

# NHS and LA Reforms Factsheet 5

## Supply of medicines for public health commissioned services – a factsheet for local authorities

### 1. Introduction

As of April 2013, local authorities have responsibility for commissioning public health services as part of their duty to take steps to improve the health of people in their area. Some of these services will involve the supply of medicines and appliances using NHS pharmacy services. New organisations wishing to use existing NHS pharmacy services will need access to the FP10 (Prescribing form).

Any prescribing for a local authority commissioned public health service will require an Organisational Data Services (ODS) code to allow the prescribing costs to be captured. At least one ODS code should exist for each contract between a commissioner and a provider where the service requires the use of FP10 prescription form. The ODS codes for practices and prescribers are issued by NHS Prescription Services part of the NHS Business Services Authority (NHSBSA).

**This fact sheet provides an overview on:**

- Local authority public health allocations
- Charging medicines costs for PH services
- NHS Pharmaceutical Services
- Organisational Data Service (ODS) code
- Access to prescription forms
- Governance and security of prescription forms
- Payment, charging and apportionment arrangements
- Prescription charges
- Further Information
- Contact details

This factsheet is available on the NHS Business Authority's (NHSBSA) website

## 2. Background

Under The Human Medicines Regulations 2012, all medicines are assigned to one of three legal categories, these are:

1. Prescription only Medicines (POM)
2. Pharmacy only Medicines (P)
3. General sale list (GSL)

The general rule is that a “POM” applies to a medicinal product that is available only on prescription and is subject to the additional requirement that they are sold or supplied in accordance with a prescriber's prescription.

“P” medicines can only be sold or supplied at registered pharmacy premises by or under the supervision of a pharmacist.

“GSL” medicines can be sold from a wider range of premises such as supermarkets provided the premises can be closed to exclude the public (i.e. they are lockable) and the medicines are pre-packed.

“P” and “GSL” medicines can be prescribed on an FP10 form, if the prescriber believes this is in the clinical interest of the patient.

Patient Group Directions (PGDs) provide an exemption from the restrictions, which enable the supply or administration of medicines by named regulated healthcare professionals to groups of people who may not be individually identifiable before presentation such as those who request emergency contraception from a pharmacist. The National Institute for Health and Care Excellence (NICE) has published good practice guidance for individuals and organisations developing and using PGDs: <http://www.nice.org.uk/mpc/goodpracticeguidance/GPG2.jsp>

The supply of medicines to patients outside of secondary care settings can be done in a number of ways. The majority of medicines are prescribed on an NHS prescription form (FP10). These prescriptions are then dispensed by community pharmacies or dispensing doctor practices. Community pharmacies and dispensing appliance contractors also dispense appliances, such as incontinence supplies and these are also prescribed on FP10 forms.

Only 'appropriate practitioners' can prescribe medicines in the UK. Appropriate practitioners are categorised as independent and supplementary prescribers. For details of independent and supplementary prescribers, see annex 1.

### **3. Local authority public health allocations**

As the first step in allocating local authorities public health funding, the Department asked Primary Care Trusts (PCTs) to report their spending on public health services in 2010-11. The results were then uplifted for inflation to help provide a baseline for public health expenditure. In providing this information PCTs were requested to reflect the full costs of public health services. The public health allocations are therefore designed to reflect the full costs of commissioning public health services, including costs relating to the prescribing of drugs.

The estimated baseline for those public health responsibilities of local authorities was £2.2bn for 2012-13. The final public health allocations to local authorities for 2013-14 amounted to £2.66bn, with a further £2.79bn for 2014-15, representing a two year allocation of £5.46bn. All authorities were allocated a real terms growth in both years. The average growth across the two years is 10.8%, with a majority receiving at least 5.7% and a significant number receiving 21.0%. This is a significant increase on the initial estimates.

#### **3.1 Allocations baseline attribution**

The Department is aware that there are concerns about the accuracy of the allocation of public health resources, in particular around the accurate allocation of prescribing costs and other apportionments for public health services. Where this is an issue this should be discussed in the first instance with partners locally.

Where there is agreement between the relevant local authorities and Clinical Commissioning Groups (CCGs) that the current allocations do not appropriately reflect the prescribing costs or other apportionments of these services the partners should agree the amounts and the mechanisms for transfer. This should to be done urgently. Public Health England, NHS England and the Department of Health should then be informed so that these local agreements can be factored into future allocations.

