

2010-2011 FUNDING FOR COMMUNITY PHARMACY SERVICES

16 March - In 2009-10 Mike O'Brien MP, the Health Minister with responsibility for pharmacy, agreed to permit community pharmacy contractors to retain an excess margin of £190 million. He did so at PSNC's request in order to fund a number of specific non-recurring costs that contractors would incur.

PSNC has since pressed the Department of Health to acknowledge that removal of this excess margin in 2010-11 would have a significant adverse impact on pharmacy contractors' income.

In his speech to PSNC's Community Pharmacy Conference in Birmingham on 15 March 2010, the Minister spoke of his concern to protect the financial viability of pharmacies, and acknowledged the damage that could be caused by any removal of margin.

Following his speech at the Conference, the Minister has now decided to make no overall change to the margin for the first Quarter of 2010. Prices of a number of medicines will change to reflect the inclusion of Clopidogrel in Category M.

Responding to the Minister's decision, Sue Sharpe, Chief Executive of PSNC, said:

"The Minister's decision will be warmly welcomed by community pharmacy contractors. The results of the current Cost of Service Inquiry should be available later this Spring, and this will inform negotiations on future funding needs. At the Community Pharmacy Conference I spoke of pharmacies' willingness and ability to develop further the services they provide for the NHS, provided there is a manageable framework and the funding to support delivery. In the tough financial environment that the NHS now faces, there are immense opportunities for pharmacy to contribute to efficiency gains, if properly resourced. We know that our future negotiations will be tough, but the protection of current income levels is very helpful."

~Ends~

Notes to Editor

1. PSNC (The Pharmaceutical Services Negotiating Committee) is the body that represents community pharmacies in England and Wales on NHS matters.

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