

Vision

Developing the Community Pharmacy Contract

**COMMUNITY
PHARMACY
SCOTLAND**

Financial Settlement for 2011/12



The financial settlement for 2011/12 was signed off in February and details of the remuneration and reimbursement arrangements for this year were circulated in our financial framework document. We also spoke about the arrangements at a number of meetings organised across Scotland by the pharmacy contractor committees.

With the election of the new Government we started to engage again with officials on the development of the contract. Four different areas have been under discussion and we have now reached a point where we can provide information on how and when these initiatives will be put into place.

SG has issued information about these changes in NHS Circular PCA (P) No 11.

The four changes are as follows ...

Migration from Transition Pharmacy contractors entered into the transitional remuneration arrangements in December 2004. The idea then was to provide contractors with greater stability around remuneration as service provision moved from the traditional dispensing role to the delivery of pharmaceutical care services.

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Quality and Efficiency Initiative



The intention is to set aside 5% of the community TP to fund this activity. Payment will be made for performance against a target of 80% for the submission of electronic claims to PSD, based on the level achieved in the preceding month.

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Supporting CMS



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Supporting AMS



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Foreword

Dear Member,



This edition of Vision concentrates on the first steps that CPS is taking to move the transitional

payment arrangements to a capitation based one. As you will see from the detail, progress is being taken at a pace that we believe contractors can cope with and also secure a degree of predictability to your financial planning activity. This first step has had to be taken as transitional payments are exactly as they are named – a holding point as we move to a service based payment structure. With the introduction of CMS and transition being seven years old this year, all parties concluded that now was an appropriate stage to begin the movement to capitation.

We also believe that by engaging in this process at an early stage it prepares us well for the difficult financial negotiations that lie ahead for 2012/13, if the recent Scottish Government spending review publication is considered.

At first glance the agreement we have reached may appear overly complex and that complexity is necessary to deliver two main areas that contractors have asked us for - stability and predictability in cash flow. We believe we have managed to achieve this whilst still meeting our political policy commitments.

To facilitate your engagement with CMS the team at 42 Queen St will be launching support materials for high risk and new medicines combined with our usual Contractor Services Department reminders as the deadline for claiming your £400 e-learning module payment approaches.

If you require any clarification of the points contained within this Vision, please do not hesitate to get in touch with us as we will be happy to explain them further and similarly we would be delighted to receive any feedback you have regarding the developments highlighted.

Harry McQuillan
CPS Chief Executive

Migration from Transition - the first steps



Pharmacy contractors entered into the transitional remuneration arrangements in December 2004. The idea then was to provide contractors with greater stability around remuneration as service provision moved from the traditional dispensing role to the delivery of pharmaceutical care services. The 4 core services have now all been implemented and CPS has agreed that it is time to look at how we reshape the remuneration arrangements to reflect the new diversity in service provision. This diagram sets out what will happen.

Community and Care Home Elements

In our discussions SG has advised that it is considering how services to patients resident in care homes should be provided and funded in the future. The latest figures from the Care Home Census (available on the ISD website) show that at the end of March 2010, there were 943 care homes in Scotland with 32,865 long stay residents. Of these residents 48% had medically diagnosed dementia. In the long term SG has indicated that it is its intention to separate payment for services to patients resident in care homes from the payment for services to patients in the community. As a first step in this process, changes will be put in place for the payments due for activity carried

out during October 2011. ISD is currently analysing prescriptions dispensed by every contractor to find out what proportion relates to activity for patients resident in care homes. Patients in care homes carry a different CHI marker. If the level of activity is found to be less than 2.5% no change will be made to the existing arrangements. If the level exceeds 2.5% then the Transitional Payments (TPs)/shadow fees and allowances will be split into community and care home elements. Contractors will have the opportunity to feed back if they have concerns about this split.

Splitting of the Community Element of Payment

The next proposal is to take the community patient element and to split that into three components. The 3 components and three relative proportions for each are:

- Chronic Medication Service capitation payment – value 15%
- Quality and Efficiency Initiative payment – value 5%
- Community Migration Payment – value 80%

CMS Capitation Payment

It has always been the stated intention that payment for provision of the Chronic Medication Service should be made on the basis of capitation payments. The full service is not yet in place and the number of registrations hasn't yet reached a point where we can be confident that the modelling would be robust. We have therefore agreed to approach this transition in a phased manner and to allocate a proportion of the current payment specifically to CMS activity. The way it will work is:

- Each contractor's community TP will be reduced by 15% and the money will be pooled.
- At the end of each month the number of CMS registrations across Scotland, where the patient has been assigned a priority for the preparation of a care plan, i.e. the initial assessment process on the PCR has been completed, will be established from the information held centrally.

