



October 2013

PSNC Meeting October 2013: A Summary

PSNC met on Tuesday and Wednesday October 8th and 9th in London, with subcommittees meeting on the Tuesday and the main PSNC meeting held on the Wednesday. This document provides a summary of those meetings – the full agendas and minutes can be downloaded from PSNC's website at psnc.org.uk/meetings

On the Tuesday evening PSNC also hosted a seminar for NHS leaders on the future of community pharmacy which included an address by Pharmacy Minister Earl Howe. The minister praised pharmacy's moves to take control of its own destiny, noting in particular the enthusiastic take up of the New Medicine Service and Healthy Living Pharmacy scheme. He also praised PSNC's vision for the development of pharmacy across four key domains – medicines optimisation, improving health, self-care and independent living – saying these were "everything really that a modern pharmacy is all about". You can read more about the seminar in this month's [Community Pharmacy News](#) and we will be publishing a full report from the event shortly.

Following the PSNC meeting on the Wednesday guests invited from LPCs in London and the surrounding area were given a briefing from PSNC CEO Sue Sharpe and the subcommittee chairs on the business discussed at the meetings with plenty of opportunity for questions.

Funding and Contract Subcommittee (FunCon)

Negotiations with the Department of Health (DH) and NHS England on funding are continuing but, as LPCs will be aware, we are required to keep details confidential while the negotiations are taking place (as is the case for all DH negotiations). We will give LPCs and contractors news on these as soon as we are able to.

The Funding and Contract Subcommittee oversees the negotiations and the meeting included a detailed discussion on the elements within the current funding package – the uplift formula, medicines margins and drug reimbursement – and potential implications for the future. Key points considered included:

- The impact that Government efficiency targets could have on pharmacy
- The scale of the Government's financial crisis
- The fact that if pharmacy succeeds in improving medicines adherence a system using dispensing volumes as the key measure of workload may not be workable in the future
- The need for any future annual uplift arrangements to be flexible to ensure pharmacy is free to develop its service
- The savings community pharmacy has delivered through effective procurement

Work on the 2012/13 margins survey is continuing and a number of areas are under discussion with DH. DH are also considering future systems to address margin, to consider multiples' margins, and the subcommittee discussed the need for any such system to meet pharmacy's needs and to ensure it is not vulnerable to any local manipulations which could have a negative impact.

The subcommittee is also overseeing discussions with DH to improve transparency in prescription pricing and payments for contractors, and it discussed the latest progress of PSNC's Transparency Working Group of contractors on this. It also considered the ongoing work of PSNC's Pricing Audit Centre to audit pricing accuracy and work with the BSA to improve this.

Following some concerns about the still relatively new requirement for prescriptions submitted to BSA to include a prescriber code, the subcommittee had requested feedback and it was reported that BSA have confirmed that very few prescriptions have a code missing; the majority have incorrect codes, which are dealt with internally.

Generic medicines shortages remain a very current issue for contractors and it was noted that although DH have moved from using NCSO to price concessions which has removed some of the workload for contractors, this is still not a perfect system. PSNC is exploring options for a more timely and reliable process to adjust reimbursement prices where shortages have led to significant price increases.

On branded medicines the subcommittee noted two letters sent to DH highlighting the need for the PPRS and any associated Value Based Pricing (VBP) system to include an obligation on manufacturers to ensure there is sufficient supply to meet UK patient demand, as well as a response to the DH consultation on the topic.

Service Development Subcommittee (SDS)

The subcommittee had been asked to consider reviewing monitored dosage systems, and in particular the funding for the service, and a discussion was held on this. It was noted that there is at present no nationally agreed assessment for patient need with regard to additional adherence support but that this would be needed for any service development – PSNC is now working with the Royal Pharmaceutical Society on this.

The patient benefits provided by appropriately used MDS and other support were highlighted and it was agreed that new funding is required for this area of service provision and that that funding should ideally be targeted to those pharmacies who are providing it. The subcommittee has agreed to investigate the development of an MDS service in due course, but these discussions will not take priority over the ongoing negotiations with NHS England and DH.

The subcommittee also discussed ongoing work looking at pharmacy workforce issues. Health Education England and the Higher Education Funding Council for England are currently consulting on the supply of pharmacy graduates in England with three options set out for the future:

- Allowing the market to determine outcomes
- Introducing intake controls
- Creating a break point during study

The subcommittee felt that contractors should be seen as part of the educational process for the development of a competent and sustainable pharmacist workforce, and should be funded for this function.

It was recognised that full market forces could have the effect over time of weakening the profession and decreasing the calibre of students; but that a tight cap could also generate problems, reducing the workforce so that all, even those less competent, are employed. The final option will produce a workforce which as yet has no defined role. It was agreed that PSNC should respond to the consultation stating their view and favouring Option 2, but with caveats.

The subcommittee also noted reports on PSNC's ongoing work in a number of areas including:

- **Urgent and emergency care:** the office has worked with Pinnacle Health Partnership to develop a [minor ailments service template business case](#) for LPCs to use, as well as working to promote the role that pharmacy can play in reducing pressure on urgent care to politicians and commissioners.
- **Sustainable development:** The Sustainable Development Unit has issued its response to the consultation that PSNC responded to over the summer. There are some issues that will affect community pharmacy and more detail will be available when the strategy is published in January 2014.
- **Supporting carers:** As part of work to consider how community pharmacy services can be developed to further support independent living, PSNC is working with the Carers Trust to consider how community pharmacies could identify and provide more support for informal carers. A number of Carer Centres across the country have volunteered to take part in this and we are working to pair these with corresponding LPCs to work on this project.

