

Monthly service

June 2012



WAVEDATA LTD

Commercial Bulletin

Proposed CCG configuration and member practices published

The NHS Commissioning Board Authority has published the proposed configuration and member practices for 212 proposed CCGs for the first time.

This is a major step forward in the work to establish the new clinical commissioning landscape by April 2013, and, along with the publication of the running cost allowances, will enable proposed CCGs to further develop their organisation ready for authorisation and establishment.

The information is in a paper for the Board Authority which will be asked to agree the configuration as the basis of authorisation at its board meeting on 31 May 2012. National and regional CCG maps displaying the information are also available.

The paper confirms that there are now proposed CCGs covering the whole of England and includes the detailed geographic areas for each for the first time, plus the planning assumptions about the member practices in each proposed CCG. This means that everyone living in England will be covered by a CCG.

These planning assumptions will allow work to progress. Once the NHS Commissioning Board is established as a statutory body, it will check that legal requirements have been met and approve the final details of geography and names of CCGs through the authorisation process.

Each proposed CCG has determined its own configuration within the framework set out by the Board Authority, which ensures that:

- there is sign up from member practices
- there is appropriate geographical coverage that allows a proposed CCG to take on responsibility for commissioning for a population
- where a proposed CCG straddles upper tier or unitary local authority boundaries, it is for patient interest reasons
- each proposed CCG is a viable organisation in terms of the degree of sharing of roles and functions, or the use of commissioning support that it will need to consider

Dame Barbara Hakin, National Director of Commissioning Development at the NHS Commissioning Board Authority, said, "This is a real landmark moment and is a credit to everyone involved in developing CCGs and the new clinically-led commissioning system.

"We should not underestimate the hard work that has taken place to get us where we are and the huge progress that has been made across the country. We have proposed CCGs covering the whole of England. We have 212 groups of practices who have chosen to come together to shape and commission services to deliver better care, better experience, better outcomes and improved safety for their local populations.

"There is still a great deal of work to do as the proposed CCGs move closer to authorisation, but we should take a moment to celebrate this fantastic achievement.

www.commissioningboard.nhs.uk 24/05/12

Inside this issue

Proposed CCG configuration and member practices published

Price Watch—UK Betahistine highlights market volatility

Sanofi 'businessseast' venture seeks to create science and business park

Irish prescription drug prices set to tumble on June 1

Co-operative Pharmacy teams with Bupa for medicines home delivery service

MHRA in spat with Europe as it calls for more flexibility in anti-counterfeiting plans

UK patients will suffer if drug discovery is not rewarded, warns ABPI chief

NCSO (No Cheaper Stock Available)

WaveData — Top ten products

Special points of interest:

This bulletin is free to Interested people in Pharma & Healthcare

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Jackie@wavedata.co.uk

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www.wavedata.co.uk

Betahistine highlights market volatility

Price volatility for betahistine products exposed inertia in the reimbursement system of England and Wales during May. Average prices declined strongly after steep rises, but were still higher in some cases than the special concessionary rates chosen to combat discrepancies between market prices and the Drug Tariff of reimbursement prices.

To see more go to <http://www.wavedata.co.uk/newinfo.asp> and view our article from this month's Generics Bulletin.

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'businessseast' venture seeks to create science and business park

State-of-the-art R&D and manufacturing facilities are available for use by science and technology businesses as part of Sanofi's regeneration plans for its site in Dagenham, east London, which ceases operations next year.

Sanofi is divesting the 108-acre manufacturing plant but has secured planning permission for the location to be transformed into a multi-occupancy business, science and retail park. Crucial to the regeneration scheme is the retention of high-quality specialist laboratory and sterile manufacturing technology and associated support services. Sanofi believes these can be adapted for use by other science-related businesses.

The leading pharmaceutical company has produced life-saving medicines at Dagenham for over 76 years. When the site closes in 2013 Sanofi hopes to leave behind a legacy with the location rebranded as "businessseast" and transformed into a science and business park which could generate around 2,500 new jobs.

The businessseast scheme also includes:

- Provision of existing assets towards a health facility for GPs with a dental school
- A supermarket with a petrol station
- An 80-bedroom hotel and restaurant
- Warehousing
- Manufacturing
- Leisure facilities

Tim Metson, property expert for SOG Ltd, the regeneration specialist appointed by Sanofi to oversee the process, says: "There are thousands of square feet of specialist manufacturing and laboratory facilities on the Dagenham site that would cost millions of pounds to recreate at today's prices. Our plan is to retain these buildings and offer them to other scientific businesses where they can be adapted for a multitude of R&D projects.

