

Health and Social Care Committee

HSC(4)-13-11 paper 4

Inquiry into the contribution of community pharmacy to health services in Wales – Additional information from BMA Cymru Wales

In response to your email regarding the additional information arising from the Committee meeting which took place on 2nd November please find below responses to the points you highlighted.

1. Dispensing practices:

The BMA's written evidence states that dispensing can provide a sizeable proportion of a practice's resources. Please could the panel provide further detail about:

- **How much resource it provides for dispensing practices and what is meant by "sizeable proportion"?**

Without having the information from each dispensing practice we are not in a position to provide exact figures, we can only interpret the experience of our dispensing members which is that removal of dispensing income would compromise other services. However for a national perspective, the NHS Wales Business Service Centre and individual Health Boards are responsible for paying practices and no doubt they will keep a record of how much they spend. This applies to both dispensing payments and GMS funding.

As an illustrative example, from Dr Philip Whites Practice in North Wales:

There are 3.8 (WTE) GP partners working over two sites straddling the Menai Straits, the practice list stands at 5,500 patients. That's a ratio of 1447 patients per GP (WTE). The Practice provides full GMS and enhanced services – including minor surgery and IUCD's – they also teach students and have previously been a training practice.

The Practice dispensary is located in Felinheli (the previous pharmacist died suddenly 30 years ago and nobody came forward to take over because the potential for non-NHS turnover is too low to make it attractive) from where they dispense to about 2,000 patients.

Last year their gross dispensing profit was £136,217. Of this they paid dispensary staff wages of £63,659 and £72,558 funded a GP. Loss of dispensing would lead to 3.5 (WTE) staff redundancies and the reduction of GP numbers to 2.8 (WTE) and a subsequent reduction in GMS and enhanced services. It would also change the ratio of patients to 1964 per GP (WTE).

The average GP (WTE) salary in this practice is £90,700 (UK average £100,400, £109,400 in England, £93,500 in Wales NHS Information Centre GP Earnings and Expenses 2009/10 (Nov 2011)). Rather than look to make redundancies, if the loss of dispensing was offset by the current GPs agreeing to a salary cut it would equate

to a reduction in their income of over one third, taking them to a salary at half that of the UK average.

It is clear how much dispensing contributes to the delivery of wider GMS services in this practice and how its removal would make the continuation of this practice unviable without impacting on GMS.

In addition, though not directly related to pharmacy services, the practice is heavily dependant on the Correction Factor (over 30%) as are a very large number of Welsh rural practices. The deficit arises from such diverse causes as multiple sites and heavy investment in staff in the past. As the Correction Factor may be abolished in the future this would further destabilise rural Welsh practices leading to serious problems for HB's who would need to cover general medicine in these areas.

For a full picture of what a proportion of practice income dispensing provides the BSC and HBs are best placed to provide this, although colleagues from the DDA may equally have access to such information.

- **How many practices in Wales are dispensing?**

David Baker will be able to provide the most recent and accurate figure on the number of dispensing practices in Wales. We are informed that this stands at close to 90.

- **The Committee would also welcome a map outlining where dispensing practices are located in order to understand the current pattern of provision, particularly the relationship between dispensing practices and rural areas of Wales.**

As to locations – again, Health Boards as holders of the GMS contract will have the addresses of all the dispensing practices within their areas.