# Pharmaceutical Services Negotiating Committee Funding and Contract Subcommittee Minutes

**Zoom virtual meeting held on Wednesday 20th May 2020 at 10.00am**

**Items are confidential where marked**

**Members:** David Broome, Peter Cattee (Chairman), Tricia Kennerley, Andrew Lane, Margaret MacRury, Has Modi, Garry Myers (Vice - Chair), Bharat Patel, Adrian Price, Anil Sharma

**In attendance:**

David Broome, Peter Cattee (Chairman), Tricia Kennerley, Andrew Lane, Margaret MacRury, Has Modi, Garry Myers (Vice - Chair), Bharat Patel, Adrian Price, Anil Sharma, Simon Dukes, Mike Dent, Jack Cresswell, Suraj Shah, Rob Thomas, Faisal Tuddy, Fin McCaul, Ian Cubbin, Indrajit Patel, Janice Perkins, Jas Heer, Jay Patel, Claire Kerr, Gary Warner, Margaret MacRury, Mark Burdon, Mark Griffiths, Lucy Morton, Niamh McMillan, Reena Barai, Richard Bradley, Samantha Fisher, Sian Retallick, Stephen Thomas, Sue Killen, Sunil Kochhar, Umesh Patel, Gordon Hockey, Zoe Long, Richard Brown, Michael Digby, David Onuoha,

1. Welcome from Chair
2. Apologies for absence

No apologies for absence received.

1. Declarations or conflicts of interest

No conflicts or interests were declared.

1. Minutes of last meeting and matters arising

The minutes of the meeting held on 5th February 2020 were approved.

**ACTION**

1. Additional advance for May 2020

The subcommittee discussed proposals to request extra advance funding at the end of May 2020. A range was considered. The majority of support was to ask for funding close to the maximum range discussed in order to protect the weakest contractors and as insurance against other unknown factors and costs going into June. The final decision on what to ask for will be made at the main PSNC plenary meeting on 21st May.

It was noted that this was based on subjective judgement, given that the impacts from May onwards could only be estimated and would be heavily dependant on how the pandemic developed and the consequential effects it had (including on the supply chain). The proportion of ‘flow-through’ of additional £15m reimbursement added to the June tariff is also not clear, and this would not be received by contractors until the end of August due to the NHSBSA payment lag.

***It was recommended that:***

***PSNC seeks a further cash advance of £50m at the end of May***

1. Report on Pharmacy self-care and signposting audit

The subcommittee and wider Committee members welcomed this piece of work to showcase the level of unpaid work undertaken by the sector. Richard Brown captured all the ideas and suggestions put forward by various members of the Committee and will be in contact with groups and individuals for help with design of this audit. The results of the audit will help to put down some markers as part of the CPCF annual review so DHSC are aware of all the additional work being done by pharmacy teams. This work could lead to new funding models or clinical requests but it is important to note that it is the start of a longer journey ahead.

Potential suggestions could include which members of pharmacy team undertake value added work, whether it highlights further asks of the NHS or potential services. The terminology ‘self-care’ was also queried (whether this should be ‘Pharmacy First’ or something similar). One key risk of the audit is scope creep and this will need to be guarded against.

**REPORT**

1. Remuneration  
   1. Forecast 2019/20 contract sum out-turn   
      The information in the agenda was noted.
   2. Forecast 2020/21 contract sum out-turn

The information in the agenda was noted. The subcommittee discussed the savings from allocated funding for PQS in light of recent item volume growth and related SAF increases which have come under immense pressure.

It was noted that due to a reduction in FP10MDA instalment dispensing intervals a small number of contractors received lesser number dispensing fees for carrying out the same or additional amount of work. Mike Dent confirmed that DHSC/NHSE&I have noted this issue and is on their list of things to discuss.

* 1. C-19 operating cost survey

A question was asked about how independents can provide suitable evidence required to support PSNC’s ask for additional funding. Mike Dent and Rob Thomas explained that a survey monkey for independent contractors was created to capture their costs and a link to this would be shared with those interested in providing data to also help with capturing costs for May, June and July. Data relating to increase in purchase prices above Tariff can be shared with Suraj’s team to help investigate price concessions.

* 1. PoT proposals – C-19

This will be a topic for an upcoming NT discussion group.

1. Reimbursement
2. Category M April 2020 The information in the agenda was noted.
3. Retained margins forecasts   
   The information in the agenda was noted.
4. Original pack dispensing The information in the agenda was noted.
5. Quotas

The information in the agenda was noted.

1. Reimbursement changes

All the recent reimbursement reform meetings that were scheduled have been cancelled as DHSC continues to focus on dealing with impact of Covid-19. PSNC awaits publication of the consultation response before any decision making.

1. Price concessions analysis

The information in the agenda was noted.

1. CPCF
2. PoT discussion document

The information in the agenda was noted.

1. General funding update  
   The information in the agenda was noted.
2. Statistics   
   The information in the agenda was noted.
3. Any other business   
   None