"The site has sterile manufacturing facilities, chemical and microbiology laboratories and warehouses with specialist utilities including water for injections, deionised water, clean steam, medical-grade compressed air as well as state-of-the-art air-conditioning systems. These sophisticated science buildings can act as a magnet to create a high-profile centre of technology."

For more information visit: www.business-east.co.uk

Irish prescription drug prices set to tumble on June 1

Irish prescription drug prices are set to fall by an average 25% on June 1, as pharmacy chains replace their 50% mark-up on drug cost prices plus a 5-euro dispensing fee with a single 7-euro "professional services fee" added to the cost price.

The first chain to announce the move was Boots Ireland, which said the changes would dramatically reduce the prices of most prescription drugs and that, across the top 10 most expensive medicines, all prices would be reduced by an average of 25%.

Annual medicine bills for people who live with chronic conditions such as asthma or cardiovascular disease and who are not eligible for the GMS (General Medical Services) Medical Card scheme will benefit most, says Boots. A person living with asthma has a typical monthly medical bill of 94.65 euros, and this will now drop around 26% to 70.43 euros, representing an annual saving of up to 290.64 euros. And someone living with a cardiovascular condition such as high blood pressure or high cholesterol may see their medicine bill drop around 15%, from 77.88 euros to 65.92 euros, representing an annual saving of up to 203.88 euros, says the firm.

"In recent years, many of our customers have come under renewed financial pressure. In response to this, Boots Ireland is the first pharmacy retailer in Ireland to announce a commitment to delivering a clear and transparent pricing structure that will also result in significant savings for Boots Ireland customers," said the firm's director of pharmacy, Mary Rose Burke.

As observers forecast that Boots' initiative would lead speedily to a price war, the 26-store Sam McCauley pharmacy chain also announced that it would be abandoning its traditional mark-up scheme.

Ireland's Competition Authority said it welcomed this increased competition. The pharmacy sector is an area where the Commission has successfully campaigned for the removal of barriers to competition over many years, it says. New retailers have now entered the market and challenged the status quo, and large retailers as well as smaller pharmacies and chains have reacted by lowering their prices, it says, adding: 'this is competition at work.'

"Consumers are now getting the same quality products and service but at a better price," commented the Commission's chair, Isolde Goggin.

Health Minister James Reilly also welcomed the moves and called on other pharmacy businesses to follow suit.

Meantime, the Irish government is set to publish the Health (Pricing and Supply of Medical Goods) Bill, which will enable it to introduce a system of reference pricing and generic substitution under the GMS scheme and community drug schemes.

"These reform will promote price competition among suppliers and ensure that lower prices are paid for these medicines, resulting in savings for taxpayers and patients," said the Minister of State for Health, Roisin Shortall. "The government recognises the potential savings, for the taxpayer, which could be made from the use of generic drugs instead of proprietary drugs," she added.

Links

www.boots.ie

www.tca.ie

www.dohc.ie

Pharmatimes 31/05/12

Co-operative Pharmacy teams with Bupa for medicines home delivery service

The Co-operative Pharmacy has partnered with Bupa Home Healthcare in a move that will see the multiple's hospital outpatient dispensing services extended with the option to deliver medicines to patients at home.

The partnership will mean that, as well as offering on-site dispensing for outpatients, the Co-operative and Bupa will be able to deliver and administer medicines to patients at home, with nursing care and community-focused healthcare services also available.

The move is expected to reduce the need for repeat hospital visits and should also help to "significantly" cut waiting times at the hospital dispensary and potentially reduce hospital re-admissions, according to the Co-operative Pharmacy.

The home healthcare service will be part of the Co-operative Pharmacy's new hospital outpatient dispensing contracts. The multiple has been extending its outpatient services this year, with the most recent deal being a five-year contract with Bradford Teaching Hospitals NHS Foundation Trust, announced in April.

"This exciting partnership with Bupa Home Healthcare means we can provide an even more comprehensive service that will improve patient care and add value to hospital trusts," said Co-operative Pharmacy head of business development Mandeep Mudhar.

Bupa Home Healthcare managing director Steve Flanagan added: "As hospitals look to meet tough efficiency targets, it's essential to provide innovative and cost-efficient solutions to make life easier for patients and hospital staff."