#### **3.2 Charging issue**

Where there have been issues regarding incorrect charging e.g. local authority commissioned services being charged to CCGs, we suggest the following course of action:

- Either - locally agree the amount to be recharged and a mechanism for repayment as soon as possible. Then subsequently ensure charging is carried out correctly.
- Or - continue to carry the cost and make appropriate agreed adjustment and transferring mechanism at the end of 2013/14 and 2014/15.

Inform PHE, NHS England and Department of Health; see section 12 for contact details.

## 4. Charging medicines costs for PH services

### 4.1 General

For the purpose of charging the correct organisation all prescribers require a unique code (prescriber code) and services also require a unique code (practice code). Refer to table 1 below for local authority commissioned public health services:

Prescriber	Person identified by	Location or service	
		GP practice	Other location
GP prescriber	Prescriber codes *	GP practice code*	Practice Code* represents the costs centre
Other medical prescriber (non-GP)	Prescriber codes *	n/a	Practice Code* represents the costs centre
Non- medical prescriber	Personal identification number (PINs) issued by their professional regulatory bodies**	GP practice code*	Practice Code* represents the costs centre

\*Prescriber code and Practice code are issued by NHS Prescription Services. The forms for requesting codes are available at <http://www.nhsbsa.nhs.uk/PrescriptionServices/3985.aspx>

\*\* PIN issued by relevant professional regulatory bodies

### 4.2 Invoicing

The NHSBSA will invoice either the service provider or the local authority for the prescription costs incurred by the service. The local authority can decide

whether they wish to receive the invoice or whether they wish the invoice to go to the service provider. This decision should take into account whether the service provider has the necessary financial governance in place and whether they will be responsible for clinical governance for their employees. This should be agreed as part of the contract.

### **4.3 Local authority commissioned services**

Where a GP is commissioned by a local authority to provide a public health service, which includes the costs of supplying the medicine (formerly public health related Local Enhanced Service agreement), this should be clear in the contract. The local authority public health allocations cover the full costs of supplying relevant medicines as part of local initiative schemes to encourage brief interventions via prescription forms and include the cost of the medicine, the cost of associated pharmaceutical services and some additional fees.

The commissioning factsheet published in October 2012 for clinical commissioning groups provides clarity on commissioning responsibilities for the NHS Commissioning Board, Local Authorities and Public Health England.

See link below:

<http://www.england.nhs.uk/resources/resources-for-ccgs/>

Non mandatory public health standard contract templates for local authorities are available for use at <https://www.gov.uk/government/publications/public-health-services-non-mandatory-contracts-and-guidance-published>

Discussions are underway regarding assigning separate GP prescriber codes related to public health service commissioning.

### **4.4 Routine GP consultation**

The public health allocation does not include the costs of a GP prescribing for individual patients as part of their General Medical Services consultation. GPs may, as part of an individual consultation, consider it appropriate to issue a prescription e.g. varenicline to help a person stop smoking or other medicine if they believe this is in the clinical interest of the patient. The cost of this medicine will be coded against the GP's prescriber code (Doctor Index Number) and the practice code that is attached to the CCG.

### **4.5 Integrated services**

When PCT baselines were calculated for 2010-11 the full cost of providing public health services were requested. The difficulty in judging where preventative health ends and routine care begins is fully recognised and may

need further discussions with local partners. Local authorities have the flexibilities to commission integrated services. The level of service provision will be reflected in the commissioning contract.

## 5. NHS Pharmaceutical Services

Under the NHS Act 2006, only NHS England is able to commission NHS Pharmaceutical Services for services that are associated with medicines and which use FP10 prescription forms. Unless determined otherwise, it is NHS England which is responsible for meeting the cost of the provision of pharmaceutical services. However, the legislation does enable local authorities to use FP10 prescription forms to issue medicines associated with public health commissioned services and therefore have access to pharmaceutical services. The costs associated with the provision of these services will be recharged by NHS England to local authorities.

This requirement will not place an administrative burden on either local authorities or NHS England. To ensure that the prescribing costs relating to public health services are accurately allocated, local authorities should contact NHS Prescription Services, who will carry out the necessary checks before providing access to FP10 prescription forms. Once this has been done local authorities will be approved to access FP10 prescription forms.

## 6. Organisational Data Services (ODS) codes

NHS Prescription Services uses ODS codes for prescribers and organisations to identify where the prescription costs should be assigned for monitoring of prescribers, prescribing patterns and appropriate costs to ensure appropriate clinical governance. NHS Prescription Services issues the ODS codes for practices and GPs/other medical prescribers. The Organisation Data Service at the Health and Social Care Information Centre issues the ODS codes for local authorities.

