

Protecting local health services: using community pharmacy

The proposal

The Government has consulted on proposals to cut community pharmacy funding by £170m. It will phase out key payments and focus on warehouse dispensing and online services.



The cost

A quarter of pharmacies in England could close. Patients will lose out on free, accessible health services. And over one million extra people nationwide would have to visit GP practices or A&E.

The alternative

Leaving the £170m in community pharmacy funding and investing in additional community pharmacy services could bring significant savings.



£2.2bn could be saved in five years through a pharmacy minor ailments advice service.



Each GP appointment prevented by pharmacy minor ailments and emergency supply services saves the NHS £45.



At least 19.5m GP appointments could be transferred to community pharmacy.



94% of people using a pharmacy minor ailments advice service would have used GP practices or urgent care services had it not been in place.



More than 27,394 hospital admissions due to asthma could be avoided by using a pharmacy respiratory support service.



Up to £150m could be saved by preventing medicines waste.



£3,710 could be saved per patient per year using a pharmacy rehabilitation service.



A £34m saving in hospital costs could be made by reducing falls.



£264m could be saved by identifying patients with chronic obstructive pulmonary disease (COPD).



£16-17m could be saved if community pharmacists could substitute branded medicines for cheaper generic equivalents.

How does community pharmacy funding work?

Community pharmacy funding comprises fees and allowances plus a guaranteed retained margin. Retained margin is purchase margin that pharmacies make through effective drug purchases and which they are allowed to keep.

Pharmacies have had massive success in driving down medicines prices for the NHS, saving it at least £11bn since 2005/06 by reducing prices.



Taking into account purchase margins delivered, national annual funding for community pharmacy since 2011/12 has remained relatively unchanged at around £2.8bn.

Community pharmacies receive around 90% of their income from the NHS. The roughly £240,000 of NHS funding they receive has to fund their premises, staff and all other operating costs.



Pharmacies have had no significant increase in funding over the past five years. Inflation, of course, has led to higher costs for pharmacies over the period, and the volume of prescriptions dispensed in community pharmacies has continued to grow, meaning a heavier workload.

The average community pharmacy...



sees
137
visitors per
day



dispenses
87,000
prescription items
per year



carries out
281
reviews of
medicines
use per year

Community pharmacy can reach more people

Community pharmacies have the potential to reach more of the population than any other NHS service provider. The average community pharmacy already supports up to...



250
people
with
diabetes



389
people
with
asthma



463
unpaid
carers



805
older
people



1,317
people with
mental health
conditions



1,416
people
discharged
from hospital

powered by