Each contractor will be given a share of the pool depending upon the activity carried out around CMS in their pharmacy. In response to our concerns that this proposal would not continue to deliver stability for contractors while they continued to work on service development it has been agreed that tolerance levels will be introduced. Each contractor's share will therefore not be allowed to deviate by more than 10% either way from the amount that the contractor has allocated to the central pool. A worked example is given on page 5.

CPS has also been asking for the production of benchmark reports which will allow you to assess how you are performing against contractors in the same volume band.

Contractors who have not signed up with the NHS board to provide CMS as an additional service will not be eligible to receive the CMS capitation payment. We'd advise all contractors to check their position with their NHS board if a contract has changed hands or a new contract has been granted.

Community Migration Payment

The final element of remuneration will be a community migration payment made up of the remaining 80% of the community element. Discussions will continue on how we pay out this pool in the next phase.

Quality and Efficiency Payment (QEI)

The intention is to set aside 5% of the community TP to fund this activity. Payment will be made for performance against a target of 80% for the submission of electronic claims to PSD, based on the level achieved in the preceding month. There are known difficulties with submitting claims for certain types of dispensing and these will be omitted from the calculation. With each payment schedule there will be a report on the percentage claim level achieved for the previous month. PSD has already issued 3 reports to show the level of electronic claims contractors are making and the report will be revised soon to provide more detailed information on how your claim rate may be affected by your submission of prescriptions for patients in care homes or where the item has been dispensed in instalments.

This new payment will come in with effect from 1st October 2011 but for the dispensing months of October 2011 – January 2012 all contractors will be classed as having reached the 80% mark. A table setting out how it will work is given below.

Scanning Percentage Month	Dispensing Month	QEI payment received at end of month	Safety Net in place
September	October	December	Yes
October	November	January	Yes
November	December	February	Yes
December	January	March	Yes
January	February	April	No
February	March	May	No

The introduction of a Quality and Efficiency Initiative payment emphasises the importance the Scottish Government places on the delivery of the aims of the Quality Strategy (see Vision 18). The Quality Strategy is the benchmark against which all activity in the NHS is currently being measured and contractors' use of electronic claims is seen to be helpful in delivering efficiencies and economies within the NHS

Contractors not in Transition

Contractors currently not in transition who receive fees and allowances will also see their payments change to reflect the proposed model above. Full details are set out in the circular and a separate briefing sheet is now enclosed.

Efficiency and eMAS - £400 payment to be claimed

The Scottish Government has continually pressed Community Pharmacy Scotland around further progress on the use of electronic claiming. To that end it has been agreed that further training and information will be offered for contractors. An e-learning module is currently being prepared by the ePharmacy team and this e-learning module will reinforce messages from the recently revised Guide for Endorsement (jointly prepared by PSD and Community Pharmacy Scotland). The Guide is currently available online and PSD is aiming to get a printed version out to you by the end of month.

Where you have completed the e-learning module by the end of November 2011 you will be able to claim a £400 payment from the Scottish Government. CPS will provide support around that claiming process.

Supporting CMS

At the end of August there were 75,399 registrations and 22,617 assessments had been completed for these patients. Support will be available soon through the PCR for care plans initiated for patients who are receiving a high risk medicine - matching up to the safety focus within the Quality Strategy - and in the next few months for patients who have been prescribed a new medicine - meeting person-centred care.

CPS is continuing to explore with SG whether it will be possible this year to make a CMS Implementation Payment to facilitate implementation of the service. Information on payments already made and how these will affect projections for the year ending 31 March 2012 is being examined and we will let you know the outcome as soon as possible.

CMS High Risk Medicine Support Tool

The aim of this initiative is to bring into focus high risk medicines and formalise how the pharmaceutical care is delivered to patients on these medications within CMS. Guidance and risk assessments for specific therapies (e.g. Lithium, Methotrexate) will be available from within the PCR.

These simple tools could be used to aid delivery of CMS to this high risk group of patients.

The focus allows outcomes to be recorded and evidence gathered around specific areas which will help give clear benefits to patients and show benefits of the service to other stakeholders. This should demonstrate that by improving patient safety, pharmacists can contribute through CMS in a positive manner to the SG Quality Strategy around being patient-centred, safe and effective. This also dovetails well with work done by the National Patient Safety Agency (NPSA) around these medicines.

