

PSNC Funding & Contract Subcommittee Minutes

For the meeting held on Tuesday 9th July 2013

at the Grand Harbour Hotel, West Quay Road, Southampton, SO15 1AG

at 2.30pm

Present: Dhiren Bhatt, Peter Cattee (Chairman), Liz Colling, Tricia Kennerley, Andy Murdock, Garry Myers, Bharat Patel, Raj Patel, Adrian Price

In attendance: Mark Burdon, Christine Burbage, Harpreet Chana, Mark Collins, Ian Cubbin, Shine Daley, Mike Dent, Peter Dixon, John Evans, Mark Griffiths, Kirstie Hepburn, Elisabeth Hopkins, Andrew Lane, Steve Lutener, Margaret McClury, Raj Morjaria, Indrajit Patel, Kirit Patel, Komal Patel, Janice Perkins, Alan Robinson, Sue Sharpe, Zoe Smeaton, Gary Warner

1. Apologies for absence

No apologies for absence were received.

2. Minutes

The minutes of the meeting held on 14th May 2013 were approved.

3. Matters arising

An update on progress with the pricing engine was requested and it was confirmed that DH have focused their attention on improving transparency for individual contractors instead of pursuing the price engine proposal.

4. Work plan

Progress made against the 2013 work plan was reviewed by the subcommittee. It was noted that all items were work in progress.

ACTION / RATIFICATION

5. 2012-13 and future funding

The subcommittee received an update on the ongoing COSI funding negotiations. This covered the following points:

DH work: The Department of Health has been working with NHS England to help them understand community pharmacy funding so they can support a funding package.

Funding offer: Any proposed funding package will need to be agreed by a number of different people in NHS England and DH before negotiations begin with PSNC. We expect this to be done in the very near future with negotiations over the summer.

Once an offer has been received the negotiating team will meet and begin work to analyse and understand the implications for pharmacy. Meetings with the Department of Health and NHS England will follow and the full PSNC committee will meet to review progress and direct the negotiations.

A question was asked on whether the new arrangements for employer contributions to pensions could be included in COSI and the office confirmed that, given the timings, it had not been.

6. Margin surveys

The information in the agenda was noted.

7. Current activity on shortages

The information in the agenda was noted.

8. Future systems to deal with shortages

Komal Patel gave a verbal update.

Feedback had been given to DH following the last PSNC meeting and we continue to work to identify a better system. DH is focussed on understanding why we are experiencing the current issues and whether there are wider Category M implications. PSNC has also been working, using information from the DH and other sources, to understand the reasons for generic shortages.

PSNC's Info Team is continuing to collect invoices from contractors that are used to challenge proposed price concessions (which can lead to a delay in the announcements).

The office has started to gather information regarding the impact of shortages on patients and this will be used in future discussions with DH. Some shortage lines have featured in Margin Surveys; also the office is currently analysing the impact of NCSO and concession prices on DH and contractors.

It was asked whether the clinical implications of shortages could be considered and it was confirmed that they are difficult to capture but could potentially be considered in a broader sense.

9. Transparency Group Update

Harpreet Chana provided a verbal update and the confidential paper was discussed.

The subcommittee recommended that:

- PSNC should agree to having a contractor portal on the N3 network now in order to gain access to additional pricing information but that it should insist on having remote access to this portal in the future.
- Contractors should be required to sign up to the transparency service rather than having a "push" model sent out to every contractor.

REPORT

10. AIV

The information in the agenda was noted.

11. Supply Chain Issues

a. Recent Changes to Manufacturers Distribution Arrangements

The information in the agenda was noted.

b. Supply problems

The information in the agenda was noted.

c. Supply Chain Forum Update

Komal Patel gave a verbal update on the supply chain forum actions.

Difficulties with obtaining branded products continue to exist. However; following the recent case of the pharmacist who was removed from the GPHC register as a result of submitting fraudulent prescriptions in order to obtain medicinal product, PSNC published an article advising contractors of the consequences of undertaking such activity could have.

However; the PSNC office has been observing an increasing trend towards manufacturers using more intrusive measures to undertake script verification activities. Some of these have been extremely concerning as they are requesting commercially sensitive information or seeking to further restrict supplies to pharmacies. The PSNC office has been investigating and challenging these with manufacturers when we have been alerted to their existence and we will consider what further action should be taken. Of course with regards to the Quintilles honorary contracts the office published an article stating our position on this arrangement for contractors to help them challenge Quintilles should they be approached to participate in one of their audits.

The supply forum is currently working on standardising contractors' emergency supply forms and wholesalers' out of stock codes.

12. Viagra off patent

The information in the agenda was noted.

13. Statistics

The information in the agenda was noted.

14. Any other business

It was asked whether there was any feedback on the requirement for prescriber codes and whether the number of re-submissions had increased. The office confirmed that it had received no feedback but that the BSA had been asked for a detailed re-submission report.