



Response to the Consultation on the terms of  
the tenders to be issued for the provision of  
stoma appliances to NHS Scotland for the  
period 2010-12

Elsbeth Weir  
Head of Policy & Development  
Community Pharmacy Scotland  
42 Queen Street  
Edinburgh  
0131-467-7766  
17 May 2010

## Who we are

Community Pharmacy Scotland (formerly known as the Scottish Pharmaceutical General Council) is the body that represents Scotland's 1218 community pharmacy contractors. It negotiates on their behalf with the Scottish Government on all matters affecting terms of service and remuneration for contractors' NHS work.

Our prime focus in recent years has been the development of a new contract for pharmacy contractors, one which will call for the delivery of new services, potentially in novel ways, but continuing to place emphasis on the opportunity which community pharmacy offers in terms of access for patients to healthcare services.

Pharmacy contractors currently play a considerable role in the provision of stoma appliances to patients. Almost all our members are currently included in the stoma list (new contracts being the exceptions) and over 120,000 appliances and accessories were dispensed during 2008/09, customised as required. Pharmacy contractors also offer a range of other services for patients such as counselling and advice on medicines, the minor ailment service, public health initiatives such as the smoking cessation service and the dispensing of any other medicines which stoma patients may require.

Significant investment has been made by contractors in recent years to ensure that premises are fit for purpose and offer the necessary privacy when required, the training needs of staff are addressed and that an appropriate IT infrastructure is in place. Community Pharmacy Scotland is keen to embrace the principles set out in the Government's Quality Strategy and considers that the standards already developed for the stoma service provide a useful starting point.

We are pleased that we have been given the opportunity to discuss certain elements within the consultation document and to now respond. Community Pharmacy Scotland notes that there is considerable emphasis within the consultation document on the need to secure value for money and to contain costs. We acknowledge that within the current financial climate there is a need for caution but we have concerns that if the terms and conditions are drawn too tightly then contractors will not be willing to accept the tender arrangements and that could be detrimental to patient care. We feel it would be helpful to build up more information on the reasons behind the growth in prescription volume rather than focusing solely on the difficulties this has caused.

We have no objection to our comments being made freely available.

## **QUESTION 1**

*The Scottish Government seeks responses to the following questions-*

- a) Is it appropriate to establish a transparent regime to recover from the supply chain the same level of funds previously provided by the Industry as support for the costs of CNSs?*
- b) If so is £850,000 a reasonable sum to seek to recover and is 4.5% a reasonable level for the compensatory discount?*
- c) Is it reasonable to make it a condition of being a stoma appliance manufacturer supplying NHS Scotland, that the manufacturer should be obliged to frame its tender in such a way to offer a nurse cost 'compensatory' discount at the level of 4.5%.*
- d) Is there an alternative approach other than company employment of nurses or sponsorship of NHS employed nurses which would ensure that Scottish Health Boards would receive the same level of industry support towards nursing costs as their counterparts elsewhere in the United Kingdom?*

Response

We have no comment to make on the proposals set out under headings a-d.

## **QUESTION 2**

*The Scottish Government seeks responses to the following questions-*

*For stoma service contractors*

- a) Should a Global Sum be established for remuneration for Stoma supply contractors?*

Community Pharmacy Scotland agrees that a global sum be established.

- b) If so is the level proposed by the Scottish Government for 2010 and 2011 i.e. £3.484m (as in 2006-7) appropriate?*

Community Pharmacy Scotland does not consider it appropriate to set the level at the figure from 2006-07 of £3.484m. There is no information to show how the number of patients has changed over the intervening years. We propose instead that the global sum be set at a level commensurate with the most recent set of figures i.e. those for 2009/10.

- c) Should a volume discount clawback scale be introduced for remuneration so that NHS Boards share the economies of scale achieved by contractors who proportionately dispense the largest numbers of stoma appliance scripts for Scottish patients?*

Community Pharmacy Scotland agrees that a volume discount scale should be introduced.

- d) *If a retrospective volume discount is deemed appropriate in principle is the scale outlined above (clawbacks of 2.5-15% on annual turnovers of 10,000 - 40,000 and higher dispensed items) appropriate?***

No comment.

- e) *Should remuneration for 2010 and 2011 be on the basis of a 3 tier fee structure covering base dispensing, customisation and delivery?***

No. Our preference is for a 2 tier fee structure. We do not think that it is appropriate to introduce a fee linked specifically to delivery. Delivery should only happen when a patient requests it. We have concerns that if there is a fee specifically linked to delivery then the number of deliveries could rise unnecessarily with ensuing consequences for the global sum.

