

## PSNC Briefing 033/21: Pharmacy Access Scheme starting from January 2022

An updated Pharmacy Access Scheme (revised PhAS) starts from January 2022, to continue to support patient access to isolated, eligible pharmacies. It is funded to no more than £20 million from the Community Pharmacy Contractual Framework (CPCF).

Eligibility for PhAS continues to be based on both the dispensing volume of the pharmacy, and distance from the next nearest pharmacy, although there are changes to the detailed eligibility criteria. Payments have changed from the 2016 scheme and are now based on a bell curve distribution, with, for example, larger volume dispensing pharmacies receiving lower PhAS payments.

A provisional list of eligible pharmacies is available [here](#). Contractors will receive a letter indicating if their pharmacy is eligible for the revised scheme.

Relevant ineligible pharmacies will receive access to the mapping analysis/tool that was used for their distance calculation to the next nearest pharmacy. A limited review process will be available from January 2022 for contractors who wish to dispute the accuracy of the distance calculation. The review process is also available on the basis of a physical feature anomaly. If a review is successful, PhAS payments will be backdated to the start of the scheme.

The Department of Health and Social Care (DHSC) information on PhAS is available [here](#) and provides full information on the (revised) 2022 PhAS. The DHSC eligibility flow diagram is attached as an annex to this PSNC briefing.

[Information on the NHSBSA website on PhAS is available here](#)

### The key points of the revised PhAS

To be eligible, a pharmacy must:

- be on the pharmaceutical list on 31st March 2021;
- be more than 1 mile from the next nearest pharmacy, **or** if in the most deprived areas (IMD decile 1-2) more than 0.8 of a mile away;
- have received at least 1,200 Single Activity Fees (SAFs) **and** not more than 104,789 SAFs in 2019/20;
- be registered on the Manage Your Service (MYS) to provide the Community Pharmacist Consultation Service (CPCS) by 31st December 2021 (and continue to be registered to be eligible for payments); and
- be in premises that are directly accessible to the public (i.e. not with restricted access such as beyond airport security).

Payments will be based on a bell curve, with bandings determined by dispensing volume:

- the maximum payment is set at £17,500 a year;
- for smaller pharmacies (to the left of the maximum on the bell curve), payments increase with volume to support increasing activity; and

- for larger pharmacies (to the right of the maximum on the bell curve), payments decrease with volume as the support they require reduces (the top 30% by dispensing volume are not eligible for the revised PhAS).

## Changes from the 2016 scheme

### Eligibility

#### What is changing

Eligibility is now:

- based on pharmacies on the pharmaceutical list on 31st March 2021, rather than 1st September 2016;
- based on a narrower dispensing volume range – there is a collar (a minimum of 1,200 SAFs per year) and a cap (the maximum sized pharmacy supported is reduced from the 75th percentile to the 70th percentile);
- automatic for former ‘near miss’ pharmacies – those in very deprived areas (top 20% of the Index of Multiple Deprivation) that are more than 0.8 of a mile from the next nearest pharmacy (previously these were the subject of a review application to NHS England and NHS Improvement (NHSE&I));
- now conditional on ongoing registration for and provision of CPCS from 31st December 2021; and
- now only for pharmacies that are directly accessible to the public, so, for example, those beyond airport security will not be eligible.

#### What is not changing

Eligibility remains:

- based on both volume and distance criteria;
- based on a static scheme, the pharmaceutical list of a certain date, 31st March 2021;
- based on a distance of more than 1 mile from the next nearest pharmacy in most cases and more than 0.8 of a mile in the most deprived areas;
- unavailable to appliance contractors, distance selling pharmacies and Local Pharmaceutical Services (LPS) contractors;
- possible for former LPS pharmacies returning to the pharmaceutical list (they will be considered as if they were on the pharmaceutical list on 31st March 2021);
- protected PhAS eligibility for those pharmacies that were more than 1 mile from the next nearest pharmacy based on the 2016 distance calculation, if there are no other changes regarding eligibility;
- the road distance, including footpaths, based on the Ordnance Survey Road network data; and
- broadly, for those eligible at the start of the revised PhAS, they remain eligible until the next update of the scheme, even if their dispensing volume or distance measurement changes – but with exceptions (e.g. a pharmacy that moves permanently may become ineligible for PhAS on the distance calculation to the next nearest pharmacy)

### Payments

#### What is changing

Payments now:

- are banded and based on a bell curve\* – previously they were based on a top-up to income (to reduce the impact of funding cuts) minus an efficiency saving;
- for **smaller pharmacies** (based on dispensing volume), **increase with activity** up to a maximum payment of £17,500 per year; and
- for **larger pharmacies**, **decrease as volume increases** as the support they are considered to require reduces (previously larger pharmacies usually received larger PhAS payments).

