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Prescription charges – a pharmacy perspective

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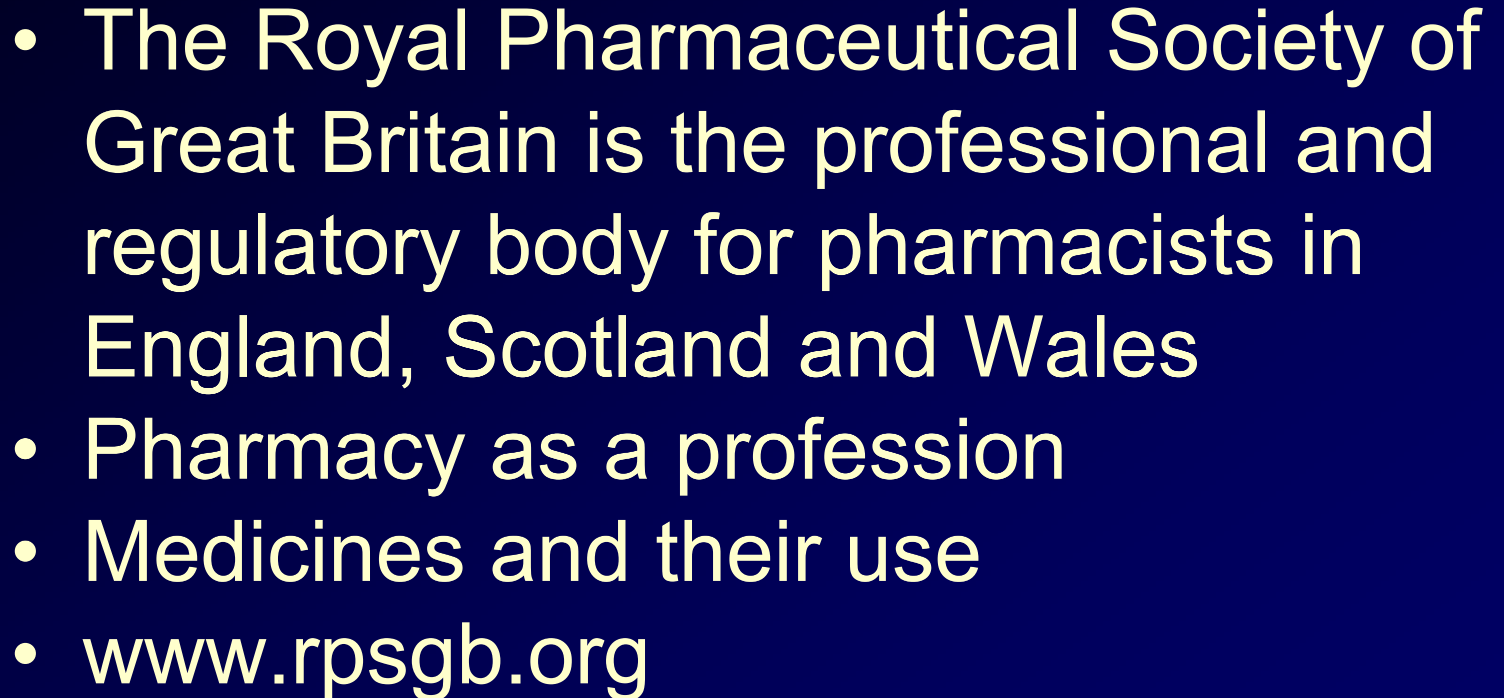
The RPSGB



- The Royal Pharmaceutical Society of Great Britain is the professional and regulatory body for pharmacists in England, Scotland and Wales
- Pharmacy as a profession
- Medicines and their use
- www.rpsgb.org

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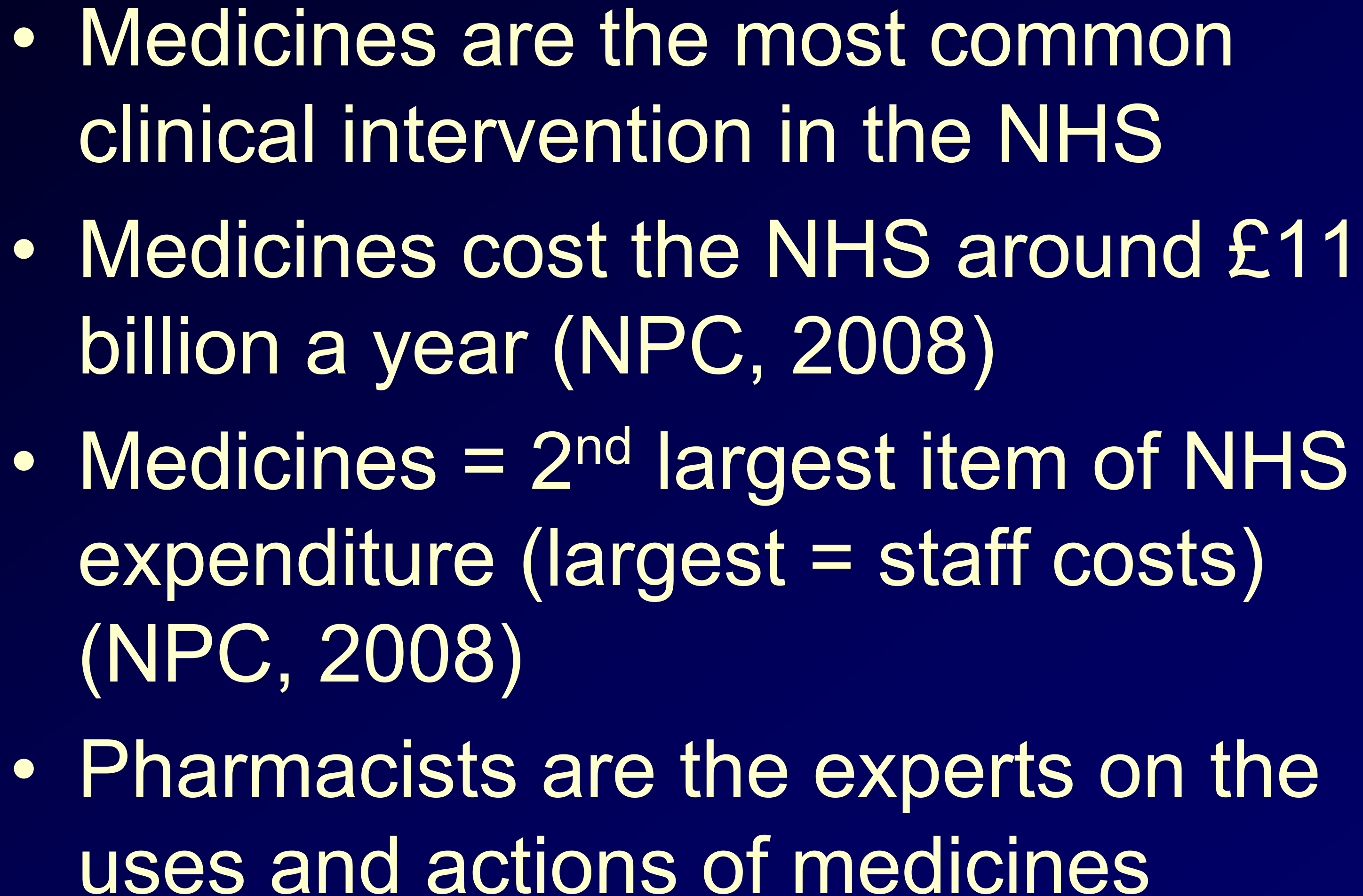
Medicines as an intervention



