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Medicine Shortages: A Briefing for ICSs, GPs and other NHS prescribers

Community pharmacies in England dispense over 1 billion prescription items every year, with patients relying on access to these medicines for their health and wellbeing. However, the growing number of medicine supply issues caused by factors such as manufacturing problems and global market share is a cause for great concern.

The current situation for pharmacies

Pharmacy teams spend a lot of time trying to source prescription medicines as cost-effectively as possible, saving the NHS millions every year. However, the growing number of medicine supply problems is making this task tougher and tougher, with nine in ten pharmacy teams telling us that they are dealing with medicine supply issues on a daily basis.

There has been national media coverage of the impact of these issues in the past year:

Medicine shortages reported to Government increase by 70% since 2021 | Pharmaceutical Journal

Epilepsy medicine shortages continue | Epilepsy.org.uk

NHS medicines shortage putting lives at risk, pharmacists warn | The Guardian

Record number of drugs hit by supply problems, trade body warns | The BMJ

<u>ADHD diagnoses are booming — but drugs are running out | The Sunday Times</u>

<u>Pharmacies sound the alarm over 'devastating' condition of community amid medicine supply</u> issues | Independent

Pharmacies on 'brink of collapse' in England | Channel 4 News

Pharmacy owners have recently **rated medicines supply instability as being the most severe pressure** facing their businesses. Such instability places unsustainable operational and financial





pressures on pharmacies, prescribers, and the wider NHS, but more worryingly generates a lot of frustration and concern for patients.

The results of our <u>2023 Pharmacy Pressures Survey</u> highlighted just how severe the financial and operational pressures facing pharmacies are, as well as the extent of the medicine supply issues:

- 92% of pharmacy teams are dealing with medicine supply issues daily, an increase from
 67% in the 2022 pressures survey;
- Almost all pharmacy owners (97%) reported significant increases in wholesaler and medicine supply issues; and
- 71% reported significant increases in delays in prescriptions being issued.

Managing supply issues

Whilst some supply issues can be localised, medicine shortages are often a national (and sometimes global) problem which can affect both the availability and pricing of medicines. They have been a growing issue following years of turbulence across supply chains with impacts linked to Brexit, COVID-19, war in Ukraine, and wider economic instability.

This situation is largely outside of the pharmacy sector's control, but **pharmacy teams will do everything they can to make sure their patients get the medicines they need** with reasonable promptness. This includes, but is not limited to:

- Contacting multiple suppliers, including reaching out to manufacturers directly, to try to find the medicine;
- 'Staged' or part-dispensing (where they may just give some of the medicine and ask the patient to come back to collect the rest later);
- Signposting patients to other local pharmacies they may hold stock; and
- Utilising <u>Serious Shortage Protocols (SSPs)</u> issued by the Health Secretary.

As a last resort, and to ensure the patient receives treatment in a timely manner, **the** pharmacist may liaise with the prescriber to ask them to amend a prescription or find another medicine that may be a suitable alternative.



Medicines supply and pricing

Pharmacy funding has not been increased to recognise the higher workload pharmacy teams are having to undertake as a result of managing increasing supply chain fragility, and pharmacy teams are being stretched increasingly thinly to do this. Also, due to increased demand, some medicines in short supply can only be purchased at prices significantly above those listed in the Drug Tariff.

The way that pharmacies are reimbursed for dispensing medicines for NHS prescriptions is fairly inflexible. For example, if a prescription requests a generic medicine, the pharmacy will only be paid for the cost of the generic – even if a more expensive brand is the only version that they can obtain. There is no mechanism in the Drug Tariff for pharmacies to endorse a generic prescription to recognise the cost implications of dispensing a branded version of that medicine.

One mechanism that could help with this and other price rises is the concessionary price system, which enables community pharmacies to be automatically reimbursed at a higher price than that listed in the NHS Drug Tariff. Putting such a concession in place takes time and any applications made are not guaranteed to be accepted by the Department of Health and Social Care (DHSC).

In 2023, on average, 150 medicines a month were granted a price concession, compared to an average of 124 per month in 2022. You can read more about the concessions system on our Medicines Supply and Price Concessions Resources page.

However, even where a price concession is granted, there is also a consideration of the degree of loss the pharmacy should incur. The implicit regulatory structure is for pharmacy businesses to remain viable, therefore it would not be reasonable to expect pharmacies to dispense at great losses, as can be the case when supplying branded medications against generic prescriptions. Regional variation and some supply and pricing issues can also affect individual pharmacies much more than others, making it impossible for these national measures to be of use.

Whilst dispensing at a loss does happen, it should not be a regular occurrence and **pharmacies** should not be expected to fund the gap between reimbursement and purchasing prices.

The £800m allowed medicines margin is part of community pharmacy's core overall funding, it is not simply profit for pharmacy businesses. This allowance does not act as a protective adjustment mechanism and would not recognise or 'true up' at market level the cost of



dispensing branded medicines against generically written prescriptions (with the funding to deliver NHS pharmaceutical services instead being diverted to pay for additional medicine costs were pharmacies to do this).

Additionally, given the enormous inflationary growth experienced in the UK economy in the past five years, as well as the continued growth in the number of prescriptions dispensed by pharmacies, the margin allowance which has not increased since 2014 is no longer adequate.

Prescribing behaviour changes that can help ease supply disruptions

Pharmacy teams are trying their best to provide care to your shared patients in difficult circumstances. Along with their colleagues across the NHS and particularly primary care, they are facing similar workload challenges. The following steps can provide a little support in easing the pressure of medicine supply issues:

- Where appropriate, prescriptions should be written generically to allows pharmacies to dispense any product that is available.
- Prescribers are also requested to resist issuing prescriptions with extended treatment durations as this could exacerbate any supply issues.
- Meanwhile, patients should be encouraged to order repeat prescriptions in good time
 (but no more than 7 days before it is due), and to only re-order medicines they need.
- It may be useful for practices to arrange a set time of day when local pharmacy teams can raise issues and/or provide an alternative phone number for pharmacies so they can avoid obstructing lines intended for patients.

Sometimes GPs may be asked to change prescriptions without knowing what alternatives are available. In these circumstances, it is recommended that **prescribers work with local pharmacists to find suitable alternatives**. Pharmacists are experts in medicines and are likely to have knowledge of the current supply situation for many commonly prescribed items.

Contingency planning and improvements

As a representative body for pharmacies, we at Community Pharmacy England are in regular contact with DHSC to help monitor and mitigate medicine supply issues where possible. We are





also working with DHSC and NHS England to find mutually appropriate solutions for pharmacy owners and the NHS, as well as working with organisations such as Healthwatch to raise awareness of the difficulties pharmacies are facing in trying to obtain out of stock medicines.

However, it is our firm belief that **NHS and Government must take action to steady the UK medicines supply chain**, and to protect community pharmacies and their patients from the ongoing volatility in the market.

Unfortunately, it's not a problem that will be solved anytime soon and so **we implore prescribers to show understanding** when local pharmacy teams ask them to amend prescriptions or consider alternatives. They are doing this because it is the only course of action left open to them.

If you wish to discuss the situation further, please connect with your Local Pharmaceutical Committee (LPC) which represents community pharmacy owners in your area. They can provide additional information and, where appropriate, work with prescribers to find local solutions.

If you have any queries or require more information, please contact: ds.team@cpe.org.uk

