



SCOTTISH EXECUTIVE

Health Department
Directorate of Primary Care and Community Care

Primary Care Division
St Andrew's House
Regent Road
EDINBURGH
EH1 3DG

Dear Colleague

INFLUENZA IMMUNISATION 2007-08 VACCINE SUPPLY ARRANGEMENTS

Summary

1. This circular sets out the arrangements which will apply for reimbursing community pharmacy contractors and dispensing doctors for the supply of influenza vaccine in 2007-08, in order to ensure that orders for vaccines are put in place and prescribes a timetable for GPs to advise community pharmacists of their requirements and for orders to be placed.

Background

2. A review of flu vaccine purchasing arrangements is underway. It has however been decided that any substantial change in supply arrangements will not take effect until purchasing for the 2008-9 season. Existing supply arrangements that have been in force for 2006-7 are therefore being rolled forward for 2007-08 to ensure that the supply chain receives early notification of NHS Scotland requirements. The details below include clarifications as a consequence of the 2006-07 campaign and at paragraph 12 a new incentive payment is being introduced so that contractors can share the benefit of reductions in purchase prices achieved by them.
3. Guidance is being issued separately on any additions to the target at risk groups for the 2007-8 flu vaccination campaign. In the meantime GP practices and community pharmacists are advised to place sufficient orders to cover the at risk groups covered by the 2006-7 programme.

Support from General Practice

4. GPs should write "generic influenza vaccine" on all prescription or stock order forms. This is analogous to using the 'approved name' which is recommended good practice by the British National Formulary (BNF) and

5 February 2007

Addresses

For action
Chief Executives, NHS Boards

For information
Chief Executive
NHS NSS
Director of Practitioner Services,
NHS NSS

Enquiries to:
(Policy enquiries)

Jean Murray
Primary Care Division
1st Floor East Rear
St Andrew's House
EDINBURGH
EH1 3DG
Tel: 0131 244 2274
email:
Jean.Murray@scotland.gsi.gov.uk

(Contractor enquiries about payment arrangements)

Steven Clark
NHS NSS PSD
Gyle Square
1 South Gyle Crescent
EDINBURGH
EH12 9EB
Tel : 0131 275 6147
email :
Steven.Clark@psd.csa.scot.nhs.uk

will ensure that community pharmacy contractors are able to make the most effective supply arrangements.

Community pharmacy/dispensing doctor ordering arrangements

5. In placing their orders for influenza vaccine, GPs and community pharmacy contractors will need to consider the effect of publicity campaigns aimed at encouraging at risk groups to present themselves for immunisation. **GPs should advise the community pharmacy that will be procuring vaccine on their behalf of the volume they require by 23 February 2007 at the latest, community pharmacy contractors and dispensing doctors should then complete the processing of the orders by 9 March at the latest.**
6. Community pharmacy contractors ordering vaccines are advised to minimise risk of non supply by splitting their orders between at least three suppliers so that no supplier is awarded more than a third of a contractor's business. Dispensing doctors should also consider splitting orders **where it is cost effective to do so, and where after discussion with their NHS Board's co-ordinating officer (see paragraph 13) this is appropriate to help achieve local NHS Board risk management arrangements.**