Rising prescription volume in England

source: NHS Information Centre, Prescriptions Dispensed in the Community 1997-2007 (published July 2008)

Year	Number of prescription items (million)
1997	~500
1999	~530
2001	~585
2003	~650
2005	~720
2007	~796

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Prescriptions volumes & charges - England

- 796 million prescription items were dispensed in 2007
- Increase of 5.9% on 2006 and 59.2% increase from 1997
- Prescription charge is currently £7.10
- On April 1, 2009 it will rise to £7.20
- 11.4% of items attracted prescription charges in 2007
- (88.6% of prescribed items were dispensed free)

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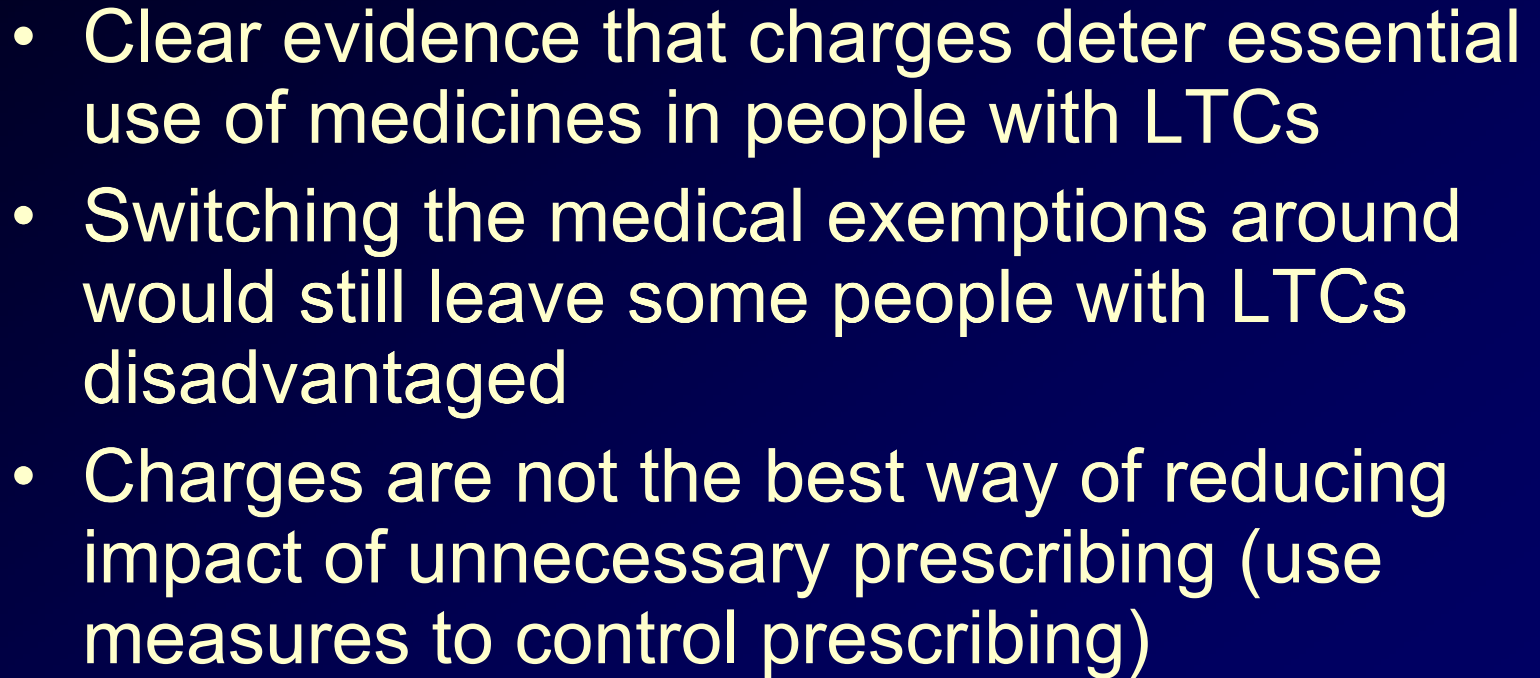
Problems with the current system of prescription charges & exemptions

- Widely perceived to be illogical and unfair
- Current medical exemptions date back to 1968 when many treatments now available for LTCs did not exist
- New conditions (e.g. AIDS) have emerged since
- Some people with low incomes pay charges while others with higher incomes (e.g. better-off pensioners, pregnant women) do not