#### What is not changing



Payments remain:

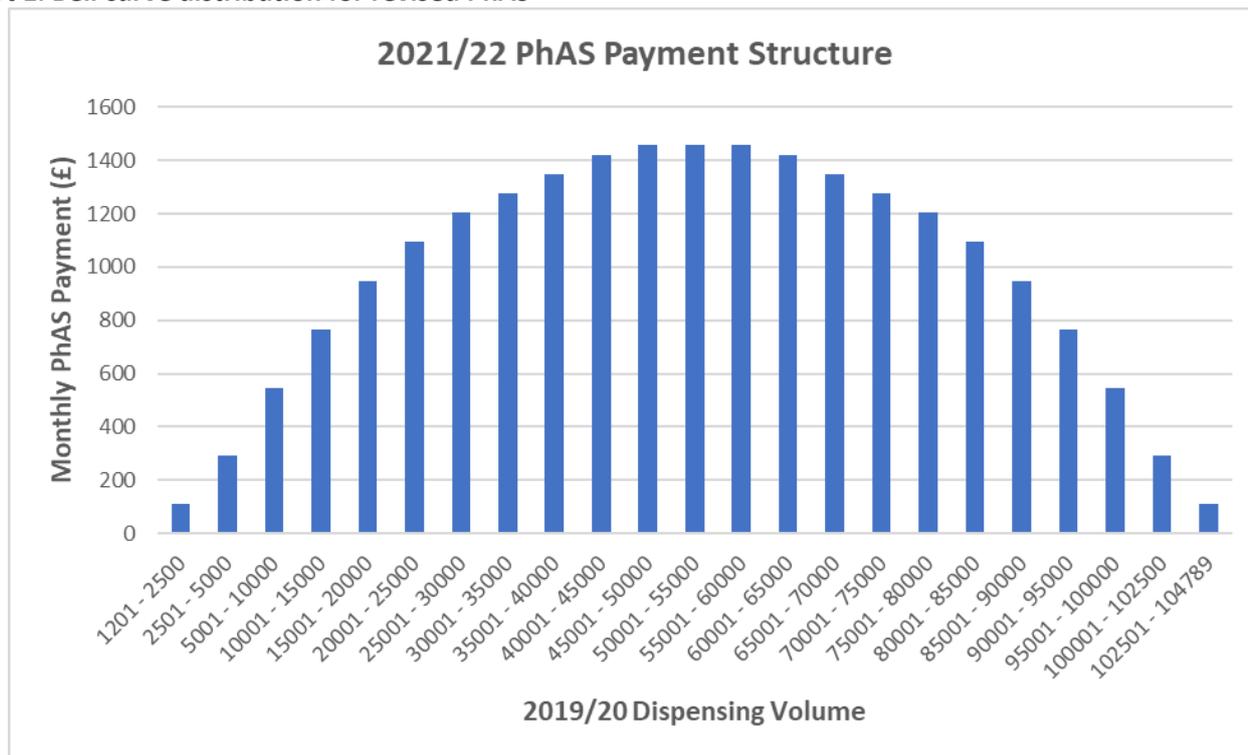
- paid monthly to eligible pharmacies in accordance with the provisions of the [Drug Tariff](#).