Reimbursement arrangements

7. All community pharmacy contractors and dispensing doctors will be reimbursed the net invoiced price (i.e. the invoice price less any discounts achieved) for vaccines supplied. To claim payment, contractors should therefore **endorse the stock order/prescription** submitted to Practitioner Services Division with the **net price achieved** after deduction of any discount in respect of each supplier plus the number of vaccines sourced from each supplier, supported by copies of relevant invoices, any relevant credit notes or other advices showing discount earned and/or statements. For contractors who own a number of pharmacies, where a group purchase has been made, details of this group purchase, including net price and number of vaccines, should be supplied. The contractor should endorse "GVP" on each stock order to indicate that they have made a group vaccine purchase. As in 2006-7 to avoid payment delays, **where stock orders/prescriptions are submitted with no endorsements and/or no supporting invoices/credit notes/statements a default reimbursement price of £3 will be reimbursed.**
8. PSD will subsequently carry out validation checks in the same way as in 2006-07 through their pharmacy payment verification team. Vaccine costs are to be met from the drugs bill within the Unified Budget.
9. These arrangements will apply irrespective of whether GPs obtain the supplies of generic influenza vaccine through the stock order system (again to be the standard method for 2007-08) or against prescriptions. VAT will be reimbursable in respect of Stock Order Supply and purchases made by dispensing doctors who are not registered for VAT. Prescriptions submitted by dispensing doctors should be endorsed with PA (personally administered). Vaccines sourced on prescription for the immunisation of persons identified from time to time as member of an at risk group on public health grounds, for example, currently a carer, poultry worker or a person with a specified medical condition are not the subject of prescription charges.

Remuneration arrangements

10. All community pharmacy contractors and dispensing doctors will receive a **flat rate handling fee of 55p per vaccine** for both stock orders and prescriptions.
11. In addition, they will be eligible for a **risk minimisation fee payment of 55p per vaccine** where they have met the conditions laid down in Annex A to this circular. This payment will be paid through PSD's payment adjustment system and NHS Boards should ensure that PSD receive payment clearance so that these payments are made in the same month as the reimbursement of the vaccine costs to which they relate.
12. As a new incentive for 2007-8 to encourage contractors when placing orders to seek to achieve prices which improve value for money for the NHS an additional **effective purchasing payment will be available** to community pharmacy and dispensing doctor contractors. This payment is designed to return to contractors a share of the benefits achieved by them through effective purchasing.
 - The payment will be at a single set rate for each contractor, who achieves an average price for 2007-8 lower than the 'starting rate'. The payment will be calculated as:
 - $1/2 \times (\text{The 'starting rate'} - \text{the average flu vaccine cost achieved by that contractor during season 2007-8}) \times \text{number of vaccines purchased during 2007-8 season by that contractor.}$
 - The 'Starting rate' will be the average flu vaccine cost achieved by all contractors during season 2006-7.
 - If the price achieved by the contractor in 2007-08 is not lower than the starting rate (the average cost achieved in 2006-7) no payment under this heading will be due.
 - The payment will be made along with payments due in respect of March 2008 dispensings.
 - The final average vaccine cost for season 2006-7 and thus the 'starting rate' is not yet available and will be promulgated in due course but on the basis of invoices processed to date PSD are currently projecting that this will be £4.07.

Prescription arrangements

13. Vaccinations administered to persons in target at risk groups identified within the Influenza vaccination campaign for 2007-08 are to be free of charge for the person concerned. In this respect prescriptions/stock orders used by GPs for the provision of vaccines will all be treated as in respect of persons who are not liable for prescription charges and no further endorsement is needed.

Monitoring Arrangements

14. To enable NHS Boards to collect the necessary data required both locally and nationally in uniform manner, it is important that Boards establish the following information:
 - which community pharmacies supply flu vaccine on Stock Orders;
 - which GP Practice each community pharmacy orders for;
 - quantities of flu vaccine ordered (broken down by practice);

- suppliers from whom flu vaccine has been ordered and quantity; and
 - schedule of deliveries to community pharmacies.
15. Similar information is required from dispensing doctors where applicable. To assist Boards in collecting the information regarding flu vaccine orders for monitoring purposes, forms for guidance are attached as an Annex. All information collected should be treated as commercially sensitive. Further information regarding the use of the forms can be obtained from Mr Edward Mallinson, Chair, Flu Vaccine Supply Monitoring Group on email Edward.mallinson@lanarkshire.scot.nhs.uk. Community Pharmacy contractors and Dispensing Practices should return the relevant form to their NHS Board marked “for the attention of the influenza vaccine co-ordinator”.