Problems with current system cont./



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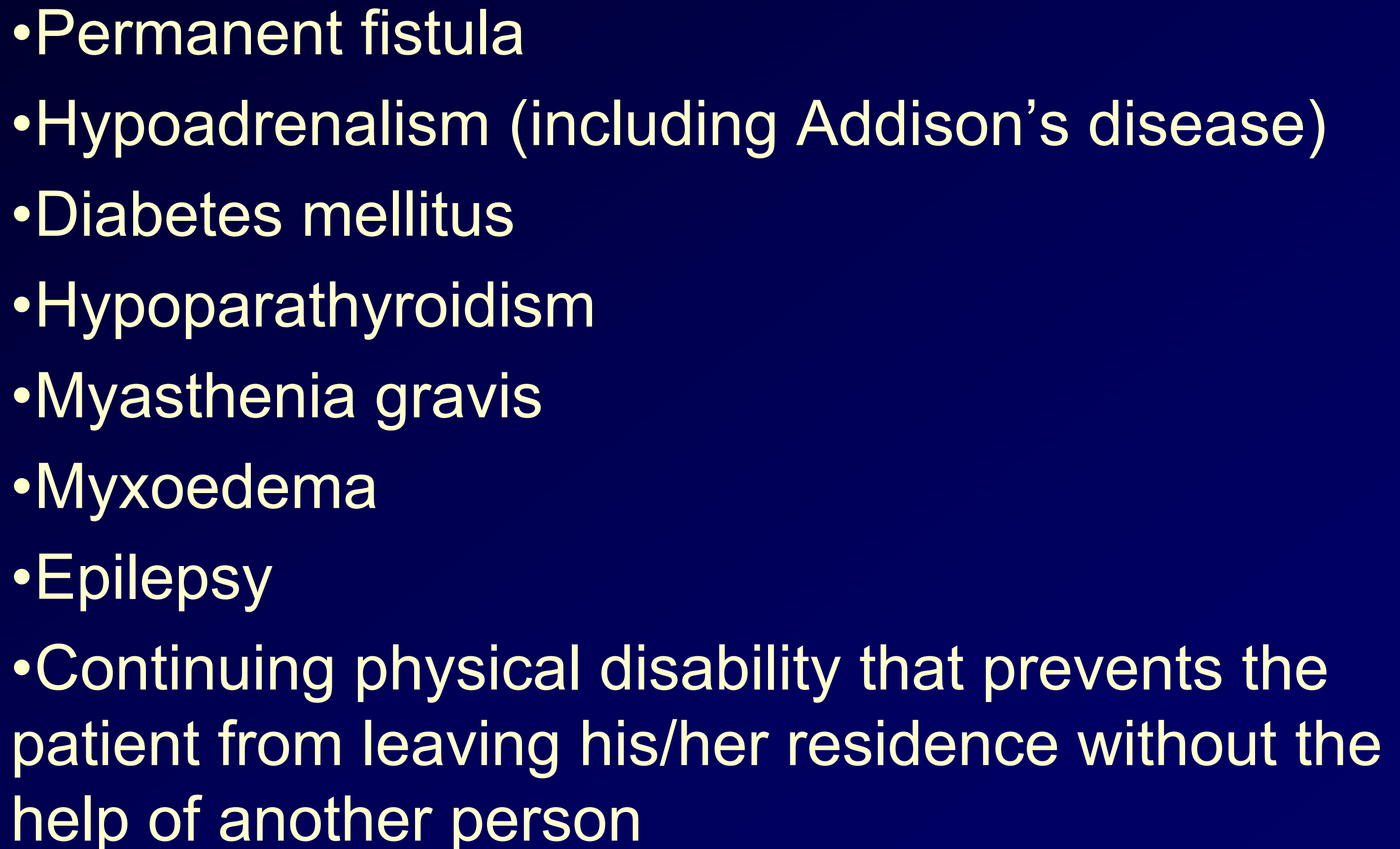
Current exemption categories

- Are 60 or over
- Are under 16
- Are 16-18 and in full time education
- Are pregnant or have had a baby in the previous 12 months and have a valid exemption certificate
- Have a listed medical condition and have a valid exemption certificate
- Have a continuing physical disability which means you cannot go out without help from another person and have a valid exemption certificate
- Hold a valid war pension exemption certificate and the prescription is for your accepted disablement
- Are an NHS in-patient
- Or your partner receive income support, income based Jobseekers Allowance, income related Employment and Support Allowance, Pension Credit Guarantee Credit or you are named on, or are entitled to an NHS tax credit exemption certificate
- are a woman with a prescription for contraceptives.

Medical exemptions



RPSGB review on prescription charges

- In 2005 RPSGB published an international review on prescription charges – *Prescription charges – should they be abolished?* (http://www.rpsgb.org/pdfs/prescriptcharges.pdf)
- Cost sharing decreases use of prescription medicines by poor and chronically ill (Lexchin & Grootendorst, 2004)
- 2/3 of people with LTCs have difficulty paying prescription charges (NACAB, 2001)
- 750,000 people fail to make full use of prescription medicines due to cost (MORI, quoted in NACAB, 2001)
- Charges may also affect the decision to consult (Doran et al 2004)

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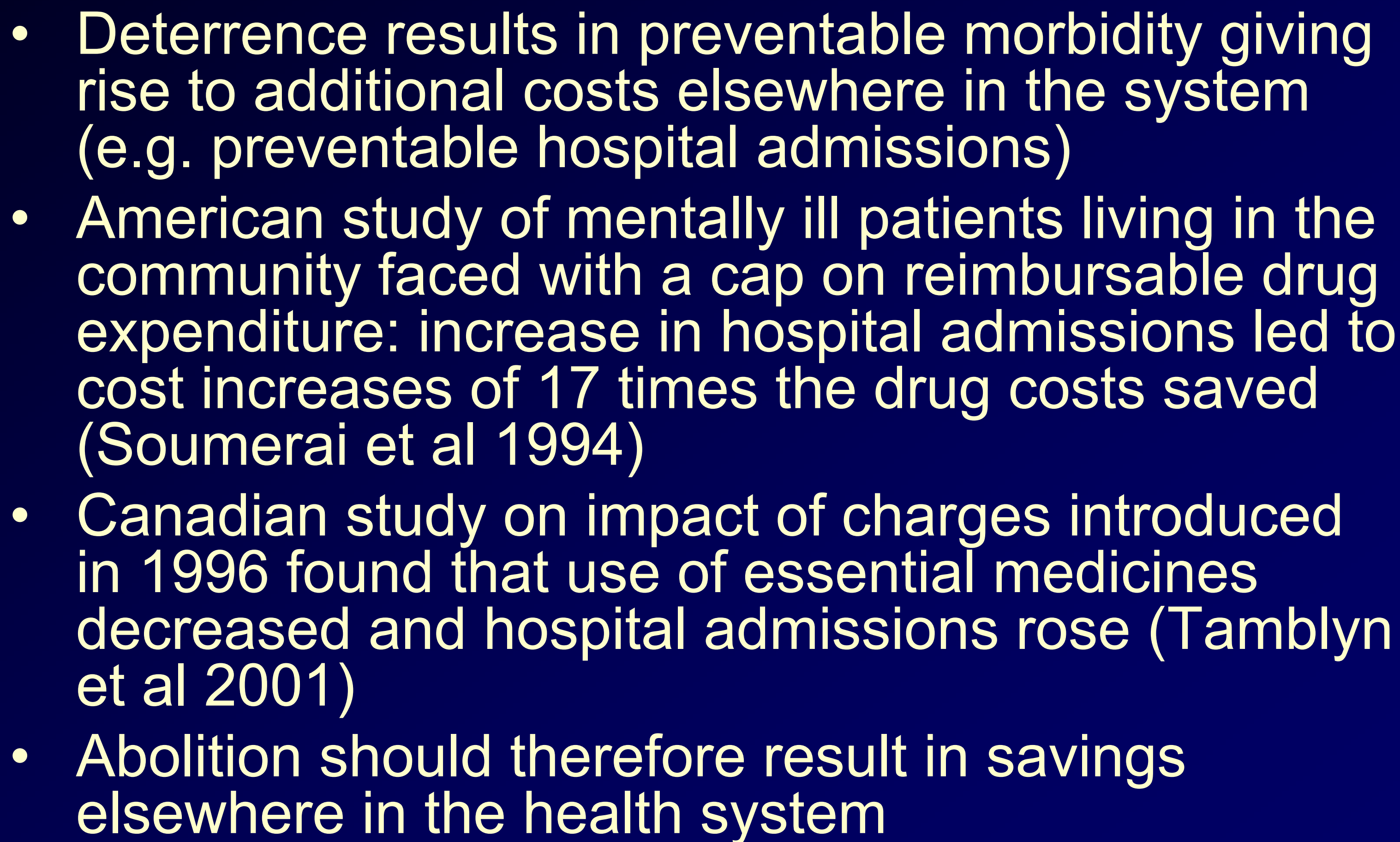
Impact of deterring essential use of medicines



