



The 5-year NHS Community Pharmacy Contractual Framework: Years 4 and 5





Scope of webinar

- Where are we as a sector?
- Years 4 & 5 of the CPCF
- Context to agreeing the deal
- Way forward and how are we going to respond
- Questions



Community pharmacy made an exceptional contribution during the pandemic



Staying open and available to patients throughout – a valued and reliable resource

Delivering on the continuing expansion of the CPCF – CPCS, NMS and DMS

And new services like deliveries for vulnerable patients and lateral flow test distribution

Administering record numbers of flu vaccinations and taking on COVID-19 vaccinations

Coping with new requirements for social distancing, PPE and managing workforce health and wellbeing



Context to the negotiations

- Contractors and their teams are under significant pressure
 - Financial constraints including energy bills and price concessions
 - Workforce shortages
 - Capacity issues
- Concerns about the viability of many pharmacies
- PSNC made bids for significant additional funds and a fully funded Walk-in self-care consultation service
- HM Government refusing to move away from 5-year CPCF deal and refusing to grant inflationary uplifts





What has been agreed: Funding

- Agreement covers the remaining two years of the 5-year deal
- CPCF funding envelope remains at £2.592 billion
- But the deal includes a one-off £100 million excess margin write-off for contractors
 - This was hard-won and means Drug Tariff prices will be relatively higher in the New Year, allowing the sector to keep £100m that would otherwise have been paid back to Government
- Transitional Payments also retained
- And DHSC committed to both reviewing the price concessions system and a wider economic review of the sector

Funding



- The unallocated funding for clinical services will be delivered to contractors through:
 - the growing volume of the new and expanded clinical services
 - the payment of a flat fee to all pharmacy contractors who dispense at least 101 items per month up to a national total of £70 million on an annual basis
 - any remaining unallocated funding will continue to be paid out as a transitional payment until the end of year 5
 - the Service element of the transitional payment will be increased to 75%, calculated based on the total income received by the contractor for Advanced services (excl. flu vac)



Services – modest changes to existing services

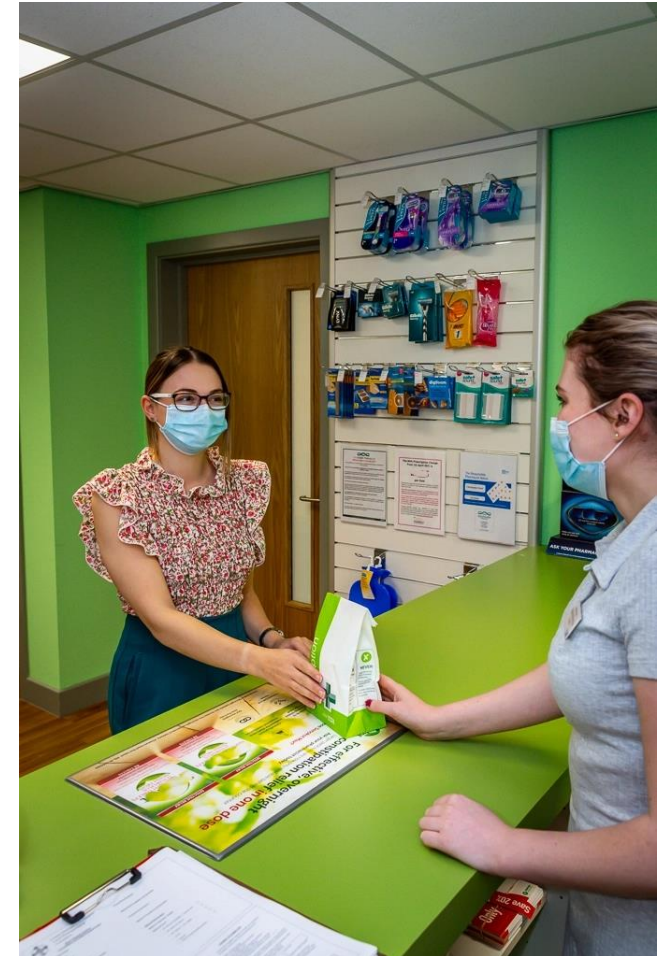
- CPCS – referrals from Urgent and Emergency Care setting
 - minor illness and urgent supply referrals
 - starts March 2023
 - rollout will depend on engagement of EDs and UTCs
- NMS – addition of antidepressants
 - starts 19th April 2023 (subject to successful pilot)
- Hypertension Case-Finding and Smoking Cessation Services
 - Pharmacy Technicians allowed to provide (no change in fees)



A new Advanced service

- Pharmacy Contraception Service
 - Tier 1 – repeat supply of oral contraception via PGD
 - starts 11th January 2023
 - £18 consultation fee
 - £900 setup fee (phased and dependent on hitting some volume targets)

- Tier 2 – initiate oral contraception via PGD
- starts 4th October 2023





Pharmacy Quality Scheme – reduced in scope

- Schemes have been agreed for Year 4 and 5
- Funding of £75m in each year will continue
- New hybrid approach – most points fixed for all contractors
- The schemes aim to consolidate and build on previous criteria to support recovery from COVID-19 and wider national health priorities
- Some repetition of training previously undertaken
- There are no specific roles in the scheme for Pharmacy PCN Leads



