

Sent by email onlyggreene@communitypharmacyni.co.ukMr Gerard Greene
Chief Executive
Community Pharmacy NI

Tel : 028 9536 3926

Fax : 028 9536 3126

Web Site: www.hscboard.hscni.net23rd December 2020

Dear Gerard

COMMUNITY PHARMACY REMUNERATION 2021/2022

I am writing to you to outline the Health and Social Care Board's proposals for the Community Pharmacy pay offer for the 2021/22 financial year.

Calculation of the Global Sum for 2021/22

HSCB has used a recognised Department of Finance annual uplift factor (DDRB) to inform the adjustment of the previous year's Global Sum.

The HSCB acknowledges previous objections to the use of DDRB; however, the rationale for its use remains in that it is a recognised indicator to inform remuneration of primary care health care service providers.

It is not known what change DDRB will recommend for 2020/21. A working assumption is that, in line with other public pay, there will be a between 2.5% and 3% increase.

Modelling is usually based upon the current year volumes i.e. the number of 2020/21 prescription items dispensed. However, it is apparent that modelling based on current year for ordinary and multiple prescriptions are not reliable given the variable impact of COVID on prescription volumes.

Therefore, the original projections of ordinary prescription volumes for 20/21 have been increased by 2.5% to give an expected prescription volume for 21/22 of just over 42 million prescription items. The increase in the original projections of multiple dispensing volumes for 20/21 remains at an annual increase of 8%. Applying this rate would give 18.7 million multiple dispensing fees.

The following fee rates are therefore proposed for consultation:

Pharmacy Global Sum 2021/22

Ord Disp Fee £1.00; MD Fee £0.40; Professional Allowance £11.13m

Ordinary Dispensing Fees

Projected Volumes 2021/22 (2.5% increase) 42,196,402

Proposed Ordinary Dispensing Fee Rate 2021/22 (£) 1.000

Estimated Cost 2021/22 £42,196,402

Multiple Dispensing Fees

Projected Volumes 2021/22 (8% increase) 18,696,172

Proposed MD Fee Rate 2021/22 (£) 0.400

Estimated Cost 2021/22 £7,478,469

Professional Allowance

Proposed Cost 2021/22 £11,130,000

Total Global Sum 2021/22 £60,804,870

Agreed Global Sum 2020/21 £59,156,861

Increase (£) £1,648,009

Increase (%) 2.8%

Conclusions

There may be other options and HSCB now seeks the views of CPNI such that the Board can reach a decision to implement a new fee structure for April 2021.

I would therefore invite a response, in writing to me **on or before 19th February 2021.**

Should DDRB recommend different levels of uplift, we will seek your views in respect of applying an adjustment.

Please note, financial allocations have not been made for the year 2021/22. These proposals are subject to additional funding being made available.

I attach also a copy of the equality screening form which has been completed in respect of this consultation. I would welcome any comments on the findings of the screening along with your response to the proposal on fees.

We will also issue this document to the network to enable individual contractors to contribute their views. If you wish to discuss this further, please contact Joe Brogan (joe.brogan@hscni.net).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Louise McMahon', written in a cursive style.

Louise McMahon
Director of Integrated Care

CC. Joe Brogan, HSCB

Enc. Equality screening form