

Community Pharmacy: Briefing on current issues

1. Background and context to paper

- 1.1 Community pharmacies are an integral component of the provision of healthcare in the UK. 1.2 million visits are made to community pharmacy for health related reasons each year. The strengths of community pharmacy are their accessibility in terms of location and long opening hours to services such as medicine supply, health promotion and signposting to health and social care services. In deprived population, people who may not be accessing conventional NHS service do access community pharmacies¹.
- 1.2 In December 2015, the Department of Health and NHS England set out proposals to change how Community Pharmacy is delivered in England and also announced a 6% reduction in funding to Community Pharmacies from 2016/17. The role of Community Pharmacy is also integral to the new models of care set out in the National NHS Five Year Forward View and, more locally, within Transforming Services Together plans to promote self-care and develop a more integrated primary care system across Tower Hamlets, Newham and Waltham Forest.

2. Purpose of paper

- 2.1 The Tower Hamlets Health Scrutiny Panel has requested a briefing on the role of community pharmacies specifically focussing on the following questions:
 - What is the role of community pharmacies and where do they fit in the healthcare system?
 - What cuts to community pharmacy funding are proposed nationally and what might be the impacts be on the community and on resident's access to healthcare?
 - What other changes to community pharmacies are planned and what impact will these have on residents access to healthcare?

¹ <https://www.england.nhs.uk/wp-content/uploads/2013/12/community-pharmacy-cta.pdf>

3. What is the role of community pharmacies and where do they fit in the healthcare system?

National picture and policy²

3.1 The core roles of community pharmacies are:

- Dispensing medicines
- Advising on medicines use
- Promoting good health and supporting prevention
- Supporting people to look after themselves

3.2 The scale of delivery of community pharmacy services is substantial:

- There are 1.6 million visits a day of which 1.2 million are for health reasons
- Around 1 billion medicines are dispensed in community pharmacy every year
- £8 billion is spent every year in primary care on NHS medicines
- Prescriptions are growing at a yearly rate of 2.5%

3.3 The direction of travel is moving towards more integrated local models:

- Optimising medicines usage
- Supporting people with long term conditions
- Treating minor illness and injuries
- Taking referral from other care providers
- Preventing ill health
- Supporting good health

3.4 Specifically, the Department of Health has set out a vision for 'pharmacy at the heart of the NHS':

'The vision is for community pharmacy to be integrated with the wider health and social care system. This will help relieve pressure on GPs and Accident and Emergency Departments, ensure optimal use of medicines, will mean better value and patient outcomes. It will support the promotion of healthy lifestyles and ill health prevention, as well as contributing to delivering seven day health and care services'

3.5 This involves a range of developments in the roles of community pharmacists and pharmacies:

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https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/495774/Community_pharmacy_in_2016-17_and_beyond_A.pdf

- Pharmacists enabled to practice more clinically
- Clinical pharmacists in GP practices working alongside GPs
- Clinical pharmacists working in care homes working with residents and staff
- Clinical pharmacists helping patients with urgent problems, at the end of a phone
- Making it easier for patients to get prescriptions eg via internet
- Freeing pharmacists to support patients to make the most of their medicines and take care of their health

Local picture³

3.6 The Health and Social Care Act requires every council to produce a Pharmaceutical Needs Assessment (PNA). The Tower Hamlets PNA was published in 2015 and assesses the provision of pharmacy services with respect to pharmacy services.