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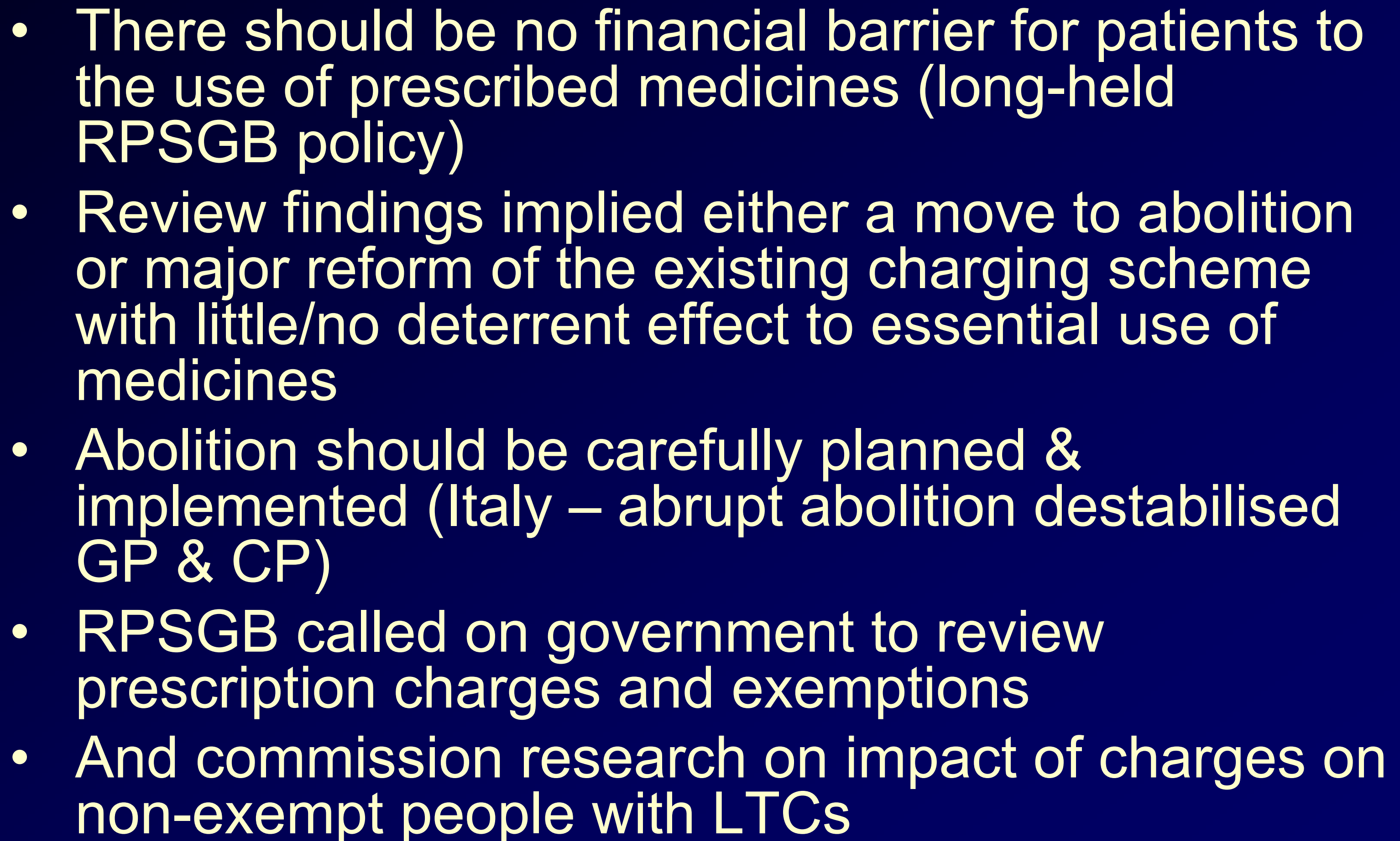
RPSGB policy on prescription charges



- There should be no financial barrier for patients to the use of prescribed medicines (long-held RPSGB policy)
- Review findings implied either a move to abolition or major reform of the existing charging scheme with little/no deterrent effect to essential use of medicines
- Abolition should be carefully planned & implemented (Italy – abrupt abolition destabilised GP & CP)
- RPSGB called on government to review prescription charges and exemptions
- And commission research on impact of charges on non-exempt people with LTCs

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Implications of charges for Government

- Government has two interests:
  - As financier (Treasury) - wants to collect revenue
  - In 2007-08 prescription charges raised ~£450m and cost £50m to administer
  - If exemptions ceased to be total, easy to raise equivalent income e.g. if all except very poor paid up to £100 p.a.
  - Abolition would reduce need for government audit and counter-fraud activity re. fraudulent exemption claims
  - As health policy maker (Dept of Health) - wants to improve health outcomes