The proposals for claiming the different types of fee are unnecessarily complicated and will pose a significant bureaucratic burden for contractors. As such it is highly unlikely that they will minimise administrative costs. Rather than having to endorse each item and complete a summary form, both of which place the burden on the contractor rather than on the Practitioner Services Division of National Support Services or their Payment Verification department, the prescription form should be changed to accommodate inclusion of the necessary information through a tick box system or alternatively provision of an appropriate invoice for customisation should be sufficient. It would then be for PSD to develop systems to allow it to marry up the information needed. Consideration should also be given to ways of providing the information electronically. We would also ask if these proposals were to go ahead, what timescale is envisaged for the holding of records?

- f) *If the 3 tier fee structure is appropriate are the fee levels and the arrangements proposed above for running adjustments to deliver the proposed Global Sum appropriate?***

As we do not consider the 3 tier fee structure to be appropriate, we also do not consider it appropriate to introduce running adjustments. In addition if such a system were to be introduced we do not agree that it should be necessary to adjust each of the 3 fees if it is only one of the fees which is causing a problem.

- g) *Is the proposal to maintain an 'open list' of potential stoma supply contractors, with the option of self declaration for new potential suppliers appropriate?***

Community Pharmacy Scotland is content that an open list should be maintained, that existing suppliers should transfer across, and that there should be an option for new suppliers to self-declare their suitability

### ***QUESTION 3***

***The Scottish Government seeks responses to the following question-***

***Is it reasonable that stoma service providers should be subject to occasional pricing enquiries to establish discounts they enjoy from stoma appliance manufacturers, which can then be used to inform future remuneration arrangements?***

Community Pharmacy Scotland accepts that there should be occasional pricing enquiries.

#### **QUESTION 4**

*The Scottish Government seeks responses to the following questions-*

- a) Are the tender conditions proposed above on contractors to enable Boards to fulfil their obligations appropriately drawn?**

Community Pharmacy Scotland considers that the tender conditions have been appropriately drawn but there will be a cost and a further bureaucratic burden associated with the need to ensure personnel (unless otherwise exempt) have Enhanced Disclosure. Our understanding is that registered pharmacy professionals (both pharmacists and pharmacy technicians) are exempt from the need to secure Enhanced Disclosure.

Community Pharmacy Scotland suggests that there is a need to explore the logistics associated with these requirements and how the process can be facilitated.

- b) Would the introduction of web based company profiles in standard formats be sufficiently supportive for new patients in assessing alternative suppliers? Would this ease the pressure on nurses to make inappropriate recommendations and if not what supplementary measures may be needed?**

The introduction of web based company profiles in standard formats seems to offer a reasonable starting place. There should be no opportunity to depart from the standard profile. However it would seem sensible to ensure that all patients are in a position to access the web-based profiles from their home or another location providing the necessary privacy.

There is also a need to have tighter controls around the provision of unsolicited information, e.g. through leaflets or in magazines sponsored by stoma supply companies.

#### **QUESTION 5**

*The Scottish Government seeks responses to the following questions-*

- a) Are the tender conditions proposed above on contractors to enable Boards to improve the appropriate sharing of management information subject to normal patient confidentiality considerations appropriately drawn?**

Community Pharmacy Scotland considers that this situation is ambiguous and we would like to see a clearer definition of what might be required.

## QUESTION 6

*The Scottish Government seeks responses to the following question-*

***Are the above proposals on the tender conditions to clarify the operation of hospital formularies, arrangements for addition of new products to the list of prescribable items appropriately drawn?***

Community Pharmacy Scotland welcomes the proposals to clarify the operation of hospital formularies.

## QUESTION 7

The Scottish Government seeks responses to the following question-

***Do contractors have any proposals to improve the transparent provision of particular samples identified as potentially appropriate for a named patient by the CNS?***

Community Pharmacy Scotland is content to leave this matter for the NHS Boards to determine.

## QUESTION 8

The Scottish Government seeks responses to the following question-

***Are there any other issues relating to urgent product delivery from manufacturers or their representatives other than those detailed above which need to be addressed in the tender arrangements?***

Community Pharmacy Scotland would like to see an obligation placed upon the manufacturers to respond promptly to any request for an urgent supply, either from a community pharmacy or a dispensing appliance contractor, and that any charges to be applied should be transparent, fair and proportionate to the cost of postage and packaging. Currently not all manufacturers respond within a timeframe to allow contractors to meet the 48 hour dispensing window.

We are extremely disappointed that SG expects contractors to absorb the costs associated with any surcharges, whether these are direct from the manufacturer or through the normal wholesale channels. If discount surveys are to be introduced then this is a factor which would have to be taken into account in that process.

## QUESTION 9

The Scottish Government seeks responses to the following question-

***Are there any reasons why tender arrangements should not ensure that prices for supply to hospitals are no lower than prices for community use?***

Community Pharmacy Scotland is supportive of the proposal to ensure that prices for supply to hospitals are no lower than the prices for community use.