

vision

Developing the New Community Pharmacy Contract



Dear Colleague

The negotiating team is now actively involved in debating the clinical specification for the Chronic Medication Service and we continue our efforts to ensure this service will deliver benefits to patients and contractors with the lowest bureaucracy possible.

As I write this, SPGC is preparing for the May meeting of the General Council and the election of the new Standing Committee, to serve the next term of three years. At this meeting, a change to our constitution is being proposed which I believe will prepare us for future challenges. Harry McQuillan, our Chief Executive Officer, expands further on this in his article.

Information on progress with the Minor Ailment and Public Health Services is contained within this Vision as well as early detail on the Contract Preparation Payments SPGC is negotiating for you. These are activities we will have to undertake within our pharmacies to ensure a smooth implementation of the Acute and, ultimately, Chronic Medication Services. I look forward to the implementation of the next stages of our contract.

Yours sincerely,



Martin Green
Chair

Positive progress for contract implementation

In our last newsletter (Vision 7), we undertook to provide you with more regular information this year on the progress towards full Contract Implementation. In this edition, we have included a diagram (page 3) which illustrates the number of areas which we have to cover – if you want to know more about any of these areas then please contact us and we will advise.

Since January we have met on eight occasions with SEHD to discuss the issues, at both a strategic and technical level. We have covered two distinct areas in our discussions – initially we concentrated on remuneration/reimbursement arrangements for 2007/08 and we are now working on the nature of service delivery.

Remuneration and reimbursement arrangements

Remuneration

The details of the revised arrangements were circulated to you in PCA (P) 2007 (10), and we have posted up a copy onto our website, www.spgc.org.uk. In general, because we are still working on the specifications for CMS and AMS, the arrangements have been set to mirror what happened last year. For the vast majority of contractors, transitional

payments will therefore continue but the level of payment will be:

- adjusted to reflect changes in activity over the period December 2005 – November 2006 when compared with the previous 12 month period, and with what has happened in Scotland generally
- uplifted by 2%.

(continued overleaf)

representing
NHS Community Pharmacy

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Details of the new transitional payments will be sent out to contractors by ISD at the beginning of May 2007. Contractors not in transition will continue to receive fees and allowances as before.

For all contractors, the payment rates for a number of miscellaneous items will stay the same (the payment rate for participation in the model schemes which cover the frail elderly and patients with severe and enduring mental illness rises to £100 per month) but we will also be introducing a new series of payments to help you prepare for implementation of the next stages of the Contract.

The final details of these Contract Preparation Payments (CPPs) are currently being worked up, and another circular will be issued shortly. It is also our intention to update the Financial Framework document (the Blue Book) distributed last year, to provide you with a complete statement of how your remuneration package will be built up this year.

Reimbursement

We wrote to you in March to explain the action agreed with SEHD to correct the amount of proprietary discount deducted during 2006/07. A one-off adjustment will be made with your payment for prescriptions dispensed in March 2007, and the existing scale which is set to deliver an average discount rate of 9.117% will remain in place until the results of the current discount spot check are agreed.

SPGC would like to thank those contractors who were selected to participate in the survey for their co-operation. Staff in SPGC's Contractor Services Unit entered the data into a database provided by SEHD and the completed work has now been sent to an outside statistician for further processing. Once a set of results is available, negotiations will start between SPGC and SEHD on how the results will be implemented. There are a number of areas to look at, including:

- the proprietary discount rate;
- the claw back rate for Part 7 products;
- the setting of Part 7 prices.

More information will be provided as soon as possible.

Finally SPGC has continued to monitor the level of savings generated through use of Category M prices in Part 7 of the Tariff and how these savings have been distributed. After a difficult period at the start of 2006/07, the expected savings are now being generated and a final reconciliation will be carried out, once prescriptions dispensed in March have been priced, on the savings generated set against the monies distributed. At this time, SPGC does not envisage that contractors will be subject to any downward adjustments for our new services.

Review of the Essential Small Pharmacy Scheme

Discussions are continuing with SEHD on the parameters for a new scheme and how it might be remunerated. A successful workshop was held in March involving representatives from the NHS Boards and ESP contractors and the findings from it are now being written up. The findings are likely to be useful to NHS Boards as they draw up their PCS Plans and identify areas of need.

Time for change

Look out for the launch of "Community Pharmacy Scotland"

Dear Member,

Community pharmacy's role within the NHS team is widening, and in order to support the development of that role, we find ourselves talking to many more interested parties. The General Council is keen to ensure that we are seen as the body which speaks with authority on behalf of all community pharmacy contractors. Therefore at its meeting

last November it overwhelmingly agreed to adopt the new name of Community Pharmacy Scotland.

This will involve a re-branding exercise including a new logo, marketing material and a website to ensure we fully represent you as we go forward. I anticipate we will be ready to launch in June 2007.