Chemist & Druggist 28/05/12

MHRA in spat with Europe as it calls for more flexibility in anti-counterfeiting plans

It would be a "strategic mistake" for pharmacy not to be at the forefront of anti-counterfeiting initiatives and current MHRA plans "lack vision", according to the European lobby group for community pharmacy.

As the European Commission consults on plans to introduce a system of unique barcodes on medicines packaging that could be scanned for verification at the point of dispensing, John Chave, general secretary of the Pharmaceutical Group of the European Union (PGEU), has argued that patients look to pharmacists to guarantee the quality and safety of their medicines. He warned that, if verification was left to agencies outside of the sector, it would be a "strategic mistake".

"If the verification of medicines becomes a reality in Europe then I think it's important that pharmacists are at the forefront of that," he told the annual conference of the European Association of full-line wholesalers (GIRP) in Lisbon this week (June 4).

But the MHRA has argued for the directive to be more flexible. In a letter sent to the European Commission, the UK medicines regulator said it believed "disproportionate expenditure on these measures was likely to harm public health by diverting funds from services that offer greater health benefits".

"The UK argued strongly during negotiations of the directive to ensure that scanning at the point of dispensing would not be mandatory because of the very significant challenges this would pose for healthcare providers in the UK where we have a large number of community pharmacies," the letter said.

Mr Chave warned that the directive could invite falsification if the MHRA intended for only a small number of medicines to be verified by the barcode system. "The directive says that the safety feature which would allow verification should only be applied on a risk-assessed basis, and the MHRA is saying we should keep this down to a small number of medicines," he said.

"We would say, however, that it should be as broad as possible, because we don't want to invite falsification by implying that some medicines are not at risk."

But the MHRA told C+D it did not recognise Mr Chave's claims. "We've never said there would be a limited number of medicines on the verification list," a spokesperson said.

It was important, Mr Chave added, for pharmacists to make their voices heard through their representatives to ensure the directive was implemented seamlessly. "What we don't want is a system which causes a revolution in pharmacy practice," he said.

"We want a system, if it is implemented, that moves in seamlessly to pharmacies so pharmacists don't even notice it is there."

Last month Pharmacy Voice urged the European commission to ensure it does not impose "undue restrictions on the developments of new and innovative services for patients" when it introduces measures to help prevent falsified medicines entering the supply chain.

Chemist & Druggist 08/06/12

UK patients will suffer if drug discovery is not rewarded, warns ABPI chief

UK patients and the healthcare system will suffer if the upcoming medicine pricing negotiations between the government and manufacturers fails to reward innovation, the pharma manufacturers' trade body has warned.

Stephen Whitehead, chief executive of the Association of the British Pharmaceutical Industry (ABPI), has urged the government to reward success in drugs development, saying he feared "for the future of UK medical research" if it failed to do so.

"The [forthcoming national] pricing negotiations [for branded medicines] will decide the future of pharmaceutical research in the UK," said Mr Whitehead. "If we minimise the reward for innovation in the UK, then our manufacturers will go abroad. Our industry, our economy, and our healthcare system will suffer – UK patients will suffer."

Mr Whitehead said the government was too focused on encouraging breakthrough drugs, failing to take into account the "significant gains for patients from incremental innovation in medicines".

Explaining the huge cost of developing drugs in the UK, Mr Whitehead said manufacturers would be reluctant to take a

£1 billion gamble "if there is no reward for success", adding: "We have to ensure that the huge risks discoverers and developers take are rewarded."

The ABPI chief's words come as the pharmaceutical industry gets ready for the next round of medicine pricing negotiations with the government this autumn, as prices are renegotiated every five years under the pharmaceutical price regulation scheme.

There is a limit on the profits companies can earn from supplying drugs to the NHS and, from January 2014, the government is set to switch to a "value-based pricing" system where medicines will be priced depending on the expected benefits to patients.

