

CERTAIN MATTERS RELATING TO THE PROVISION OF SERVICES UNDER SECTION 58 OF THE HEALTH ACT 1970

Title: Certain Matters Relating to the Provision of Services Under Section 58 of the Health Act 1970

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From: Department of Health and Children, Ireland

To: All Health Board Chief Executive Officers

Re: Certain Matters relating to the provision of services under section 58 of the Health Act, 1970 Dispensing

Dear CEO

I am directed by the Minister for Health and Children to refer to a recent Agreement with the Irish Medical Organisation dealing with certain matters relating to the provision of services under section 58 of the Health Act 1970.

The matters concerned relate to **dispensing** and are set out below. They shall have effect in the manner and at the times specified.

New Arrangements, Procedures, Criteria and Standards of Performance

The new arrangements are a recognition that existing dispensing arrangements, procedures, criteria and standards of performance relating to and required of dispensing doctors need to be amended and updated:

- to bring about better and more rigorous accountability,
- to ensure the highest criteria and standards of performance by dispensing doctors,
- to reflect changing demographic patterns and needs.

1. That dispensing arrangements and procedures must be wholly computerised to provide a more effective, efficient and accountable system and, in that regard, only currently dispensing doctors willing to comprehensively operate the agreed computerised and control arrangements to be put in place and meet the high standards of performance required will be eligible to continue in the dispensing scheme in line with the agreed timetable of change set out below.

2. A **pilot scheme** incorporating the new arrangements and procedures and standards of performance will be introduced in certain dispensing practices in late Autumn and evaluated, as soon as practicable thereafter, with a view to the new arrangements, procedures and standards being extended on a national basis as early as possible in 2000. All dispensing doctors who opt (see below) to remain as dispensing doctors under the new arrangements, procedures and standards will, **without exception**, be required to meet **all** the relevant requirements of the scheme by 1 January 2001. Failure to have met the requirements, either administrative or performance wise, by that date will, of itself, terminate the dispensing contract of the doctor concerned.

3. Under the arrangements, procedures and standards which are to be fully operative by 1 January 2001, a dispensing doctor must not only meet the new performance, control and computerised requirements but must also be committed to ensuring that he or she dispenses, in any calendar year, a minimum of 70% of the items prescribed for patients on his or her dispensing panel.

4. The Department of Health & Children undertakes to meet the necessary software requirements (with appropriate training to include study leave and relevant expenses) under the new arrangements and procedures. Provision of the relevant hardware is a matter for the dispensing doctors who decide to continue in the scheme.

Decision by dispensing doctors to continue or opt-out.

5. Persons who are currently dispensing doctors will be required to decide, by 1 October of this year, as to whether they wish to continue acting as dispensing doctors under the new arrangements, procedures and standards.

6. Any dispensing doctor who opts by 1 October not to continue as a dispensing doctor under the new arrangements, procedures and standards will be entitled to receive the following in recognition of services rendered:

(i) an ongoing payment based on the number of dispensing patients on his or her dispensing panel on 1 January 1999 at the capitation rate applicable at that time subject to such adjustments as would arise in the context of national wage rounds; **or**

(ii) a one-off superannuation contribution of £1,000.

7. Further, a dispensing doctor to whom paragraph 6 applies shall not continue to dispense beyond 31 December of next year and shall facilitate the return to Health Boards of medicines/drugs obtained under stock orders arrangements for dispensing to dispensing patients

8. Where a dispensing doctor determines by 1 October to continue as a dispensing doctor under the new arrangements, procedures and standards he or she will not be entitled to avail of the provisions of paragraph 6 should he or she fail to meet the requirements of the new procedures, arrangements and standards by 1 January 2001.

Fees' Structures Payable under the New Arrangements and Procedures

9. Where a dispensing doctor has opted to operate the new arrangements and procedures and to meet the required standards, he or she will be paid a capitation fee equal to the then applicable average pharmacy fee per patient per annum and based on the 70% dispensing/prescribing ratio requirement, which if it were applicable in the current year, would be £19 net of superannuation contribution. A level of dispensing to prescribing in excess of the 70% minimum level will trigger proportionate increases in the fee. Equally, a level of dispensing lower than the 70% minimum will lead to proportionate reductions in the fee.

10. Dispensing fees under the new arrangements, procedures and standards will be paid on a quarterly arrears basis.

11. The introduction of the revised fees' structure will be related to the effective introduction of the new arrangements and procedures and the meeting of the criteria and high standards of performance required.

Meeting the Requirements

12. Dispensing doctors will be advised on an ongoing basis of their performance and in any year that a dispensing doctor fails to meet the 70% minimum level he or she will be formally advised of that fact and the implications of failing to reach the target in future years. A dispensing doctor should not, except for exceptional reasons, fall below 60% in any year. In that context, a dispensing doctor operating under the new arrangements and procedures who fails to achieve the minimum 70% dispensing/prescribing level in three successive years will be removed from the dispensing scheme and decisions to remove based on this objective measure of performance will be final and conclusive.

13. Failure by a dispensing doctor, after 1 January 2001, to apply or adhere to the new arrangements and procedures or to meet the high standards of performance required will lead to the facility being withdrawn from him or her. In this regard, it is agreed that the Health Board or the GMS (Payments) Board are entitled by periodic or spot check to establish whether the required arrangements and procedures are being followed and performance standards met.

14. Under the new arrangements and procedures, every dispensing doctor must comply with the same requirements as regards third party signature as apply to pharmacists in respect of all drugs/medicines dispensed. This will continue to apply until such time, as under the new arrangements and procedures, an electronic signature is introduced.

General

15. The decision to continue with the new arrangements, procedures, standards and other provisions set out in this Circular will be first reviewed in October of this year, having particular regard to the numbers of dispensing doctors who determine to remain in or opt-out of the scheme. It is also agreed that a further review will take place at the end of next year to establish progress towards full implementation of the arrangements, procedures and standards and that a general review on the efficiency and effectiveness of the amended scheme will take place in 2002.

16. The above terms do not exclude the possibility that certain special arrangements may also be put in place to meet exceptional individual patient's needs which are not met under the foregoing provisions.