  Both have an interest in the most efficient use of funds

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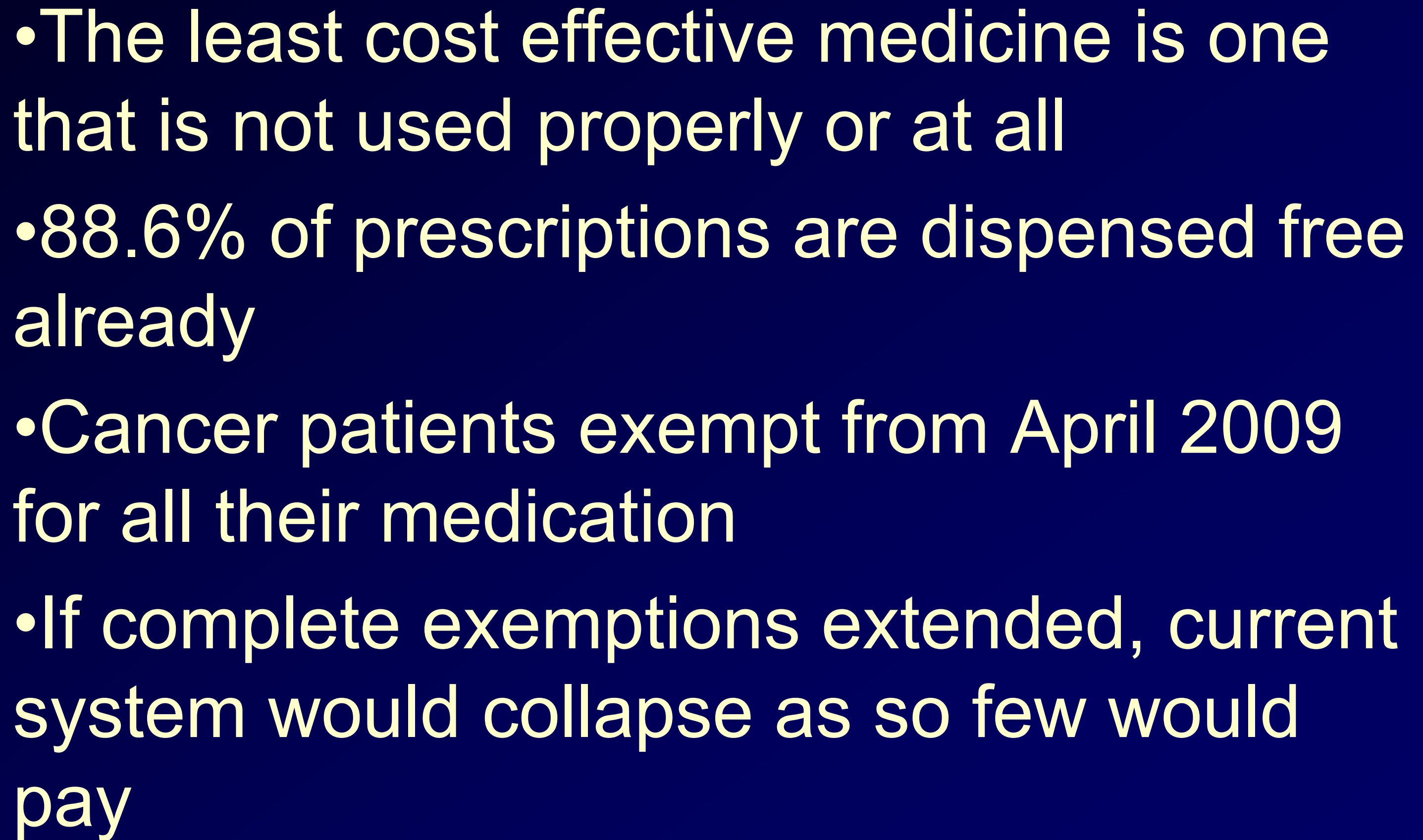
Impact on government cont./



Impact of abolition on community pharmacy role

- End of 'tax collector' role (which many pharmacists dislike)
- Better relationships with patients:
  - Some patients think pharmacists keep the charges (legitimately)
  - Some patients think pharmacists responsible for increasing charges
  - End to disputes about whether patients are genuinely exempt

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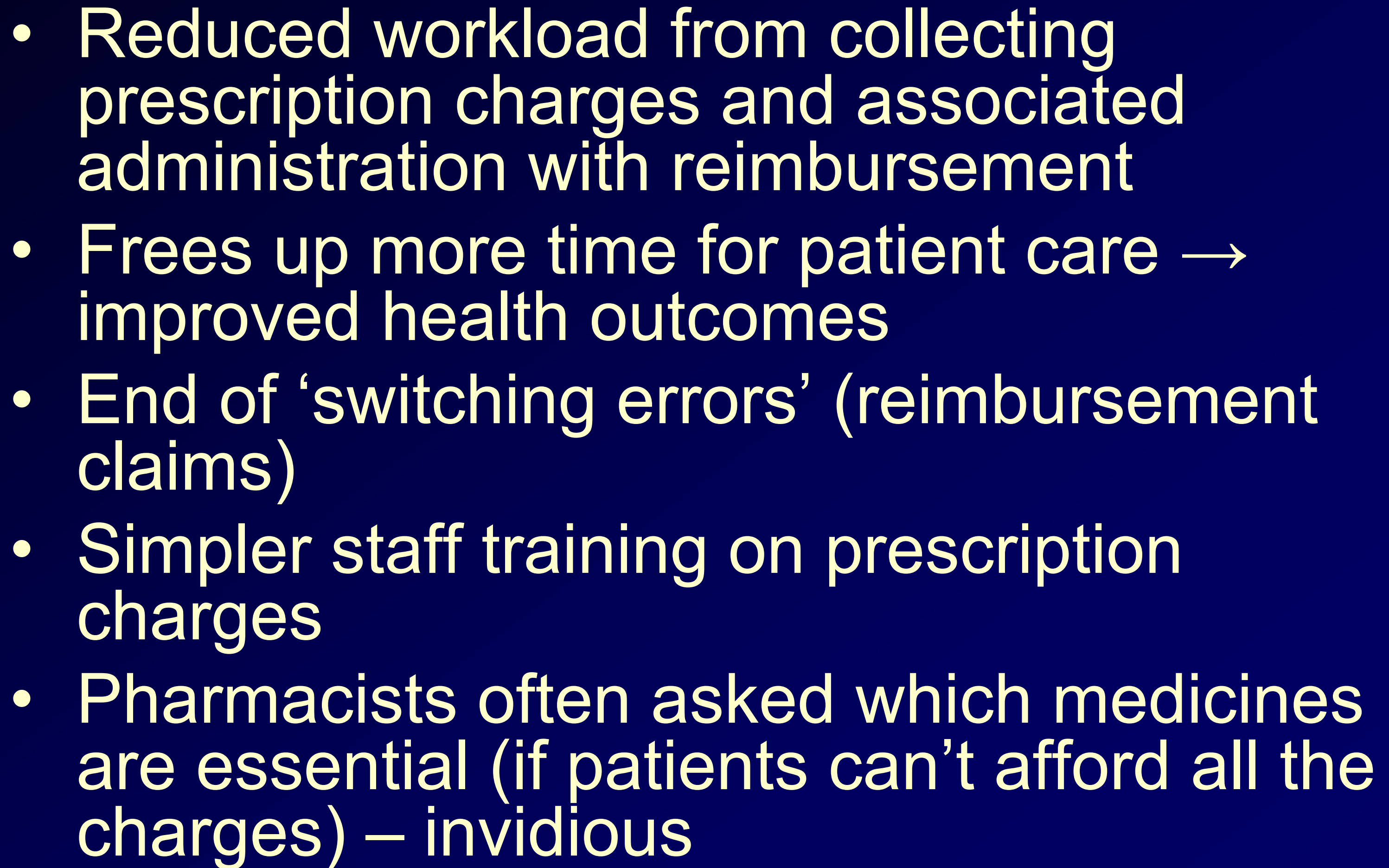
Impact of abolition cont./