LPC and Implementation Support Subcommittee (LISS)

There was a significant discussion on the future commissioning of local services in the reformed NHS environment, considering in particular concerns about the ability of pharmacies to go through tendering processes and to respond to demands for a single point of contact for local contracting. Consideration is being given as to how PSNC can help with this matter and this will be discussed further at the upcoming [LPC Conference](#).

The [PSNC LPC Support Services Directory \(LPOSS\)](#) launched in the summer was reviewed by the subcommittee who agreed that it was a useful resource. Bringing together PSNC support into a central resource hub, the directory will be updated regularly to ensure it can be the first port of call for information about the range of PSNC services available for LPCs. The directory will be extended to identify areas outside PSNC's remit and to direct LPCs to other relevant resources.

An update on the arrangements for the LPC Conference 2013 was given to the subcommittee and the agenda and other details are now available to download from the [PSNC website](#).

For the last three years contractors have been able to complete an electronic contract workbook through the PharmOutcomes platform to assess their compliance with the community pharmacy contractual framework. LISS considered a summary of the responses to this year's CPAF workbook and it was noted that contractors are being very open and honest about their compliance which is positive and could reduce the need for inspections as guidance and support may be enough to help them become compliant.

It was confirmed that it is likely that this will remain an issue for local Area Teams as commissioners will not be able to delegate total responsibility for pharmacy regulation to the GPhC and it was agreed that in areas where non-compliance was significant, additional support should be provided for contractors or discussions should be opened with NHS England about the contractual framework with a view to considering amendment.

The subcommittee received an update on PSNC's ongoing work with other pharmacy organisations to support Local Professional Networks and agreed to consider this matter on an ongoing basis. It also approved a timetable for LPC Elections – this is available to download from [PSNC's website](#) and guidance on this will be sent to LPCs shortly. The subcommittee also agreed that PSNC should work on an SOP for NHS England's area teams to ensure that when pharmacies are included on pharmaceutical lists they should also notify NHS BSA to which LPC their levy should be paid – this follows questions from some LPCs who have had difficulty in establishing whether they are receiving levies from all contractors.

Other matters of report to the subcommittee included a note of the [PSNC training for LPC Treasurers](#) in November as well as reports on the updated communications plan, PSNC website and PSNC's lobbying at this year's political party conferences. The subcommittee also noted the work the office has done to update information for LPCs and contractors on the website and to publish PSNC Briefings on topics that are of particular importance. Recent PSNC Briefings can be accessed at psnc.org.uk/briefings

Main PSNC Meeting

Much of the meeting of the full PSNC committee is taken up with reports from the PSNC subcommittees but the meeting starts with updates from the PSNC Chairman and CEO.

The Chairman noted the success of the PSNC Seminar and Dinner and commented on the challenges facing Accident and Emergency departments and the need for changes in the NHS which could present opportunities for community pharmacy.

The CEO reported that she had recorded a video interview with Kevin Fenton, Director of Health and Wellbeing at Public Health England, on the morning of the meeting adding that he is immensely positive about community pharmacy's future role. The video will be available to view on [PSNC's website](#) shortly.

The CEO also reported back from this year's Pharmintercom meeting. The meeting brought together pharmacy organisations from across the world and was held in Ireland, in late August.

The agenda included discussions on information systems and the stresses on the medicines market. These have been a problem across the world and in particular the meeting heard how Australia and Canada have faced massive generics pricing cuts imposed by their governments. The trend to reduce generic prices is unlikely to go away and will, and already is in some countries, have a severely negative effect on profitability for pharmacies.

Discussions among the countries seemed to arrive at a consensus: pharmacy will not be able to get the returns it has previously seen on medicines procurement in the future and we must find other income sources. The conclusion of the conference delegates was that supply must in future become the incidental to the service, rather than the other way around as now. Getting contractors to accept this is difficult everywhere but the UK is generally well ahead of the others.

Other key points raised by the CEO included:

- **Think Pharmacy:** The CEO spoke at an event in South Yorkshire on September 26th. This was attended by representatives of Local Authorities and CCGs, and followed the Manchester model from 2012. It was a good event, building credibility of the pharmacy offer. LPCs can read a report from the event in this month's [Community Pharmacy News](#) and we will be sending them further information about it shortly.
- **Website:** Feedback on PSNC's new website has also been very positive with praise for the colour coding, visual impact, accessibility and content.

The committee discussed possible changes to the PSNC Constitution and voted to allow committee members to nominate other members to act as proxy votes for them where they are absent from discussions on particularly sensitive topics which deputies would not attend.

The committee also agreed to amend the LPC areas covered by three PSNC regions to ensure the regions better reflect the new NHS structures. The following changes were approved:

- Dorset transfers from South West to South Central Region
- Northampton transfers from East Midlands and South Yorkshire to East Region
- Cumbria transfers from North Western to North Eastern Region

PSNC's next meetings will be held on 12th and 13th November in Birmingham and LPCs in the West Midlands and surrounding areas have been invited to send representatives to the post meeting PSNC briefing.

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