More details on these initiatives will be released as soon as possible. We have also prepared support material to assist you when the protocols are ready.

New Medicine Support Tool

The aim of the support tool is to increase patient adherence to new medicines prescribed by GPs to treat long term conditions. It has previously been identified that between 30 and 50% of prescribed items are not taken as prescribed by patients with such conditions. Research has also demonstrated that pharmacists can successfully intervene when a new medicine is newly prescribed, with repeated follow-up in the short term, to increase adherence.



Supporting AMS - Training and Engagement

The Acute Medication Service has now been operational in most pharmacies for two to three years, with the uptake and use of e-claiming variable throughout Scotland. To support understanding of this variability the e-pharmacy team has been visiting pharmacies across Scotland to observe and learn of issues with each system supplier's AMS solution. These visits have resulted in a list of change recommendations to each of the pharmacy system suppliers based on feedback and observations by pharmacy contractors. These changes are now being implemented by pharmacy system suppliers and rolled out across their customers.

During this phase the numbers of items added to the automation list for payment has grown. As of the 1st October we now have over 2400 items on the list where payment may be processed automatically against an electronic claim from the community pharmacy. The use of automation has helped PSD manage the increasing volume of prescriptions and the tight processing timetable for contractor payment. Community Pharmacy Scotland has kept a keen eye on the accuracy of payment using automation. Our Contractor Services Department has yet to uncover issues with items paid automatically. The one area which has led to some problems is in relation to claims for prescriptions which have been dispensed in instalments and guidance is set out below.

Instalment Dispensing

Over the past year the number of products that PSD can process and pay electronically has grown significantly. This means that most of the items you dispense in instalments are able to pass through the electronic payment system. PSD is very keen that contractors scan and submit as many items as possible, however as yet instalment scripts cannot be fully processed and paid electronically.

If you choose to scan and submit items that you dispense in instalments, you must endorse with the appropriate electronic instalment dispensing message. This message causes the item to be passed to a keyer for manual input from the scanned paper image. If you do not know how to do this please check your electronic manual or with your system supplier.

The ePharmacy Help Desk (0131 275 6600) or your local IM&T facilitator should also be able to help.

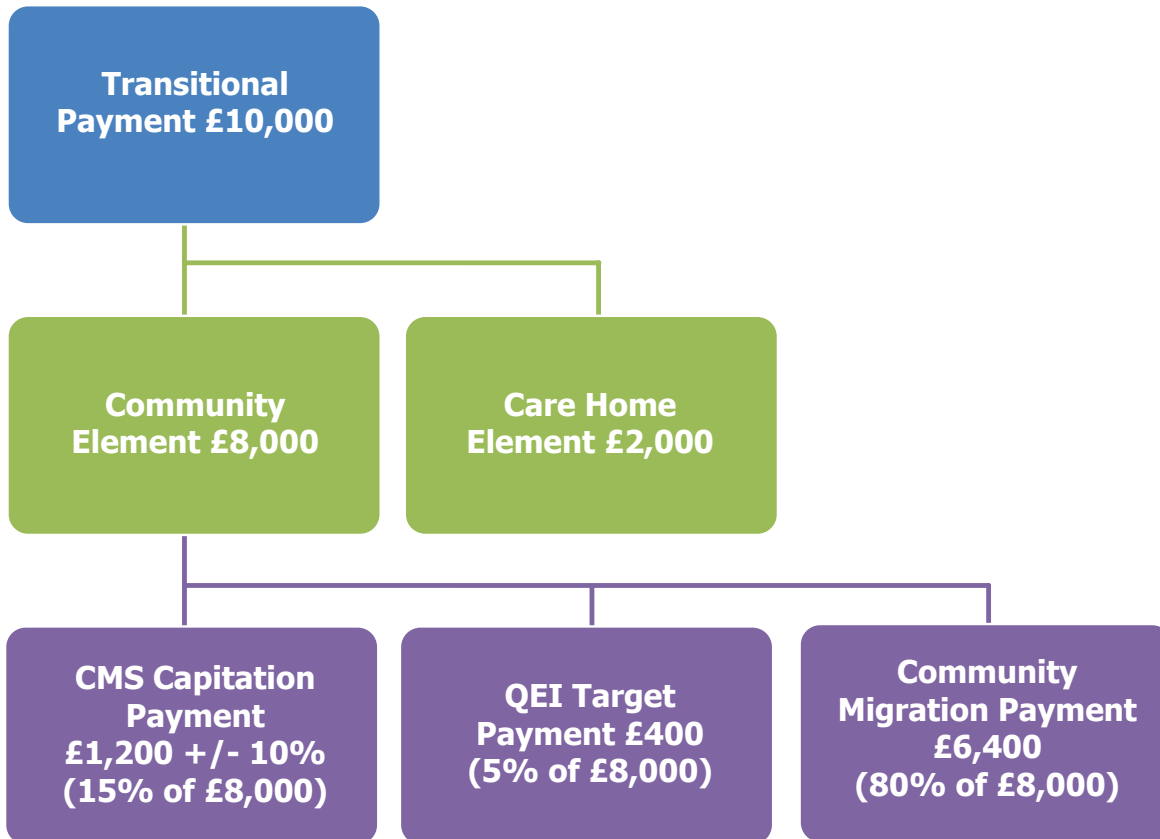
However any item which does not have the appropriate electronic endorsement will pass through the electronic system as if it had been dispensed only once. You will therefore not be allocated any instalment dispensing for that item. If you choose not to scan and submit these items they will be priced from the paper prescription. Whichever method you choose you should ensure that you have endorsed the paper prescription with the total amount of the drug and the number of instalments made in the normal way as this is the information PSD needs. (e.g. 28-4-0)

