

Pharmaceutical Services Remuneration – Apportionment to CCGs

The following costs that arise from the provision of pharmaceutical services in response to the patient presenting a prescription written by a prescriber under primary medical services¹, to a pharmacy or dispensing appliance contractor, will be apportioned to the CCG of the prescriber:

1. The actual cost of the medicine or the appliance supplied; and
2. A proportion of non-specific reimbursement costs.

The amounts under 1 and 2 above are established from the payments to community pharmacies and dispensing appliance contractors according to the Drug Tariff. More details as to the components of the “actual cost of the medicine or the appliance” and the components of the “share of non-specific reimbursement costs” and how it is calculated can be found below.

For dispensing doctors, the CCG will meet the costs of the item dispensed, as set out in the Drug Tariff, less an assumed discount set out in the General Medical Services Statement of Financial Entitlement. Dispensing doctors do not receive non-specific reimbursement costs.

Actual Cost of medicine or appliance

The actual cost of the medicine or the appliance includes:

- the basic reimbursement price of the drug;
- less the national average discount percentage (a discount is applied to the basic reimbursement price for pharmacy contractors depending on the pharmacy’s total of basic reimbursement - this discount is averaged across all products);
- plus payment for consumables and containers; and
- plus out of pocket expenses.

Non-specific reimbursement costs

The table below outlines the components of the ‘share of non specific reimbursement costs’ that will be apportioned to CCGs for prescriptions issued under primary medical services and how it is calculated.

¹ Includes prescribers under out of hours primary medical services

Cost**How it is calculated**

Actual cost of medicine/appliance associated with a prescription where the prescriber/commissioner is unidentified including cross border prescriptions
Broken bulk

By proportion of total cost of medicines and appliances²

By proportion of total cost of medicines and appliances¹

Adjustments made to pharmacy or dispensing appliance contractors' payments relating to reimbursement where the prescriber/commissioner cannot be identified or the cost is not linked to a specific prescription

By proportion of total cost of medicines and appliances¹

² % proportion is calculated by dividing the cost of medicines and appliances recharged to the CCG by the total cost of medicines and appliances for all prescriptions dispensed by pharmacy and dispensing appliance contractors as part of pharmaceutical services.