NPA chief executive Mike Holden has previously warned of the impact that value-based pricing could have on pharmacists, saying that unless the new system matched drug prices in other European countries, parallel export could lead to shortages of new medicines

Chemist & Druggist 07/06/12

NCSO (No Cheaper Stock Available)

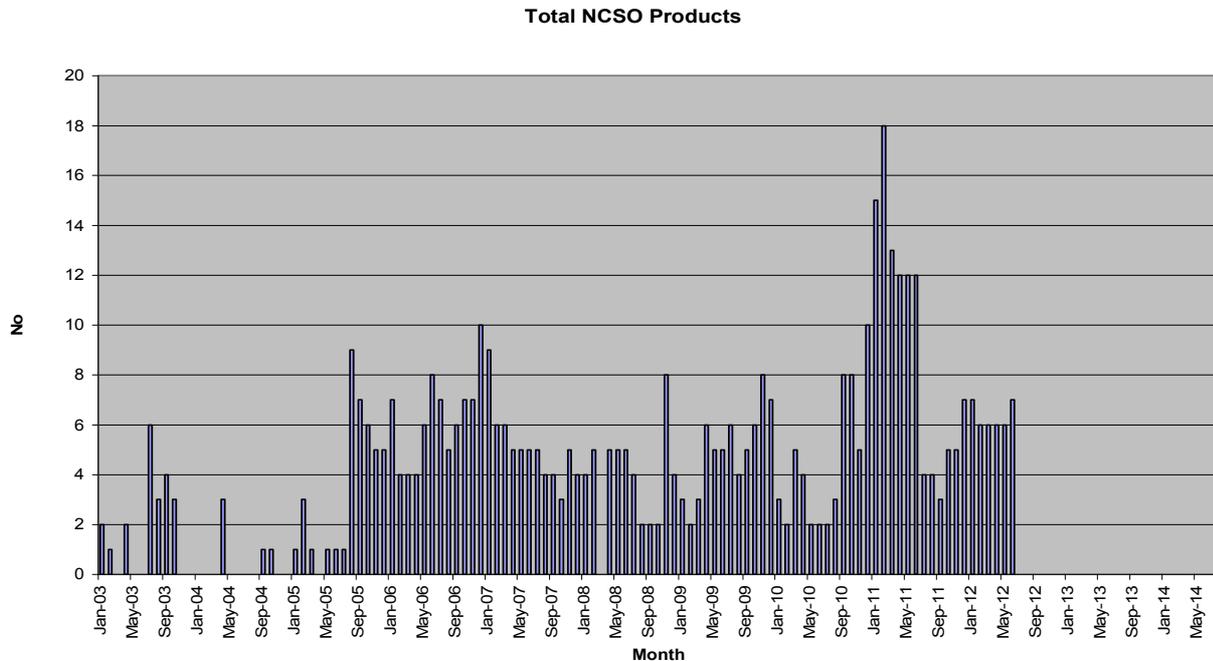
There are seven products flagged as being difficult to obtain on the PSNC's NCSO list in June this year.

Three; Betahistine 16mg tablets; Fluvoxamine 50mg tablets and Fosinopril 10mg tablets are flagged as being difficult to get and chemists are allowed to dispense a brand provided they endorse the prescription NCSO and the full details of the product dispensed.

Another four products have been allowed temporary increases in the drug tariff (Betahistine 8mg tablets (84 pack), Betahistine 8mg tablets (120 pack), Nitrazepam 5mg tablets (28 pack) and Tolbutamide 500mg tablets (28 pack)).

Overall, the graph below shows that the greatest problems with the availability of generic products occurred in February 2011 when 18 products were flagged either for NCSO endorsement or temporary reimbursement price increases.

However supply problems have continued since August 2005 with an average of 5.7 products being listed by the PSNC each month.



WaveData — Top ten products

According to WaveData, these were the most commonly investigated products in searches of the online pricing data at <http://www.wavedata.net>

Both uk and pi prices were viewed for each product, giving some indication of where the focus was in May 2012

- Atorvastatin Tabs 10mg 28
- Atorvastatin Tabs 20mg 28
- Atorvastatin Tabs 40mg 28
- Atorvastatin Tabs 80mg 28
- Bendroflumethiazide Tabs 2.5mg 28
- Donepezil Tabs 5mg 28
- Candesartan Tabs 4mg 28
- Latanoprost Eye Drops 0.005% 2.5ml
- Levothyroxine Tabs 100mcg 28
- Losartan Tabs 50mg 28

This bulletin now goes out to 2300 plus people, and it is growing each month.

If you would like to add or suggest any articles/comments, please let me know by the 11th July 2012, as I will be issuing the next one on the 18th July 2012.

If you have any colleagues who would like to receive this, please let them know about it.

You can view all copies of the Bulletin at

<http://www.wavedata.co.uk>

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