

CCG and NHS England local team Briefing on Funding of Flu Vaccines from 2018-19

1. Purpose

This briefing informs CCGs and NHS England local teams of changes for some CCGs to the mechanism for funding seasonal flu and adult pneumococcal vaccines. The changes described will ensure there is a consistent approach in all areas and should provide a robust system that can accommodate any future developments that may impact on vaccine costs. This includes handling in a fair way the increased costs anticipated in the 2018-19 flu season.

2. Background

The need for this change, where relevant, has arisen because there is currently inconsistent treatment across the country. In some parts of the country CCGs received funding from the PCT disaggregation for vaccine costs and have been incurring the costs directly. In other parts, the CCGs have been recharging NHS England on the basis that NHS England received the funding from the PCT disaggregation.

This inconsistency has not been problematic between 2013/14 and 2017/18 because the number of doses and the vaccine prices have been relatively stable in recent years, the funding and costs have been broadly aligned.

3. Rationale for change

NHS England has recently announced that from 2018/19 providers should offer:

- Adjuvanted trivalent vaccine (aTIV) for all 65s and over; and
- Quadrivalent vaccine (QIV) for 18 – under 65s at risk

The at risk groups include

- those aged six months to under 65 years in clinical risk groups¹
- pregnant women
- those aged 65 years and over
- those in long-stay residential care homes
- carers; those who are in receipt of a carer's allowance, or who are the main carer of an older or disabled person whose welfare may be at risk if the carer falls ill

¹ vaccine for those aged 6 months to 17 years in clinical risk groups is procured and supplied centrally so outside the scope of this briefing.

Bearing in mind issues of clinical quality and NHS guidance, private providers will want to ensure quadrivalent vaccine (QIV) is offered to clients aged 18-64 years.

These vaccines are more effective and more expensive than the trivalent vaccines that most providers have used in recent years. This means that without changes in 2018/19 to the funding or recharge mechanism, some CCGs would incur vaccine costs that exceed their available funding.

We are keen to ensure that CCGs continue to be reimbursed fairly and are using this opportunity to improve consistency.

4. Action required

We are asking those CCGs that have retained the vaccine funding within their baseline and are therefore directly incurring the vaccine costs to:

- Transfer the adult flu and adult pneumococcal vaccine funding to their NHS England local team using recurrent in-year allocation transfers, to be effected by month 6 in 2018/19;
- Agree the funding transfer values locally, using the actual costs incurred in 2017/18 for flu and pneumococcal vaccines as a basis for the value to transfer is; and
- Thereafter to recharge the adult flu and adult pneumococcal vaccine costs to their local team from 2018/19.

NHS England local teams will receive increased allocations in 2018/19 to cover the vaccine price increases. This should enable them to cover the full cost of the recharges from their CCGs.

Those CCGs that have not retained the vaccine funding within their baseline need only note the requirement for providers to offer the new vaccines as described above, and that the costs of the drugs they will be requesting reimbursement for will be higher as a result.

5. Advantages of this approach

This approach has the advantages that it:

- Aligns funding and costs with the commissioning responsibility;
- Achieves a consistent treatment across the country which will improve the integrity of the CCG allocation formula;
- Makes it easier to review and report total programme costs;
- Should prevent similar issues, e.g. following price changes or new vaccines, from arising in the future;
- Would simplify any funding adjustments that might be necessary if there were a move to central procurement of flu and pneumococcal vaccines;
- is already being followed in a significant number of health economies.

Any questions on this should be directed to england.phs7apmo@nhs.net