3.7 The key findings of the Tower Hamlets PNA were as follows

- Features of the current pharmacy network (as in 2015)
 - 48 pharmacies provide a wide range of services alongside 36 GP practices
 - 19 pharmacies per 100,000 population which is fewer than the rest of London (23) and England (22)
 - Pharmacies in Tower Hamlets tend to dispense a higher number of prescriptions each than elsewhere
 - 95% of prescriptions issued by GPs in Tower Hamlets are dispensed by pharmacists in the borough
 - Community pharmacies in Tower Hamlets provide a range of locally commissioned or additional services:
 - The Council provide a range of services through the Public Health Grant (smoking cessation, sexual health and substance misuse services) and also through Adult Social Care which delivers a prescription scheme through pharmacies for Community Equipment services (Transforming Community Equipment Services)
 - NHS England commission a targeted Medicine use review including medical use review
- Public perceptions (from focus groups)
 - Pharmacies are perceived to have friendly and helpful staff who build trust with customers

³ http://www.towerhamlets.gov.uk/Documents/Public-Health/JSNA/Pharmaceutical_needs_assessment_report_2015.pdf

- Pharmacies are considered to be convenient in terms of opening hours and accessibility for 'dropping in' for advice
 - There is appreciation of different languages spoken in pharmacies
 - Areas for improvement included information (eg services available, opening hours), confidentiality and staff training
- Demand
 - Evidence indicates that there is currently sufficient capacity across the borough for essential pharmacy service
 - Population growth in the borough will increase the need for future pharmacies to maintain current provision per head particularly in high growth areas
- 3.8 Overall, the impression is of a high quality network of community pharmacies across the borough providing a vital service and an accessible source of advice and support for residents.

4. What cuts to community pharmacy funding are proposed nationally and what might be the impacts be on the community and on resident's access to healthcare?

National Context - 'Bringing Pharmacy into the Heart of the NHS'⁴

- 4.1 In 15/16, the NHS committed £2.8bn on funding for community pharmacy (a median average of £220,000 a year per pharmacy)
- 4.2 The Department of Health have noted the following
- The numbers of pharmacies have grown by 20% since 2003 (from 9,748 to 11,674)
 - There has been low uptake of digital channels providing pharmacy services
 - 40% of pharmacies are in clusters of 3 or more and are within 10 minutes' walk of 2 or more other pharmacies
 - Technology is being use for prescriptions at individual/cluster level or by large organisation but not uniformly
- 4.3 In the context of the Five Year forward view highlighting the £30 billion deficit if current patterns of provision and funding continue, community pharmacies are seen as an integral part of the new model of care relieving pressure on other elements of the system (eg general practice, urgent care) through the developments outlined in 3.3

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https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/495774/Community_pharmacy_in_2016-17_and_beyond_A.pdf

4.4 At the same time, the Government has identified areas of efficiencies in community pharmacy that it considers would not compromise quality of services or access. It argues that:

- there are more pharmacies than are necessary to maintain good patient access
- NHS funded pharmacies qualify for a complex range of fees regardless of the quality of service and levels of efficiency of that provider
- more efficient dispensing arrangements remain largely unavailable to pharmacy providers.

4.5 Based on these considerations, it has announced that the total funding commitment for pharmacies under the community pharmacy contractual framework will be no higher than £2.63bn compared to £2.8bn in 2015/16.

4.6 Linked to this, it has proposed changes in community pharmacy aiming to:

- integrate community pharmacy and pharmacists more closely within the NHS
- modernise the system for patients and the public to make the process of ordering prescriptions and collecting dispensed medicines more convenient and offering choice in how they receive their prescription
- ensure the system is efficient and delivers value for money
- maintain good public access to pharmacies and pharmacists

4.7 Specific proposals are to:

- Introduce a Pharmacy Integration Fund (PhIF) as the primary means of driving transformation of the pharmacy sector to embed medicines optimisation and the practice of clinical pharmacy in primary care focussing initially on deployment of clinical pharmacists in a range primary care settings.
- Ensure that the regulatory framework and payment system makes online, delivery to door and 'click and collect' pharmacy easier including introducing a new 'terms of service' for distance selling pharmacies
- Make efficiencies by
 - phasing out the 'establishment payment' (£25,000 paid to all pharmacies dispensing 2,500 or more prescriptions a month - arguing that this level is low and easy to meet and does not act as an incentive for improvement)

- introducing 'hub and spoke' dispensing models to capture efficiencies from large scale automated dispensing, reduced stock holding locally that would reduce operating costs of local pharmacies
- Encouraging longer prescription durations where clinically appropriate eg 90 days for stable long term condition management (rather than the current norm of 28 days)
- Introduce a Pharmacy Access Scheme in which areas where pharmacies are particularly important for patient access will be required to make smaller efficiencies based on criteria around deprivation, age, disability, health need, birth rates, ethnicity and social housing level.

