

April 2016

## **PSNC Briefing 026/16: PSNC's counter proposal to the Government's plans for community pharmacy in 2016/17 and beyond**

### **Background**

An important part of PSNC's response to the letter of 17th December 2015 has been a counter proposal setting out how community pharmacy could use its unique skills, accessibility and contact with the public and patients to reduce NHS costs and improve quality.

PSNC's proposal includes a number of possible community pharmacy services which, if implemented together, could lead to savings worth at least as much as the Government's proposed £170m cut to community pharmacy funding. In this way community pharmacy could contribute to the efficiencies needed in the health service, as well as reducing the substantial levels of medicines waste, without the need for a blunt funding cut that will damage the services patients need and use.

PSNC's counter proposal sets out how community pharmacy could generate savings in two areas:

- The NHS prescribing budget; and
- Costs of out of hours GP services.

Savings to the prescribing budget could be made through a not-dispensed scheme and a therapeutic substitution service, supplemented by generic substitution, a focus on reducing waste in care homes and a campaign and audit on unwanted medicines. Costs of out of hours services could be reduced by an Emergency Supply service. This briefing sets out more information on all of these proposed services.

Alongside these service developments, PSNC has also proposed the introduction of payments linked to quality. This would reward pharmacy contractors that provide a range of services in a high quality manner.

### **1. Proposals to generate savings in the NHS prescribing budget and to reduce medicines waste**

#### **Not-dispensed scheme**

The objective of this scheme would be to reduce NHS expenditure on medicines and appliances through not dispensing prescription items where the pharmacy team determines with the patient that they already have sufficient stock of the medicine or appliance at home.

Following discussions with the patient regarding their repeat medication or appliance, contractors would mark any items not required by the patient at that time as not-dispensed in a way that can be easily identified by the Pricing Authority. For each non-dispensed item, contractors would receive the usual professional fees plus a small additional non-dispensing fee.

### **Therapeutic substitution service**

The objective of this service would be to reduce NHS expenditure on medicines by community pharmacists recommending alternative products to prescribers following the dispensing of a product on a target list.

These suggested substitutions would be based on a list of 'costly' medicines with suitable alternatives, based on cost and efficacy grounds, to propose to the prescriber. The pharmacist would send GP practices proposals on alternative prescribing options for individual patients. Where the prescriber agreed to amend the patient's prescription, the pharmacist would then clearly explain the reason for the change to the patient, providing reassurance on the change and advice on the use of the new product. This face to face discussion with patients would help to increase the likelihood of patient acceptance of the amendment and their subsequent adherence to the amended regimen.

The target list would be created nationally but could also be flexible to reflect local priorities. It is envisaged that it would cover a range of areas for example:

- Divested products, where prescribers may not be aware of the significant levels of price inflation that have occurred with individual products;
- Therapeutic gains, where more effective treatments are available at equivalent or lower cost; and
- Specials, where licensed alternative products may be available.

In the long-term this service could be developed to further support the work of local Medicines Optimisation teams to reduce inappropriate and inefficient prescribing.

### **Generic substitution service**

The objective of this service would be to reduce NHS expenditure by allowing community pharmacists to dispense cheaper generic equivalents in the place of prescribed branded products. A list of medicines that could be generically substituted would be agreed at a national level, ensuring inclusion of only those products where it is safe and clinically appropriate to make a substitution. The pharmacist would discuss the substitution with the patient at the point of dispensing, to ensure that they understand the reasons for the substitution. This conversation is vital to ensure patient acceptance of the substitution and their subsequent adherence to the amended regimen.

Development of the list of medicines would require consultation with interested parties, but it could be based on the list and approach to substitution which was implemented in Ireland in 2013; significant savings have been made since the introduction of the service.

### **Care homes**

The objective of this service would be to reduce NHS expenditure on medicines and appliances by community pharmacists identifying excess prescribing and supply of medicines and dressings to care homes. Pharmacists would need to conduct a regular review of the supplies to care homes and the stock being held at the home in order to identify excess stock. Pharmacists may also facilitate the use of bulk prescriptions for the supply of some commonly used 'as required' items and recommendations to prescribe potential alternatives to costlier products.

### **Unwanted medicines campaign and audit**

The objective of this proposal would be to reduce NHS expenditure on medicines by raising the awareness of patients and prescribers about waste medicines through a campaign and audit of waste medicines returned to pharmacies. Each year community pharmacies would run a month-long campaign in which they would encourage patients to return any unwanted medicines to them. Pharmacy teams would then audit and report on the waste returned to them and share learnings with local prescribers to help them to minimise future medicines wastage.

## 2. Proposal to reduce NHS spend on out of hours services

### Emergency supply of medicines service

The objective of this service would be to reduce NHS expenditure on out of hours GP services by allowing community pharmacies to make emergency supplies of medicines to patients at NHS expense. Patients requiring medicines could obtain supplies without the need for an urgent prescription, which during the out of hours period would save them visiting an out of hours GP. The service could also receive referrals of patients from NHS 111.

## 3. Proposals for payments linked to quality

As part of the proposals for community pharmacy in 2016/17 and beyond, the Department of Health set out an intention to alter the distribution of community pharmacy funding, replacing the current complex system of payments with a single activity fee for each prescription item supplied.

PSNC believes this proposal is a retrograde step, as it would incentivise pharmacies to maximise supply of prescriptions over the provision of other services to patients and combined with the cost pressures affecting the sector, even excluding the proposed cuts, this will lead to a reduction in services to patients, with consequential increases in demands on other NHS and care budgets. The DH proposal would also appear to be contrary to their statement that there is a need for a clinically focussed community pharmacy service that is better integrated with primary care.

PSNC wants to develop funding delivery systems that specifically target higher payments to pharmacies providing a range of high quality services. We have made initial proposals to DH setting out how such a quality payment might work. Suggestions of possible eligibility criteria for quality payments currently under consideration include:

- Having a consultation room that meets MUR/NMS requirements;
- Provision of Advanced Services (MUR, NMS and flu vaccination);
- Maintenance of an up to date NHS Choices profile and NHS 111 Directory of Services listing;
- Having a programme for the provision of public health interventions to meet local population needs
- Training staff as health champions;
- Making interventions on prescriptions as part of the therapeutic substitution and not-dispensed services (described above);
- Participation in available locally commissioned services;
- Access to the Summary Care Record; and
- Participation in an annual medicines waste campaign and audit (as described above).

If you have queries on this PSNC Briefing or you require more information please contact [Zoe Smeaton, Head of Communications and Public Affairs](#).