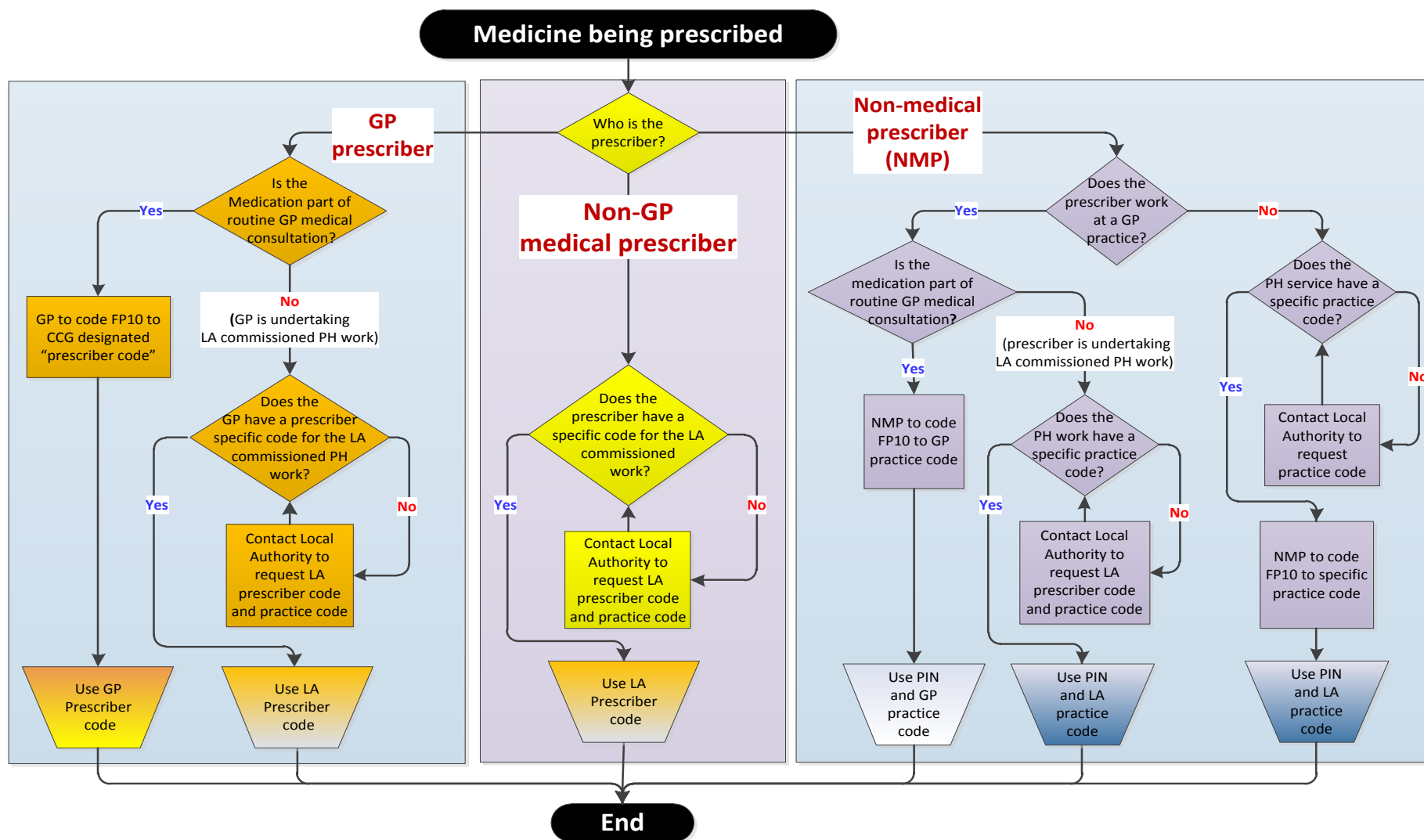
Local authorities need to apply for ODS codes as commissioners of public health services by contacting the HSCIC on their National Helpdesk Exeter on 01392 251289 or email [Exeter.helpdesk@hscic.gov.uk](mailto:Exeter.helpdesk@hscic.gov.uk). Local authorities must obtain an ODS code from HSCIC before requesting prescriber and practice codes from NHS Prescription Services.