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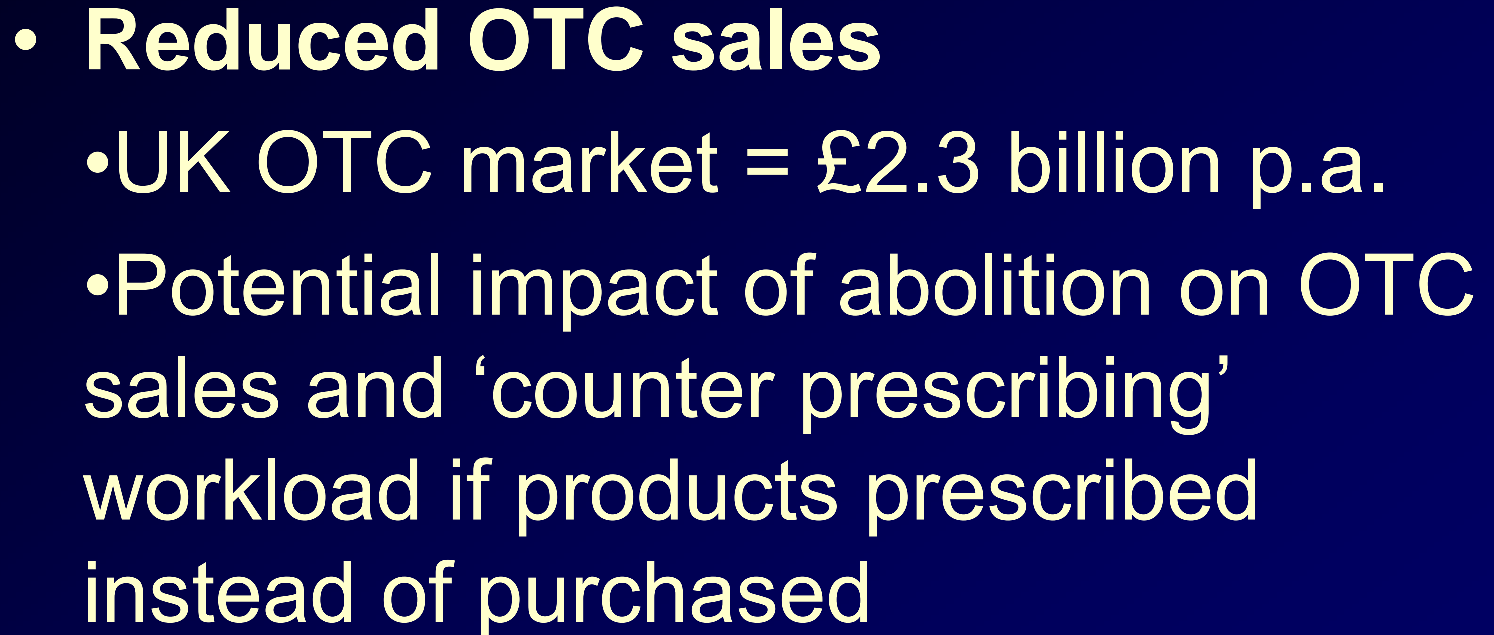
Other potential impacts on pharmacy



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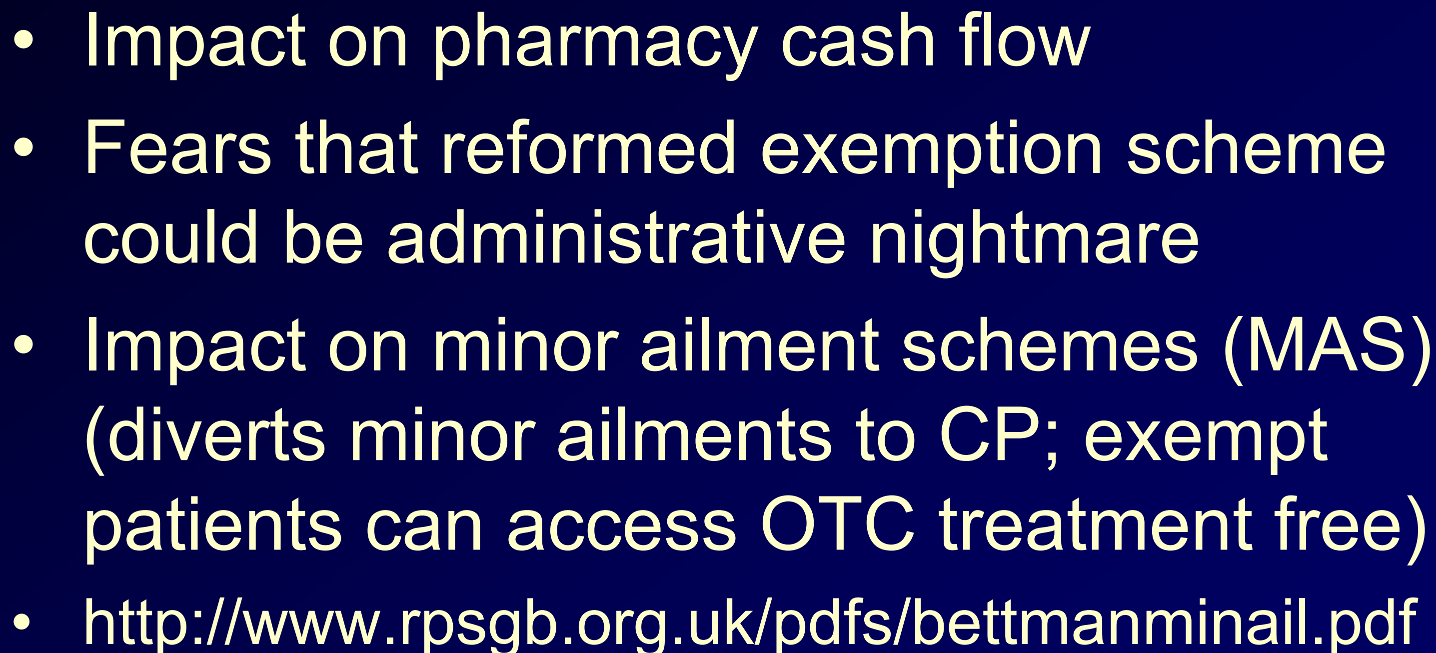
Potential impacts on pharmacy cont./



- Impact on pharmacy cash flow
- Fears that reformed exemption scheme could be administrative nightmare
- Impact on minor ailment schemes (MAS) (diverts minor ailments to CP; exempt patients can access OTC treatment free)
- http://www.rpsgb.org.uk/pdfs/bettmanminail.pdf

Staged abolition in Scotland and Wales

- **Scotland**
- 2007 - £6.85
- 2008-09 - £5
- 2009-10 - £4
- 2010-11 - £3
- By 2011 - zero