Worked Example for Contractor A and how Remuneration will alter

A contractor's monthly base transitional payment at 30 September 2011 is **£10,000**.

He/she has received notification from ISD that, based on their provisional analysis for the period October 2010-March 2011, 20% of the prescription items which were dispensed were for care home residents.

As 20% is greater than the 2.5% tolerance factor, the contractor is deemed to have "substantive care home activity" and he is advised that his base transitional payment will be split as follows:



The revised base transitional payment - community element has been split into:

The new **CMS capitation payment** would be between the following limits calculated on the basis of the Contractor's share of the CMS capitation payment pool for the month concerned.

Maximum CMS capitation payment = (15% i.e. £1,200 + one tenth) = **£1,320**

Minimum CMS capitation payment = (15% i.e. £1,200 - one tenth) = **£1,080**

The target **quality and efficiency initiative payment** = 5% x £8000 = **£400**

(actual level received dependent January 2012 dispensings onwards on rate of electronic claims)

The new **community migration payment** = 80% x £8000 = **£6,400**

You can use your information from ISD to work out how your payment will change. For contractors not in transition, a readyreckoner will be posted on our website.

Engaging with MSPs

During the summer recess Community Pharmacy Scotland arranged several MSP visits to pharmacies across Scotland. These visits are used as an opportunity to lobby the MSPs on key priorities in the Community Pharmacy Scotland manifesto.

We have arranged visits to date for Murdo Fraser MSP Deputy Leader of the Scottish Conservatives. Dr Richard Simpson MSP Health and Sport Committee member and Alison MacInnes MSP the Liberal Democrat spokeswoman for Health and Justice.

Murdo Fraser kindly visited Davidsons in Blairgowrie. During this visit we spoke to Murdo about access to health records for pharmacists, universal health checks for the over 40s and use of compliance aids.



Murdo Fraser

Dr Richard Simpson visited the St Ninians branch of Lindsay and Gilmour in Stirling.

During the visit we discussed several issues with Dr Simpson including the Minor Ailment Service and the effect of the abolition of prescription charges, smoking cessation services and the changes to the Scottish Government HEAT target to focus on deprived communities and integration of IT systems throughout Scotland.



Dr Richard Simpson

Alison MacInnes MSP took time out to visit Rowlands pharmacy in Ellon.

The visit gave Alison a first taste of being in a pharmacy dispensary. Alison had the full range of pharmaceutical services offered by community pharmacy contractors demonstrated to her. She was particularly keen to hear about the benefits for patients in pharmacy having access to electronic health records.

Community Pharmacy Scotland has other MSP visits lined up across Scotland in the coming weeks. If you would like to offer your pharmacy as a place for an MSP visit please get in touch with the office. We will keep the information on file for use in the future.



Alison MacInnes

Contact Details

Community Pharmacy Scotland
42 Queen Street, Edinburgh, EH2 3NH
Tel: 0131 467 7766 | **Fax:** 0131 467 7767
Web: www.communitypharmacyscotland.org.uk
Email: enquiries@communitypharmacyscotland.org.uk