\*The payment bands and bell curve are provided on the following page

**Table 1. Payment bands for revised PhAS**

Lower Bound (number of SAFs 2019/20)	Upper Bound (number of SAFs 2019/20)	Monthly PhAS payment £
1,200	2,500	109.38
2,501	5,000	291.67
5,001	10,000	546.88
10,001	15,000	765.63
15,001	20,000	947.92
20,001	25,000	1,093.75
25,001	30,000	1,203.13
30,001	35,000	1,276.04
35,001	40,000	1,348.96
40,001	45,000	1,421.88
45,001	50,000	1,458.33
50,001	55,000	1,458.33
55,001	60,000	1,458.33
60,001	65,000	1,421.88
65,001	70,000	1,348.96
70,001	75,000	1,276.04
75,001	80,000	1,203.13
80,001	85,000	1,093.75
85,001	90,000	947.92
90,001	95,000	765.63
95,001	100,000	546.88
100,001	102,500	291.67
102,501	104,789	109.38

**Chart 1. Bell curve distribution for revised PhAS**



## Review Process

There are two grounds on which a review may be sought, for a contractor to argue that their pharmacy should be considered eligible for the updated 2022 PhAS.

- inaccuracies in pharmacy premises location (for example if the pharmacy address was incorrect or the distance from the next pharmacy was calculated incorrectly) and,
- physical feature anomalies (such as a semi-permanent roadblock or a steep hill) meaning the viable route between two pharmacies is not as represented in the modelling

The two grounds of review are similar to those for the 2016 scheme. However, the former third ground, ‘near miss’ reviews, is no longer applicable because these pharmacies are automatically eligible in the revised PhAS.

## Applications

Key points in the review process are that:

- the review process is administered by NHSE&I
- applications must be made on the NHSE&I dedicated web-based portal (details to be shared prior to opening of the review window)
- the window for such applications is between 4 January and 4 February 2022
- evidence should be provided with any review application – of the relevant distance or physical feature anomaly – and uploaded to the portal
- Only the OS mapping analysis/tool used by DHSC is relevant to disputes on distance calculations (i.e. not other mapping products)
- if evidence used for a ‘2016’ review is still relevant, this may be re-submitted
- completed applications will be reviewed by the relevant NHSE&I Regional pharmacy contract team
- the review will be determined by the relevant Pharmaceutical services Regulations Committee (PSRC)

- NHSE&I aim to give review determinations by the end of May 2022
- PhAS payments will be backdated to the start of the scheme if the review is successful

## **Grounds of review**

Additional observations on the two grounds of review are:

### **1. Inaccuracies in the pharmacy location or distance to the next nearest pharmacy**

Inaccuracies include those with, for example, the pharmacy address or distance calculation to the next nearest pharmacy.

Contractors will receive individual letters on the eligibility of a pharmacy for the revised PhAS, and this should include a link to the mapping analysis/tool used by the DHSC to calculate the distance to the next nearest pharmacy. This is the mapping analysis/tool to use to consider the distance calculation.

Using the same distance mapping analysis/tool for the initial calculation undertaken by DHSC and the assessment by the contractor should decrease misunderstanding of the distance calculation, avoid applications based on other mapping tools (such as Google) and reduce the number of review applications, or mean that those made will be focused on any alleged error in the OS mapping analysis/tool.

Other mapping tools may give different distance calculations, but these are not relevant for the distance calculation used by the revised PhAS and will not be considered in the review.

Evidence must be provided to support a review application by uploading this to the dedicated portal (details of which NHSE&I will make available prior to the opening of the review application window).

### **2. Physical feature anomalies**

Physical feature anomalies include features such as semi-permanent roadblocks and very steep hills such that the practicable or viable route between the two relevant pharmacies for patients is more than 1 mile, or in very deprived areas more than 0.8 of a mile.

The distance calculation is based on the walking distance to the next nearest pharmacy using road (pavements) and footpaths using the Ordnance Survey Road network mapping.

Evidence must be provided to support a review application. If any evidence previously submitted during the 2016 scheme's review process remains relevant, this may be re-submitted.

This ground of review no longer includes the need for a pharmacy to demonstrate that it is 'critical for access'.

## **Local Pharmaceutical Services (LPS) Pharmacies**

The revised PhAS is not a replacement to the statutory scheme for LPS pharmacies. LPS pharmacies may be commissioned by NHSE&I where a pharmacy is considered essential for the community but is not viable under the CPCF, even with PhAS eligibility and payments.

## **Further Information**

For queries on eligibility for the revised PhAS scheme, please contact [Gordon Hockey, Director of Operations and Support](#) or [Layla Rahman, Regulations Officer](#)

For queries on PhAS payments, please contact [Jack Cresswell, Funding Strategy Manager](#).

## Annex 1: PhAS eligibility flow diagram