- **Wales**
- 2001 - £6
- 2004 - £5
- 2005 - £4
- 2006 - £3
- 2007 – zero

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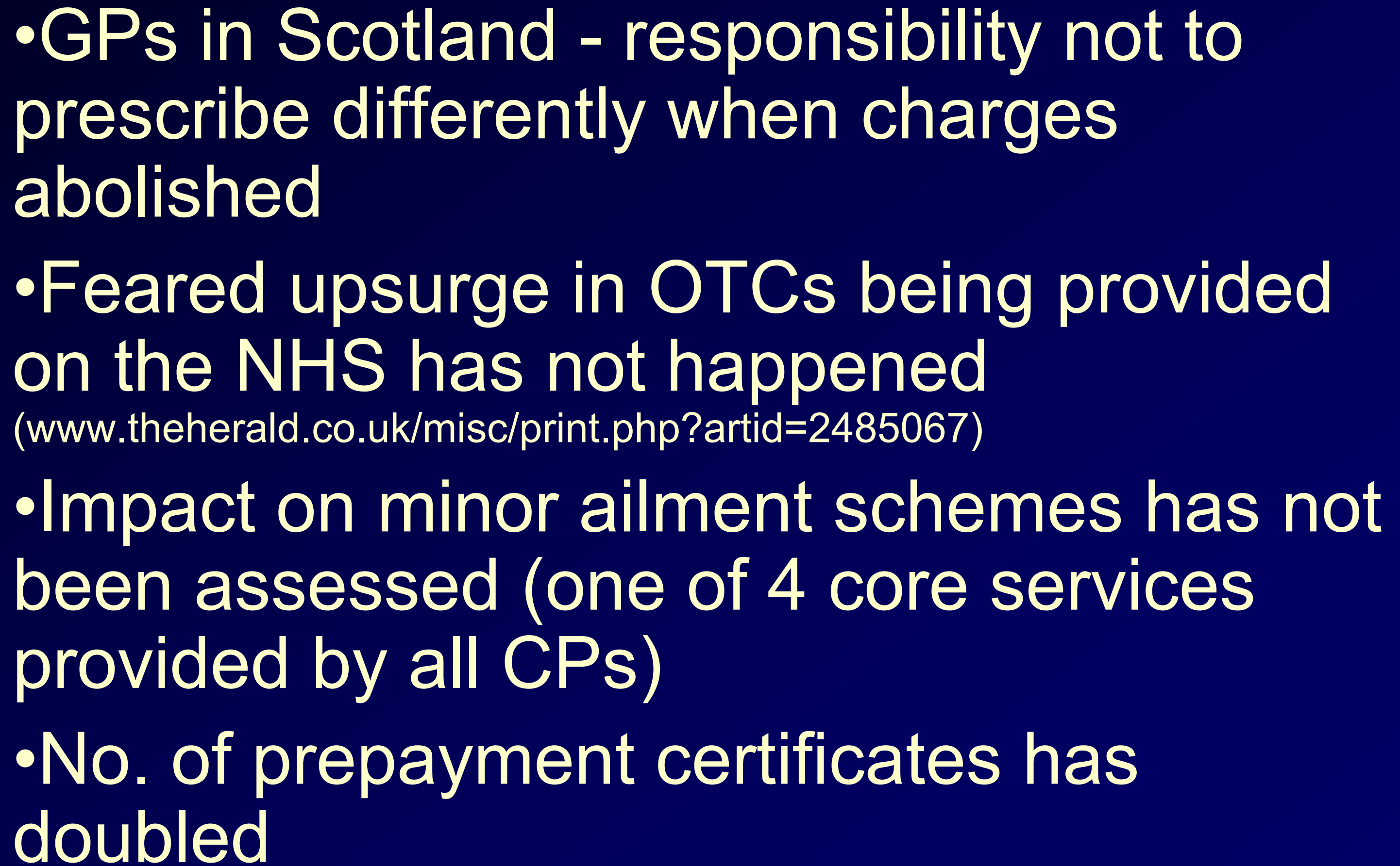
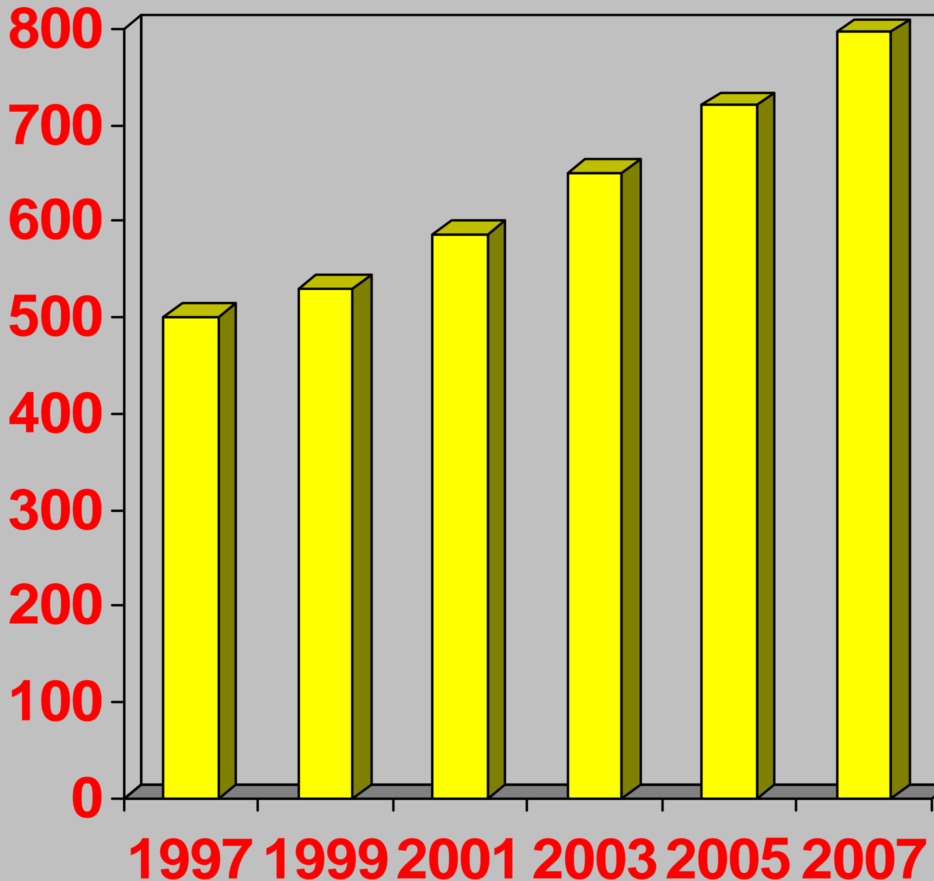
Impact of abolition in Scotland



- GPs in Scotland - responsibility not to prescribe differently when charges abolished
- Feared upsurge in OTCs being provided on the NHS has not happened (www.theherald.co.uk/misc/print.php?artid=2485067)
- Impact on minor ailment schemes has not been assessed (one of 4 core services provided by all CPs)
- No. of prepayment certificates has doubled

