

## **HEALTH AND WELLBEING BOARD**

**17 JUNE 2014**

### **PHARMACEUTICAL NEEDS ASSESSMENT – BACKGROUND AND COMMISSIONING OF PHARMACY SERVICES**

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#### **Summary**

This report summarises how pharmacy services are commissioned and the content of a Pharmaceutical Needs Assessment (PNA) and how this supports and feeds into the commissioning process. It is for the Health and Wellbeing Board to publish a PNA.

#### **1. Budget and Policy Framework**

- 1.1 The Health and Wellbeing Board has a statutory responsibility to publish a PNA.

#### **2. Background**

- 2.1 This briefing is provided by NHS England.

#### **3. Risk management**

- 3.1. If the PNA is not adequate it can result in an increase in challenges against the decisions taken by NHS England, due to the increased possibility of misinterpretation of the required needs of an area.

#### **4. Financial and legal implications**

- 4.1. There are no specific financial or legal implications arising directly from this report as the Board is being asked to note the content.
- 4.2. Section 128A of the National Health Services Act 2006, as amended, requires that each Health and Wellbeing Board must in accordance with regulations assess the needs for pharmaceutical services in its area and publish a statement of its first assessment and of any revised assessment.

- 4.3. The relevant regulations are the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013. Regulation 5 requires that each Health and Wellbeing Board must publish its first pharmaceutical needs assessment by 1 April 2015. Schedule 1 to the regulations sets out the information to be contained in pharmaceutical needs assessments a summary of which is set out at paragraph 10 of the briefing paper attached at Appendix 1.

## **5. Recommendations**

- 5.1. The Health and Wellbeing Board should note the contents of this report to understand the requirements of the PNA.

### **Lead Officer Contact**

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### **Background Documents**

None

## Provision of Pharmaceutical Needs Assessments

### Context

1. Community pharmacies are involved in the sale and supply of medicines and give advice about medicines, symptoms and general health matters. They are responsible for dispensing medicines, counsel patients on their proper use, clarify with GPs and other prescribers that dosages are correct, and check that new treatments are compatible with other medicines the patient may be taking.”
2. The role of the community pharmacy is developing, in line with the role they play in other countries, to take on more proactive support of patients to help meet their urgent care needs, as well as supporting patients to manage their long-term conditions. Community pharmacies are well placed to support patients as<sup>1</sup>:
  - 99% of the population – even those living in the most deprived areas – can get to a pharmacy within 20 minutes by car and 96% by walking or using public transport;
  - an estimated 1.6 million visits take place daily, of which 1.2 million are for health-related reasons;
  - women, those aged over 35 and those with a long term health condition or disability are frequent users;
  - 84% of adults visit a pharmacy at least once a year, 78% for health-related reasons;
  - adults in England visit on average 14 times a year;
  - around 1 in 10 visitors get health advice; and
  - those with LTCs or disabilities or living in rural areas are more likely to visit the same pharmacy

### Contractual Framework

3. Pharmacies are independent contractors. The contractual framework they operate in is set through national regulations (i.e. statute set by Parliament). This takes the form of the The Community Pharmacy Contractual Framework (CPCF) and is made up of three different service types of service:

Service Type	Services provided
Essential Services	<ul style="list-style-type: none"> <li>• Dispensing</li> <li>• Repeat Dispensing</li> <li>• Support for self-care</li> <li>• Signposting patients to other healthcare professionals</li> <li>• Healthy Lifestyles service (Public health)</li> <li>• Waste medication disposal</li> <li>• Clinical governance</li> </ul>
Advanced services	<ul style="list-style-type: none"> <li>• Medicines Use Review (MUR) and Prescription Intervention Service</li> <li>• Appliance Use Review</li> <li>• Stoma Appliance Customisation</li> <li>• New Medicine Service</li> </ul>