Any prescribing under a local authority commissioned public health service will require a practice code to allow the prescribing costs to be captured. At least one practice code should exist for each LA contract between a commissioner and a provider where the service requires the use of FP10 prescription forms.

Where a GP is providing a service commissioned by the local authority they will need to be linked to ODS codes, which will be different and separate to the GP's practice code issued for services as part of GP contracts.

Diagram 1 shows the process of obtaining codes for different prescribers.

Diagram 1 – Process of obtaining codes for different prescribers





## 7. Access to FP10 prescription forms

After registering with NHS Prescription Services as above, local authorities wishing to order FP10 prescription forms for public health services will need to register with 3M by emailing [NHSforms@mmm.com](mailto:NHSforms@mmm.com). They are the contract holder for printing the FP10 prescription forms.

3M will need to get validation from the NHS Forms Contract Management Team that the local authority has been registered with NHS Prescription Services and has been given the appropriate ODS coding for recharging of prescribing and dispensing costs.

### 7.1 Process for ordering prescription forms

- Local Authority registers with 3M
- 3M will provide a template to local authorities, which will need to be completed to confirm user, delivery, invoicing and access right details.
- Local authorities will need to identify at least one user as a “Reports User”. The “Reports User” is the only person who can add or change a user and/or delivery details.
- The “Reports User” may not necessarily order the prescription forms. However, they should hold a position of responsibility with sufficient seniority, responsibility and autonomy to make such decisions.
- All other users will **only** be allowed to place orders. They will not be permitted to add or change users or delivery details.
- Users who are entitled to order prescription forms will need to be annotated as requiring, “secure catalogue access” on the 3M registration template.
- Local authorities should send the completed templates to 3M, who will verify the details.
- 3M or the NHS Forms Contract Management Team may subsequently contact the local authority or provider organisation if anything needs to be clarified as part of the verification process.
- Once users have been registered on the 3M system, 3M will email each user providing a link to the ordering website and provide details of the next steps.

## 8. Governance and security of prescription forms

Local authorities and the provider organisations, from whom services are commissioned, will be responsible for ensuring that prescription forms are held and managed securely. Prescription forms are at risk of fraudulent use or counterfeiting.

Stolen prescription forms, or whole pads, can be used to obtain medicines illegally, either for personal use or for the purpose of selling them on to a third party. These medicines if used unsupervised, can put the health of individuals at significant risk.

Local authorities should undertake the following to ensure the security of prescription forms:

- Develop a prescription security awareness culture.
- Ensure that robust policies and procedures are in place to manage the effective security of prescription forms.
- Designate a member of staff to accept overall responsibility for overseeing the whole process – from the ordering, receipt, storage and transfer to the prescriber and overall security of prescription forms.
- Provide secure lockable storage for prescription forms.
- Restrict access to prescription form stock to prescribers and authorised staff **ONLY**.
- Where loss or theft of prescription forms is suspected, the police should be informed immediately.
- Deliveries of prescription form stock should be by authorised couriers only and handed over against a signature.
- Stock that is spoiled or no longer required should be kept for audit purposes. Personalised forms that are no longer required should be securely destroyed, e.g. by shredding before putting into confidential waste. An appropriate record of the forms destroyed should be kept. Ideally the destruction should be witnessed by another member of staff.
- A record should be kept of the serial numbers of prescription forms received, supplied and destroyed.
- Frontline mobile staff, who are authorised to carry prescription forms should be warned of the potential dangers associated with the number of prescription forms

carried on their person and carrying/leaving prescription forms unattended in vehicles or elsewhere.

Further guidance and advice on the secure management of prescription form stock can be found in the NHS Protect guidance at <http://www.nhsbsa.nhs.uk/3641.aspx>

The guidance is intended as a template, on which local protocols and procedures can be based.

## 9. Payment, charging and apportionment arrangements

NHS Prescription Services calculates and makes the payments to community pharmacies, and dispensing appliance contractors, as well as calculating the payments to be made to dispensing doctors, for the provision of NHS Pharmaceutical Services. The nature and level of these payments is set out in the Drug Tariff<sup>1</sup>.

Where an organisation, other than NHS England in commissioning primary medical services, chooses to use pharmaceutical services to supply medicines and appliances to patients who access their service, the costs of the pharmaceutical service provision supplied in response to the patient presenting a prescription form FP10 to a pharmacy, Dispensing Doctor practice or appliance dispensing contractor will be recharged to the relevant organisation.