Number of pre-payment certificates purchased in Scotland has doubled



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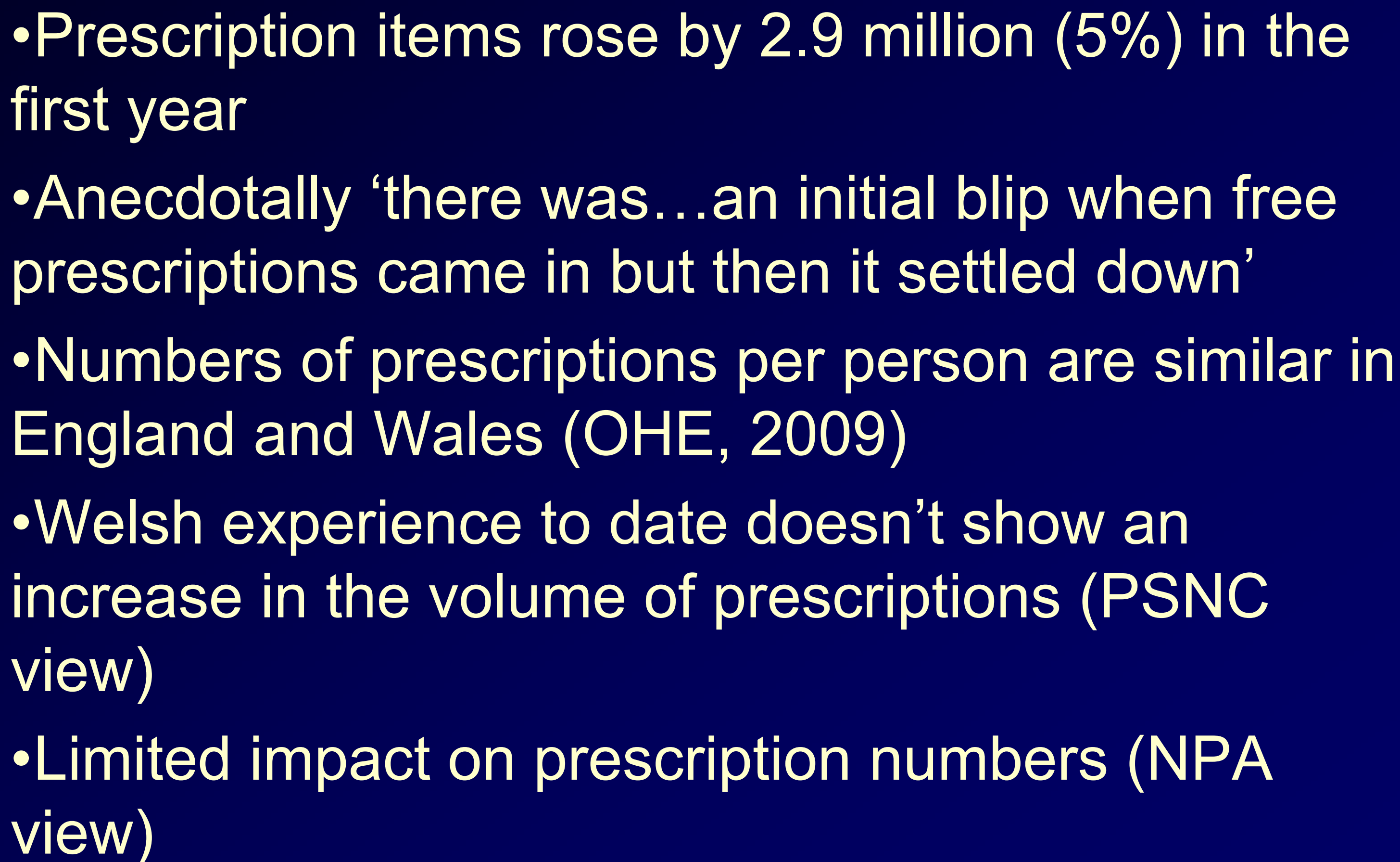
Impact of abolition in Wales



Research on impact of abolition in Wales

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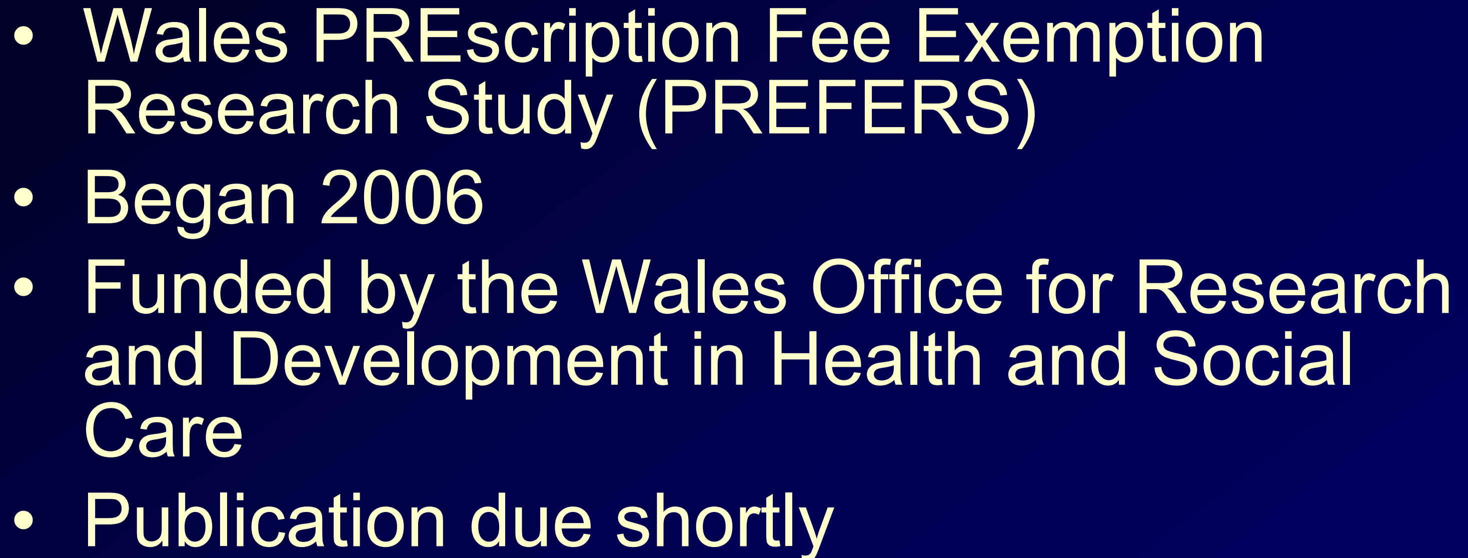

- Wales PREscription Fee Exemption Research Study (PREFERS)
- Began 2006
- Funded by the Wales Office for Research and Development in Health and Social Care
- Publication due shortly

Aims:

- Assess impact of abolition
- Does abolition enhance access to medicines?

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Concluding remarks