PQS Year 4 - summary

- Gateway
 - 20 NMS to be undertaken by 31st March 2023
 - updated patient safety report
- Quality criteria:
 - updated risk review
 - access to PEOLC medicines
 - level 3 safeguarding training and action plan
 - domestic abuse training
 - respiratory interventions



PQS Year 4 - summary

- Quality criteria (Continued):
 - weight management interventions and referrals
 - antimicrobial stewardship – new TARGET leaflets on UTI and URTI
 - cancer awareness training and new risk review



PQS Year 5 - summary

- Gateway
 - 4% of NMS cap
 - updated patient safety report
- Quality criteria:
 - updated risk review
 - defibrillators – location of nearest and risk review
 - repeat of anticoagulant audit
 - access to PEO LC medicines



PQS Year 5 - summary



- Quality criteria (Continued):
 - peer review of safety report
 - respiratory interventions
 - weight management interventions and referrals
 - antimicrobial stewardship – same as year 4 plus advice on safe disposal of unused/expired antibiotics
 - health inequalities – training and collaboration with ICS, PCN or GP practice to develop an action plan to tackle a local health inequality priority



Changes to the regulations

- Mandatory completion of the HEE annual workforce survey
- Requirement to undertake a patient survey removed
- Market entry change to streamline applications for consolidations
- The required notification period for changes to supplementary hours reduced
- Changes will be made to the Pharmacy Manual on fitness information, emergency closures and changing core hours
- Legislative changes on H&S and OPD – consultation on skill-mix
- Regulatory easing





Why PSNC accepted this deal

- **Financial support**

- £100m margin written off delivers critical monies for the sector – which would have been lost if we didn't agree
- up to £70m allocation for TP in recognition of pressures
- NHS England commitment to an economic review
- commitment to an urgent review of the concession prices system

- **Help with capacity issues**

- reduced scope of PQS
- phased launch of Pharmacy Contraception Service
- modest expansion of NMS in line with sector's asks
- greater role for pharmacy technicians in provision of key services
- end the CPPQ and replace with the workforce survey



Our short-term objective to continue to seek relief for the funding crisis



- **We have already started to engage with the new Government** to make our case for more funding
- **Continuing to promote pharmacies as a solution** to one of the Government's top 3 priorities - NHS challenges and particularly GP access
- **Influencing strategy** to engage with wider stakeholders, Parliamentarians and patient groups – those that influence decision-makers
- And seek **short-term measures/rescue packages**:
 - re-direction of current primary care funding pots
 - regulatory easements/relaxation on opening hours etc.
 - business concessions/caps on utility bills
 - workforce pressures/cost

Alternative approaches

- We are increasingly being contacted by contractors about more militant action such as:
 - re-directing patients to GPs via comms/posters etc.
 - working to rule
 - stopping provision of services, e.g. deliveries
 - strikes
- But these options also carry risks in terms of patient acceptability and competition and may be drowned out by strikes and closures in other sectors



Other short and medium term options

- **Review how price concessions are being set** as a matter of urgency – this has started with DHSC
- **Pursue promised efficiency reforms** which are yet to be delivered and could create headroom for contractors: supervision; skill mix; original pack dispensing
- **Economic review** – to establish real cost/benefit of services – needs to be meaningful
- **Investigate alternative models** for the Drug Tariff
- **Explore options for developing models for local commissioning** and funding from outside of the CPCF





Our long-term goal

- **A complete re-think of the CPCF** and of community pharmacy as part of primary care
- **Articulating a new strategic vision** shared with NHS England and DHSC
- **And a fundamental re-think of how we are funded** and can plan for future sustainability
- Underpinned by a **wider stakeholder engagement and influencing strategy**
- This is critical long-term work, as well as reforms to PSNC and LPCs and is in progress as part of the TAPR work programme



Questions

- Further information available at psnc.org.uk

- Digital guide to Year 4 PQS coming soon



The screenshot shows the PSNC website homepage. At the top, there is a navigation bar with the PSNC logo, the text 'Pharmaceutical Services Negotiating Committee', a search bar with the placeholder 'Hello, what are you looking for today?', and a 'Contact Us' link. Below the navigation bar is a horizontal menu with links for 'Quick Links', 'PSNC & Negotiations', 'Funding & Reimbursement', 'Quality & Regulations', 'Dispensing & Supply', 'National Pharmacy Services', 'Digital & Technology', and 'LPCs & Local'. The main content area features a large banner for 'Five-Year CPCF' with the PSNC logo and a colorful arrow graphic. To the left of the banner is a news article titled 'Contractor Announcement: CPCF arrangements for 2022/23 and 2023/24 agreed', dated 22nd September 2022. To the right is another article titled 'September 2022 Price Concessions 5th Update', dated 30th September 2022. Below the banner are four smaller news articles: 'Margin and fee adjustments for 2022/23 and 2023/24' (dated 30th September 2022), 'PSNC publishes 2021/22 annual report' (dated 30th September 2022), 'Further extension to SSPs for Estraderm MX® 25mcg and 100mcg patches' (dated 30th September 2022), and 'Amendment to notice periods required for changing supplementary hours' (dated 30th September 2022). The bottom of the page features a decorative bar with colorful rounded rectangles.