<sup>1</sup> Information from the Pharmaceutical Services Negotiating Committee

Locally commissioned services (commissioned by a range of bodies including Clinical Commissioning Groups and Local Authorities)	<p>Examples of locally commissioned services include:</p> <ul style="list-style-type: none"> <li>• Minor ailments service</li> <li>• Emergency Hormonal Contraception</li> <li>• Care home service</li> <li>• Stop smoking</li> <li>• Needle &amp; syringe exchange</li> <li>• Monitored dosage systems</li> <li>• NHS Health Check</li> <li>• Supervised consumption</li> <li>• Contraception</li> <li>• Chlamydia screening &amp; treatment</li> <li>• Other sexual health screening</li> <li>• Palliative care</li> <li>• Vaccination (influenza etc.)</li> <li>• Alcohol screening and brief interventions</li> <li>• Weight management</li> <li>• Falls reduction</li> <li>• Independent and Supplementary prescribing</li> </ul>
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4. The role of NHS England (the National Commissioning Board) is to manage market entry of pharmacy providers (i.e. to determine if applications to open a service should be approved) and to monitor the delivery of services against the pharmaceutical regulations.

### **The Pharmaceutical Needs Assessment (PNA)**

5. From 1987 applications for inclusion in an NHS pharmaceutical list were dealt with under the 'necessary or desirable' test. From 2005, pharmacy applications were assessed on the adequacy of pharmaceutical services in the neighbourhood of the application. This was known as control of entry.
6. Following a national review it was suggested that pharmaceutical needs assessments (PNA) prepared by Primary Care Trusts (PCTs) had an important place in identifying where pharmacies are needed, and that putting the commissioner in the position of developing the PNA would shift the balance. i.e. so that the commissioner could decide what is needed and where, and applicants would be able to see the PNAs and submit applications against the identified need.
7. The Health Act 2009 introduced the statutory framework, requiring PCTs to prepare and publish a PNA, the first ones had to be published by 1 February 2011. A revision to the control of entry test also included in the Health Act 2009 meant that the PNA then became formally the basis for determining applications for new pharmacies (the 'market entry test').
8. From 1<sup>st</sup> April 2013, every Health and Wellbeing Board (HWB) in England has a statutory responsibility to publish and keep up to date in its area a PNA. The PNA will be used by NHS England (through Area Teams) to assess applications for inclusion in a pharmaceutical list (the list of approved community pharmacies). The responsibility for the PNA was placed with HWBs due to the need to link to the Joint Strategic Needs Assessment.
9. Where NHS England determines an application to open a pharmacy should be rejected (i.e. as it does not demonstrate it is meeting a need identified in the PNA),

the applicant has a right to lodge an appeal through the NHS Litigation Authority, through their Family Health Services Appeal Unit.

### **Content of the PNA**

10. The content of PNAs is set out in Schedule 1 to the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013. The PNA must contain:
  - a statement of the pharmaceutical services provided that are necessary to meet needs in the area;
  - a statement of the pharmaceutical services that have been identified by the HWB that are needed in the area, and are not provided (gaps in provision);
  - a statement of the other services which are provided, which are not needed, but which have secured improvements or better access to pharmaceutical services in the area;
  - a statement of the services that the HWB has identified as not being provided, but which would, if they were to be provided, secure improvements or better access to pharmaceutical services in the area;
  - a statement of other NHS services provided by a local authority, the NHS Commissioning Board (NHS England), a Clinical Commissioning Group (CCG) or an NHS Trust, which affect the needs for pharmaceutical services;
  - an explanation of how the assessment has been carried out (including how the consultation was carried out); and
  - a map of providers of pharmaceutical services.

### **Conclusion**

11. Pharmacists are independent contractors whose entry to the market is controlled (based on the requirements laid out in the PNA) and monitored against national regulations by NHS England.
12. The Health and Wellbeing Board is responsible for the production of a PNA.
13. The essence of the PNA is to undertake a review of pharmaceutical service provision, making judgements about the adequacy of pharmaceutical services provision and consulting upon those judgements to ensure a fair and reasonable assessment. A robust PNA is essential to allow NHS England to appropriately consider whether an application to open a community pharmacy should be supported or rejected.
14. If the PNA is not adequate it can result in an increase in challenges against the decisions taken by NHS England, due to the increased possibility of misinterpretation of the required needs of an area.