pharmacode® for an unregistered product that has a registered equivalent in New Zealand?

Yes - because unregistered products are ordered, recorded and reimbursed differently from registered products.

How long does it usually take to receive my Pharmacode®?

We aim to add new items to the Pharmacode® system within one business day of receiving the required details.

Do I need to notify PSL when a product is discontinued or modified?

Yes. To keep the product information up-to-date, we need to be notified of discontinued or modified products. If the product is subsidised, you will also need to notify PHARMAC (see page 11).

I have a Pharmacode® for an existing product that is changing; can I keep using the same Pharmacode®?

If a product that already has a Pharmacode® ID changes its characteristics, a new Pharmacode® ID is allocated – please refer to page 8 for guidance on product changes that require a new Pharmacode®.

Our product has been given new product codes or barcodes; do I need a new Pharmacode® as well?

No. The Pharmacode® is a distinct code and is unaffected by changes to barcodes and your internal codes. Please email PSL to make an update of the applicable product codes or barcodes to the existing Pharmacode®.

If you can't find what you're looking for here - please contact PSL on 04 802 8200 or email info@pharmacode.co.nz

Monthly Pharmacode® process timetable

Process	Date*
Receive Notification of Product Changes forms.	Before 12th
PSL send Pharmacode file download to PHARMAC	13th
PSL receive copy of draft Schedule from PHARMAC	2.5 business days after the 13th
PSL check all changes on draft Schedule with PSL Pharmacode® database. Confirm any differences with manufacturers/suppliers	
PSL send file download to all stakeholders	20th

* Dates vary depending on the fall of weekends and statutory holidays.

Pharmacode® Distributed Data

Data definitions - Generics

Name of field	Type of field	Description
Generic Code	Integer	Not Null, Unique A 6- or 7-digit code starting with a 1 - e.g.135032
Short Generic Name	Alphanumeric	Not Null Field set at 100 characters. Field may contain commonly used abbreviations
Form	Alphanumeric	Not Null *Tablets, capsules, injection, oral solution, etc.*
Strength	Alphanumeric	Please note multi compound generics have strengths contained in the Generic name details
Subsidy Indicator	Text	S, NS, CBS *Indicates whether the generic is listed on the PHARMAC Schedule. NS if non-subsidised, S if Subsidised and CBS if it is a cost, brand & source of supply item.*
Pack Size	Decimal	As listed in the PHARMAC Schedule.
Unit of Measure	Character	Inherited from Brand. These are: Box, caps (capsule), device (medical device), dose, enemas, g (gram), inj (injection), ml, pack (used as a "miscellaneous" unit, or treatment pack), pair (twin items), sachet, sup (suppository), tabs (tablets), test, units (bulk or indivisible pack sold in multiple amounts).
Subsidy level	Currency	($#,###.##) *Subsidy level as listed in the PHARMAC Schedule.*
Subsidy Effective Date	Date	(dd/mm/YYYY) *Date when subsidy applies.*

Data definitions - Brands

Name of field	Type of field	Description
Pharmacode®	Integer	No deletes, Not Null, Unique, Mod 11 *6 or 7-digit number e.g. 793201 until Aug 2001. 7 digit Pharmacode® since Aug 2001*
Generic Code	Integer	Not Null, Foreign Key *Used to link the brand details to the generic if an ethical product*
Brand Name	Character	Not Null, Foreign Key
Manufacturer	Character	Not Null *This is usually the NZ supplier/agent or distributor if the product is manufactured overseas*
EAN Code	Character	A Barcode number
Product Description	Character	Not Null *40-character field e.g. tablets, capsules, etc.*
Pack Size	Decimal	Not Null, Not Zero *Volume per each E.g. 5, 200*
Unit Of Measure	Character	Box, caps (capsule), device (medical device), dose, enemas, g (gram), inj (injection), ml, pack (used as a "miscellaneous" unit), pair (twin items), sachet, sup (suppository), tabs (tablets), test, units (bulk or indivisible pack sold in multiple amounts).
Date of discontinuation	Date	(dd/mm/YYYY) Date when manufacturer discontinue product
ex.Manufacturer's Cost	Currency	($#,###. ##) Kept for ethical lines only. *Price is the ex-manufacturer's also referred to as "Cost to Wholesaler"; the cost without any mark-ups (excluding GST)*
Date Effective	Date	(dd/mm/YYYY) Date manufacturer begins to sell the product in the market
Premium	Currency	($#, ###. ##) Ex Manufacturer's price less Subsidy (excluding GST)
Premium Effective Date	Date	(dd/mm/YYYY) The date which the Premium becomes effective.