I believe this to be the appropriate course to take as an organisation because we cannot ask

all our Scottish contractors to change fundamentally the way they practise and are remunerated but stand still ourselves.

I look forward to your continued support.



Harry McQuillan
Chief Executive Officer

Areas covered by the SPGC



Delivery of the new services

MAS update

The number of patients registered for MAS continues to grow, with a provisional figure of 726,000 registrations at the end of March. Contractors have, however, expressed their concerns to us about the issue of lapsing of records and these concerns have been shared with SEHD.

The statistical reports we are receiving each month show that the level of recording of consultations which resulted in advice only or referral has been quite low, but we feel that is happening because the current process for recording these interventions is very bureaucratic. As the service is still bedding in and we are continuing to build up a picture of how it is used, SPGC is keen to avoid any destabilisation which might be caused by the widespread lapsing of patient registrations from June onwards. It has therefore been agreed

with SEHD that, during 2007/08, all contractors will receive as a minimum the capitation payment which was due to them at the end of March 2007 (and this minimum has been indexed upwards by 2%). SPGC has negotiated that the capitation payment will still increase if you move into another band, but there will be no drop in income. The long-term arrangements around lapsing will be revisited later this year.

PHS update

A scoping study was carried out earlier this year with pharmacies in NHS Lothian to establish their needs in relation to the display material for PHS. A number of options for show frames have been examined and SEHD is about to make the final selection. Our joint aim now is to introduce Tier 2 of PHS from 1 July 2007 and the opportunity will be taken to test out the service logistics

through use of the Minor Ailment Service as the first campaign. SPGC will be pushing for this campaign to include some form of national publicity, preferably from the new Health Minister.

The second campaign in the autumn is most likely to be around the flu campaign for 2007/08. Generic display material will also be provided to use between campaigns but there is an option for NHS Boards or CHPs to run their own campaigns when the service parameters, including remuneration rates, are agreed through the local Pharmacy Contractors' Committee.

For Tier 2 payments, contractors will be expected to display material relating to the 4 nationally agreed campaigns, each of which will run for 6 weeks. The company chosen by SEHD to operate the service will deliver the frames and the display material.

AMS/CMS update and introduction of preparatory payments

eAMS Software

We are receiving regular reports on the progress being made by the PMR suppliers with delivery of the eAMS software. The latest news is that one GP supplier is about to start testing its system for the production of bar-coded prescriptions on two sites. The indications are that pharmacy systems will be available for testing from June/July onwards and we would ask you to maintain close contact with your supplier on how the work is progressing. Some suppliers have now established User Groups – if you get the opportunity, why not participate? After all, any software system will only develop in line with the input which the software engineer receives.

Part of the eAMS programme relates to the sending of messages for payment purposes and the PMR suppliers have been asked to work on an endorsing engine. It is now some time since information was circulated on the Pricing Rules so discussions are currently taking place on providing an up-to-date picture – a new section will be added to the Drug Tariff and there will also be a module within the eAMS implementation pack. Contractors will be asked to complete this pack as part of a series of preparatory

activities and SPGC is currently considering how it can support contractors through this phase.

CMS clinical specification

You may have seen recent reports in the pharmaceutical press about the way introduction of CMS will be phased. SPGC has been presented with a draft clinical specification which has been discussed within Standing Committee. As is to be expected when discussing such a fundamental part of the Contract, there were a number of points within the document which the Standing Committee disagreed with. We are continuing our discussions with SEHD on how to resolve these points and we hope to be in a position to write out to you again soon. We are looking at a specification where:

- The patient would register for CMS with the pharmacy of choice;
- Following review and discussion a pharmaceutical care plan would be drawn up;
- Serial dispensing would then be considered and could be introduced where all parties were in agreement.

The way in which payment will be made for AMS and CMS will be taken forwards separately. However, more data will have to be collected

before we can commence modelling work and it is likely that we will be asking you to produce some of this data as part of this year's preparatory work.

Contract Preparatory payments

As contractors are not yet in a position to deliver AMS and CMS (we are still waiting for the supporting ePharmacy Infrastructure), it has been agreed with SEHD that part of this year's global sum will be distributed through a series of preparatory payments. The payments will be made in stages throughout the year and the idea is to help you allocate time to prepare for the changes which are coming, to check over that you have the necessary facilities in place and to make sure that the information contained within your PMR system is up to date and accessible. We will be looking to introduce activities linked to:

- A spring clean for your PMR system
- Work around the Business Rules for pricing
- Provision of Information to help us with remuneration modelling
- New training packages from NES on certain disease states.

More details will be coming out soon!



The Scottish Pharmaceutical General Council represents Scotland's 1180 pharmacy contractors. It negotiates on their behalf with the Scottish Executive the terms of service and remuneration for contractors' NHS work.

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