

EXECUTIVE NOTE

The National Health Service (Charges for Drugs and Appliances) (Scotland) Regulations 2007 SSI/2007/139

1 The above instrument was made in exercise of the powers conferred on Scottish Ministers by sections 25(2), 27(2), 69(1) and (2), 75(a), 105(7) and 108(1) of the National Health Service Act 1978 and of all other powers enabling them in that behalf. The instrument is subject to negative resolution procedure.

Policy Objectives

2 The purpose of these regulations is to replace the National Health Service (Charges for Drugs and Appliances) (Scotland) Regulations 2001 and to include in these regulations all amendments made since 14 December 2001, when those regulations came into force. Certain new provisions are made, including revised charges for prescriptions, wigs, fabric supports and elastic hosiery from 1 April 2007. Provision is also made in these regulations for the introduction of the electronic transmission of prescription forms (the ePharmacy service).

The Prescription Charge and Other Health Charges

3 These regulations are made while the outcome of the Executive's review of prescription charges and exemption from charges is still under consideration. The policy of the Executive is to continue on the basis of the current charging arrangements until final decisions have been made on the way forward.

4 This instrument increases the per item prescription charge to £6.85, an increase of 20 pence (rounded down from 3.6%). An equivalent up rating of other health charges will also take effect from 1 April 2007. The NHS prescription charge was up rated by 10 pence per year from 1999 to 2005, with equivalent percentage uplift in other charges. In 2006 an increase of 15 pence was applied. That was still below the rate of inflation, as is the 20 pence increase for 2007-08.

5 Income from health charges contributes a significant amount to NHS resources. In 2006-07 income from prescription charges and prescription pre-payment certificates is expected to be around £46 million.

6. The regulations also include a revised definition of 'supplementary prescriber' which is a consequence of implementation of the Pharmacists and Pharmacy Technicians Order 2007.

Charges for Wigs

7 From 2006-07 the charges for modacrylic wigs which are prescribed by the hospital service and supplied to patients in the community, have been set at the same level as the prescription charge. This arrangement remains in place, with an increase of 20 pence bringing the charge to £6.85. Charges for prescribed wigs made of human hair remain at the same level as in other parts of the UK and will increase by 3.6% in 2007-08.

8 A detailed review of the charges payable for wigs of all types was undertaken in 2006. The remit was to investigate the arrangements for the provision of wigs on the NHS, and to make recommendations. The review group identified a number of anomalies, re-emphasised users' concerns and highlighted the need for revised procedures. A report and recommendations have been submitted to the Minister and are currently under consideration. Any proposals for change will be considered in the context of the 2007 Spending Review.

Introduction of the ePharmacy Service

9 The electronic transfer of prescriptions is one of a raft of measures which will lead to changes in the way community pharmacy services are provided in Scotland. ePharmacy is the electronic system which is being developed to underpin electronically new services to be introduced from 2007-2008. The changes being made to the regulations will allow for prescription data to be transferred electronically between the GP prescriber and the Community Pharmacy dispenser via a secure message store. The ePharmacy service will also support improved reimbursement arrangements for community pharmacy contractors and facilitate collation of anonymised data about prescribing and dispensing.

Security of Electronically Transmitted Information

10 Electronic data flowing between the National Services Scotland Practitioner Services Division (PSD) and GP Practice (GP) and Community Pharmacy (CP) computer systems contain confidential patient information. That information is protected from unauthorised interception and viewing by a process of authentication. That process prevents any information being transmitted unless the information source and the receiving system complete a complex sequence of identity checks. In addition, digital signing of information is used to check that information has not been altered in transit.

11 The ePharmacy security model has additional identification checks to further improve security. Use of a client certificate (issued from a source dedicated to ePharmacy) as well as a server certificate, provides a higher level of access control and security than that normally used for internet commerce.

12 Finally, all data in transit between the systems is encrypted. Information sent to PSD via the ePharmacy 'message store' either uses the same authentication and encryption standards as that used for GP and CP systems, or an encrypted information flow with system access controlled through password protection and rigorous application of firewall rules. These ensure that information can only flow between specified physical locations. GP and CP communication and access to the central systems is also restricted by 'firewalls'. These are software protection devices which ensure that any data source can be prevented from accessing the ePharmacy 'message store' if it is suspected that its identification credentials have been compromised.

Finance

13 Additional amounts levied in increased health charges will add to the financial resources of NHS Scotland. Minimal costs will be incurred by NHS Scotland in respect of the introduction of the ePharmacy service. The ePharmacy programme is being funded by the Executive, which is working with representative bodies of the relevant professions and IT service providers on the technical and other requirements of the system. The impact on

community pharmacy systems is being addressed as part of the negotiations on new services which are to be provided by community pharmacists. The impact on General Practice IT systems is being addressed through the Scottish Enhanced Functionality process which progresses wider IT improvement agenda for general practice.

Consultation

14 With regard to the introduction of ePharmacy, the Executive has been working closely with the relevant professional representative bodies with regard to the necessary changes to the regulations. However, neither these proposals nor the increase in health charges for 2007-08 have been the subject of public consultation.

Scottish Executive Health Department
March 2007