Pharmaceutical Services Negotiating Committee response⁵

- 4.8 These changes were set out by the Department of Health in December 2015 to the Pharmaceutical Services Negotiating Committee (PSNC) which is the official body responsible for representing the interests of all the NHS community pharmacies in England.
- 4.9 The PSNC responded to the Department of Health and NHS England in May 2016 in a letter that, whilst recognising the case for reshaping the community pharmacy service, highlighted significant concerns with the proposals.
- 4.10 The key issues the PSNC highlighted were as follows:
- Lack of clarity from the Government on the scale of closures of community pharmacies it wishes to achieve
 - Many services such as extended hours of opening, home delivery services and supply of medicines in 'compliance aids' (ways to ensure they are taken properly) are provided voluntarily and free of charge and that discontinuation of these service would add to the burden on other services
 - Clustering of pharmacies is not necessarily indicative of overfunding of the service as when a pharmacy closes the services for its patients transfers to other pharmacies and the costs do not disappear and there is also a reduction in choice for patients
 - Having pharmacists working in general practice will not provide the support and care provided by community pharmacy and underplays the ability of community pharmacy to offer more to communities eg pharmacies working with acute trusts on newly discharged patients

⁵ <http://psnc.org.uk/wp-content/uploads/2016/05/PSNC-response-to-the-letter-Community-pharmacy-in-2016-17-and-beyond.pdf>

- Simplification of remuneration of pharmacy fees to a Single Activity Fee and removal of the Establishment Fee removes levers to incentivise desired behaviours (unlike remuneration arrangements for GPs)
- The proposals to drive remote, automated supply services and bypass the community pharmacy network are untested and there is a lack of evidence that this will result in cost savings
- Current experience of online, remote pharmacy service provision has not been encouraging as the impact of problems in supply change such as failure of the automated dispensing system have large scale impacts making the system vulnerable to unforeseen events such as extreme weather impacts on delivery
- It is not clear that the provision of 'remote pharmacy services' is in line with patient preference as their current market share is currently low and ' patients generally prefer to use a local pharmacy, where they can establish a relationship, sometimes quite a close one for patients with significant health needs, and they should not be pressured to accept a remote and impersonal service provider'
- It is possible for the NHS to improve care and make savings by developing services from pharmacies such as minor ailment, people living with long term conditions, promotion of healthy living and provision of urgent supplies of repeat medicines directly from community pharmacy

4.11 In conclusion, the PSNC considered that the proposal constitutes a 'major threat to the future availability to the public of an easily accessible source of informed health care, support and advice'.

4.12 In June 2016, the Government announced that it would engage further with the PSNC and other stakeholder before making any changes to the legislation on 'hub and spoke' dispensing and has delaying changes to beyond the previously planned date of October 2016.

Local Government Association response⁶

4.13 The Local Government Association (LGA) responded to the proposals and highlighted a concern that the focus on the integration of

⁶ <http://www.local.gov.uk/documents/10180/11493/LGA+response+to+the+consultation+-+putting+community+pharmacy+at+the+heart+of+the+NHS/5e2c3839-b1be-4fdc-bfbc-367ff121258f>

community pharmacy with the NHS ignores the role pharmacy as an important social and economic asset.