The recharge will be made up of the following components:

1. The actual cost of the medicine or the appliance supplied
2. The fees associated with the dispensing of the medicine or appliance, and
3. A 'Service Availability Cost', which is a reasonable contribution towards the overall costs of the scheme. This element includes the costs that are not attributable to a specific prescription and also includes credits for patient prescription charges collected. For more information see Annex C of NHS and LA Reforms Factsheet 4: Payment, charging and apportioning arrangements of costs associated with NHS Pharmaceutical Service provision from 1 April 2013

The 'relevant' organisation to be recharged can either be the provider or the commissioner, depending on the nature of the local contract between the provider and the commissioner. Commissioners include local authorities and Clinical Commissioning Groups (CCGs). Providers include acute trusts and prisons. The appropriate organisation will be sent an

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<sup>1</sup> Regulation 89 of the National Health Service (Pharmaceutical Services and Local Pharmaceutical Services) Regulations 2013 (SI 2013/349) or under any corresponding provision replacing, or otherwise derived from, that regulation.

invoice from the NHSBSA. Further details on Payment, charging and apportionment arrangements is available in Factsheet 4 found at <http://www.nhsbsa.nhs.uk/PrescriptionServices/3918.aspx>

## 10. Prescription charges

The NHS (Charges for Drugs and Appliances) Regulations 2000 provide the prescription charge in England and describe the prescription charge exemption arrangements.

### 10.1 Patients paying for prescriptions

A prescription charge is collected per item from patients at the point of dispensing medicines or appliances. Once a prescription has been dispensed, the prescription form FP10 is sent to NHS Prescription Services for the contractor to be paid the cost of the items and all the associated costs for dispensing the items.

Prescription charge incomes will be attributed in the following way:-

- GP contract prescription charge income will be attributed to NHS England.
- Non-GP contract prescription costs will be attributed to the relevant organisation.

Note: If a service to supply medicines is commissioned outside of NHS Pharmaceutical Services, the contract must ensure that the provider is reimbursed less any prescription charge they have collected.

### 10.2 Patients not paying for prescriptions

When a patient (or their representative) states they do not have to pay a prescription charge, the pharmacy staff members are required to carry out Point of Dispensing checks (POD), this involves asking patients if they have evidence to support their exempt claim. Where a patient (or their representative) states they are exempt from NHS Prescription charge they are required to sign the declaration. If the patient does not provide evidence for their entitlement to exemption, the pharmacy should mark the 'evidence not seen' box on the reverse of the FP10 prescription form. Where patients are unsure about their entitlement, the pharmacy should ask for payment and should supply the patient with a refund form (FP57).

No prescription charges can be made for prescribed contraceptives, or where a supply of medicines is provided to treat a sexually transmitted infection, tuberculosis or to treat a mental disorder where the person is subject to a community treatment order and the supply is made directly by a service arranged by an NHS body or a

local authority under the NHS Act 2006, or where supply is made under a patient group direction.

There are other situations where patients may be able to seek support with health costs, which are described in the leaflet HC11;

<http://www.nhs.uk/NHSEngland/Healthcosts/Documents/hc11-april-2013.pdf>

### 10.3 Prescription refunds (FP57)

A patient may request a refund and receipt form if they think they might be exempt from prescription charges, or if they have applied for a prescription charge exemption certificate or a prescription pre-payment certificate.

The refund and receipt claim form (FP57) should not be left in locations where they can be accessed by the public. They should be locked away when not required. If a form disappears it should be reported in the same way as a loss of a prescription form FP10. These forms can only be ordered through the prescription form order route.

An FP57 can only be issued at the time the charge is paid. Part A must be fully completed by the dispenser or an authorised member of staff. Once the patient has evidence of entitlement they may take the completed refund form to any community pharmacy to obtain their refund.

## 11. Further information

NHS Prescription Services provides a variety of information on prescribing and dispensing related data to NHS stakeholders and the general public. This information is based on prescriptions written by GPs and other prescribers that were dispensed in primary care by pharmacies, dispensing doctor or appliance contractors in England.

From April 2013, local authorities will be able to access information from NHS Prescription Services. The way in which an organisation sets up its codes with NHS Prescription Services will determine the levels of data it is able to obtain from the system. The main services and reports local authorities can access are:

Electronic Prescription and Cost trend Analysis (ePACT)	A service which allows on-line analysis of the previous sixty months prescribing data.
Prescribing Monitoring Document ( <a href="#">PMD</a> )	Monthly financial information about prescribing costs against prescribing budgets.

