**Summary of Where Costs are Re-charged**

Funding for Essential and Advanced services is determined nationally and payment is administered by NHS Prescription Services.

NHS Prescription Services then re-charges the costs to either:

* the CCG of the prescriber
* NHS England
* other relevant organisations which generate prescriptions which can be dispensed under the national Community Pharmacy contract (e.g. Prisons, Acute Trusts).

The table below provides a summary of where various aspects of pharmacy funding are re-charged to, when prescribed on prescriptions falling under Primary Medical Services:

**Reimbursement**

|  |  |
| --- | --- |
| **Fee** | **Paid by** |
| Drugs / Appliances (including the retained buying profit element of the pharmacy contract funding) | CCG of prescriber1 |
| Out of pockets expenseClaims | CCG of prescriber |
| Payment for consumables and containers | CCG of prescriber |

1 CCGs will be recharged the cost of drugs and appliances less the National Average Discount percentage.

**Remuneration**

|  |  |
| --- | --- |
| **Fee** | **Paid by** |
| Single Activity fee and additional Dispensing fees (including expensive item, Controlled drug, measured and fitted, extemporaneously dispensed, home delivery) | NHS England |
| Transitional Payment | NHS England |
| Quality Payment | NHS England2 |
| PhAS Payment | NHS England2 |
| DMS Fee | NHS England3 |
| NMS Fee | NHS England3 |
| CPCS Fee | NHS England3 |
| Hypertension Case Finding Fee | NHS England3 |
| Hepatitis C Testing Fee | NHS England3 |
| Smoking Cessation Fee | NHS England3 |
| AUR Fee | NHS England4 |
| Stoma ApplianceCustomisation Service | NHS England |
| Pre-Reg training grants | NHS Engand2 |

2 NHS England’s costs are apportioned based on NHS England’s total professional fees as a proportion of total professional fees for all prescriptions dispensed by contractors. Other appropriate organisations (e.g. Prisons, Acute Trusts) will be invoiced by the NHS BSA based on the total of their professional fees as a proportion of total professional fees for all prescriptions.

3 NHS England’s costs are apportioned by dividing the number of medicines paid for by CCGs / NHS England by total number of medicines dispensed by contractors. Other appropriate organisations (e.g. Prisons, Acute Trusts) will be invoiced by the NHS BSA based on their number of medicines divided by total number of medicines dispensed by contractors.

4 NHS England’s costs are apportioned by dividing the number of applicable appliances paid for by CCGs / NHS England by total number of medicines dispensed by contractors. Other appropriate organisations (e.g. Prisons, Acute Trusts) will be invoiced by the NHS BSA based on their number of applicable appliances divided by total number of medicines dispensed by contractors.

For the full information on payment, charging and apportioning arrangements you can access the NHS published guidance here:

 <http://www.nhsbsa.nhs.uk/PrescriptionServices/Documents/PrescriptionServices/NHS_Reforms_factsheet_4_v2.0.pdf>

Alternative link:

<https://www.nhsbsa.nhs.uk/sites/default/files/2017-07/NHS_Reforms_factsheet_4_v2.0.pdf>

Detailed information on the funding arrangements for the national contract can be found on the PSNC website ([www.psnc.org.uk/funding](http://www.psnc.org.uk/funding)).