- 4.14 It highlighted that community pharmacies are one of the core businesses which can 'make a difference between a viable high street and one that fails commercially'. This is particularly important at time in which traditional high streets find themselves under pressure from a wide range of powerful economic, technological and social trends.
- 4.15 The LGA also highlighted the importance of community pharmacies as a social asset. It pointed out that community pharmacies are often patients' and the public's first point of contact and, for some, their only contact with a healthcare professional. This may be particularly the case in areas of deprivation.
- 4.16 It noted also the common purpose between community pharmacy and local government around delivery of public health services, supporting independence, sustaining communities and as a hub for signposting people to services.,

5 What other changes to community pharmacies are planned and what impact this will have on residents access to healthcare?

Transforming Services Together and the role of community pharmacies⁷

- 5.1 The Transforming Services Together (TST) Programme sets out the strategy for transformation of the health and social care economy across Tower Hamlets, Newham and Waltham Forest. This sits under the umbrella of the North East London Sustainable Transformation Plan (STP) under development.
- 5.2 The role of community pharmacy is integral to its plans particularly within three of the high impact initiatives to shift care closer to home:
 - Putting in place an integrated care model - community pharmacist are an integral part of an integrated NHS 111, pharmacy and primary care 'virtual hub' with increasing roles around minor ailments and independent prescribing
 - Improving end of life care - community pharmacy provides 24/7 services as part of an integrated model of integrated end-of-life services
 - Improving access, capacity and coordination in primary care - community pharmacies are routine settings for patients to get care

⁷ <http://www.transformingservices.org.uk/strategy-and-investment-case.htm>

for minor ailments and are able to view and input into shared records with general practices

- 5.3 These changes are being piloted and implemented through the implementation of the TST programme.

The North-East London Local Pharmaceutical Committee - role and vision

5.4 The North-East London Local Pharmaceutical Committee (NELLPC) is formed under the NHS regulations to represent local pharmacy owners (and pharmacists) in North East London. The committee represents all pharmacies in the London boroughs of Barking and Dagenham, Havering, Newham, Redbridge, Tower Hamlets and Waltham Forest and its perspectives are important in shaping the future locally for community pharmacy.

5.5 In responding to the Government proposals, the NELLPC agreed that there is a need to reshape community pharmacy to support local and health care services highlighting issues such as non compliance with medications, prescribing errors, wastage and potential of community pharmacy to promote health through behaviour change.⁸

5.6 However, it has also set out a position that in some areas differs from that of national PSNC. Specifically, in setting out a vision for the future of community pharmacy that:

- prioritises the development of the clinical and public health skills of pharmacists
- repositions community pharmacy as a clinical profession complementary to GP
- proactively offers support for community development and voluntary organisations
- strengthens hospital discharge schemes linking community pharmacy to primary and secondary care
- addresses the community pharmacy role in addressing mental health
- takes on repeat prescribing with robust governance and audit systems
- effectively supports patients with comorbidities (more than one condition)
- trains staff to support carers and patients around community equipment and daily living aids supporting independent living

5.7 It has set out this vision in a document entitled 'Self Care Pharmacy' and elements of this are being piloted across North East London.⁹

⁸ <http://nellpc.org.uk/?p=13312>

⁹ <http://selfcarepharmacy.co.uk/> (and personal communication with Chair of LPC)

6 Discussion

- 6.1 Based on the issues outlined in this document, community pharmacy could be seen as being at a cross roads. As with all services that are funded significantly through the public sector, community pharmacies are facing the twin challenges of reduced resources and the opportunity to innovate and build on the strengths of the existing model.
- 6.2 The current proposals set out by the government remain under consideration but as they stand overall impact on access, choice, value for money and health outcomes is difficult to assess. For example, the reduced funding makes closure of some pharmacies inevitable. At the same time, the use of technology and the opening up on online services may extend choice and access.
- 6.3 Furthermore, if the aspirations for community pharmacy set out in Five Year Forward view and reflected in STPs are to be realised in terms of promoting self-care and reducing pressures on the system, this will require significant engagement of the NHS with community pharmacists collectively to work together on how to make this happen.