Itemised Prescribing Payment Report ( <a href="#">IPP</a> )	Monthly apportionment of each month's drug costs.
<a href="#">Remuneration Reports</a>	Monthly remuneration costs relating to prescribing that was dispensed by pharmacy and appliance contractors.
<a href="#">Prescribing Comparators</a>	A range of reports which enables users to compare prescribing performance against other prescribing organisations using predefined drug lists and indicators.
Prescribing Monitoring Document ( <a href="#">PD2</a> )	A quarterly summary of prescribing. It helps identify prescribing that warrants further analysis through the ePACT.net service.
<a href="#">Prescribing report</a>	Allows the comparison and measurement of their prescribing against local and national values.
<a href="#">Repeat dispensing report</a>	A report to monitor the cost and number of prescriptions under the repeat dispensing initiative for each prescriber and practice within a Primary Care Organisation.

To gain access to NHS Prescription Services Information Systems there is a registration process to complete. More information can be found on the entry page of each system. These can all be accessed from, <http://www.nhsbsa.nhs.uk/PrescriptionServices/3162.aspx>

NHS Prescription Services holds monthly open days so that customers can see how they process prescriptions. More information about these open days is available at <http://www.nhsbsa.nhs.uk/1984.aspx>

## 12. Contact details

3M NHS Forms Contract Supplier	<a href="mailto:NHSforms@mmm.com">NHSforms@mmm.com</a>
NHS Contract Management Team	<a href="mailto:Les.davison@nhs.net">Les.davison@nhs.net</a> or <a href="mailto:juliehickling@nhs.net">juliehickling@nhs.net</a>
NHS England	Tel : 0300 311 22 33 <a href="mailto:england.contactus@nhs.net">england.contactus@nhs.net</a>
Department of Health Public Health team	<a href="mailto:PublicHealthPolicyandStrategy@dh.gsi.gov.uk">PublicHealthPolicyandStrategy@dh.gsi.gov.uk</a>
Department of Health Pharmaceutical team	<a href="mailto:Gul.Root@dh.gsi.gov.uk">Gul.Root@dh.gsi.gov.uk</a>
GP Systems of Choice <sup>2</sup>	National Clinical Lead – GP <a href="mailto:Manpreet@hscic.gov.uk">Manpreet@hscic.gov.uk</a>
Public Health England	<a href="mailto:Julian.Brookes@phe.gov.uk">Julian.Brookes@phe.gov.uk</a>

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<sup>2</sup> GP Systems of Choice is a scheme through which the NHS will fund the provision of GP clinical IT systems in England. For practices included in GPSoC, Health and Social Care Information Centre will pay the supplier charges for the core software licence. HSCIC will also fund the incremental licence charges and deployment charges associated with HSCIC functionality, such as Choose and Book, GP2GP, Electronic Prescribing and the Summary Care Record.

## Annex 1 – Independent and supplementary practitioners

### Independent prescribers are:

- **doctors**, such as your GP or a hospital doctor
- **dentists**, who may prescribe medicines to treat a condition affecting your teeth
- **nurse independent prescribers** (including midwives), who can prescribe any medicine for any medical condition within their competence. This includes controlled drugs (those that are controlled under the Misuse of Drugs legislation) listed in Schedules 2 - 5, with the exception of diamorphine, cocaine and dipipanone for the treatment of addiction
- **pharmacist independent prescribers**, who can prescribe in the same way as nurses.
- **optometrist independent prescribers**, who can prescribe any licensed medicine for conditions that affect the eye and surrounding tissue, but cannot prescribe any controlled drugs independently

With effect from August 2013, physiotherapists and podiatrists are also able to train as independent prescribers, although the first trainees are not expected to qualify and register until 2014.

### Supplementary prescribers are:

Those who can prescribe any medicine for any medical condition within their competence, in accordance with a clinical management plan agreed with an independent prescriber and the patient, i.e.:

- nurses/midwives
- pharmacists
- podiatrists (foot care specialists)
- physiotherapists (healthcare professionals who use physical techniques, such as massage and manipulation, to promote healing)
- diagnostic and therapeutic radiographers (specialists in using medical imaging techniques, such as X-rays)
- optometrists (healthcare professionals who examine eyes, test sight and prescribe and dispense glasses and contact lenses)

Non-medical prescribers (i.e. prescribers other than doctors) can only qualify as prescribers following additional post-registration training and annotation on the relevant professional register.