Programme Co-ordination arrangements

16. NHS Boards will be expected to support and facilitate the implementation of this programme by identification of an officer who will act as influenza vaccination co-ordination lead. A national monitoring body will be established to oversee the programme.
17. Similarly PSD have identified an influenza vaccination co-ordination lead to whom all enquiries regarding reimbursement/remuneration arrangements should be addressed. NHS Boards are requested to pass the contact details of their selected officer to:

Steven Clark
Pharmacy Payment Verification Manager
NHS NSS PSD
Gyle Square
1 South Gyle Crescent
EDINBURGH
EH12 9EB
Tel : 0131 275 6147
email: Steven.Clark@psd.csa.scot.nhs.uk

18. The Scottish Pharmaceutical General Council and the Scottish General Practitioners Committee have been consulted on the terms of this circular.

Drug Tariff Amendment

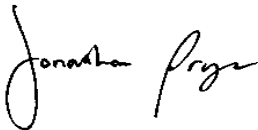
19. The Scottish Drug Tariff is hereby amended to give effect to the contents of this circular.

Action

20. NHS Boards are asked to bring this Circular to the attention of community pharmacy contractors, local pharmacy committees, GP practices, Area Medical Committees and Community Health Partnerships, and to provide such additional local advice as may be necessary.
21. Prior to distribution, NHS Boards are requested to update the attached draft forms with their logo and contact details. The forms may not be changed in any other way.

22. **GPs should advise the community pharmacy that will be procuring vaccine on their behalf of the volume they require by 23 February 2007 at the latest.**
23. **Community pharmacy contractors and dispensing doctors should then complete the processing of the orders by 9 March at the latest.**
24. NHS Board influenza vaccine co-ordinators are to send their contact details to Jean Murray using the contact details provided on the first page of this circular and to Steven Clark at the address given in paragraph 16.
25. Contractors are invited to pay particular attention to paragraph 7 and the need **formally to endorse** all stock orders/prescriptions submitted for payment with the reimbursement price claimed with supporting invoices.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jonathan Pryce', written in a cursive style.

DR JONATHAN PRYCE
Head of Primary Care Division

CRITERIA FOR RISK MINIMISATION FEE PAYMENT

The risk minimisation fee payment of 55p will be made only to those contractors who have demonstrated to the satisfaction of their NHS Board that they have met the following conditions:

1. They must be able to demonstrate that they have sought to achieve value for money for NHS Scotland. The criterion for this is that the contractor has contracted with at least three suppliers and in placing orders has applied normal commercial practice in achieving best value for NHS Scotland.
2. Community pharmacy contractors must be able to demonstrate that they have completed the processing of orders received by the date set 9 March 2007 from all their GP practices within mutually agreed timescales. Dispensing Doctors must have placed orders for their own use by the same date.
3. They have maintained adequate and appropriate cold chain capacity.
4. They have shared information in a timely manner with NHS Boards vaccine co-ordinators on orders received from GP practices (community pharmacy contractors only) and supply arrangements with vaccine suppliers and have taken appropriate action to minimise the risk of supply shortfalls. NHS Board vaccine co-ordinators will in turn advise at an early stage of any concerns.

Please note that conditions one and two will not apply in respect of any orders placed with community pharmacy contractors after the deadline for GP orders of 23 February 2007. In respect of later orders, either due to late action by GPs or which might for instance be necessary due to any future extensions to the categories of notified 'at risk groups', this condition is to be replaced with an obligation on community pharmacy contractors to show that they have used best endeavours to obtain any additional vaccine which may be needed, within timescales which are agreed with GP practices and NHS Boards, as being reasonable in the context of supply chain circumstances.

NHS Board vaccine co-ordinators are to advise contractors at an early stage of any concerns, which may impact on approval of risk minimisation fee payments and approval of these payments is **not to be left till completion of all deliveries.**

Commercial in Confidence (Once Completed)

Please indicate the name of the manufacturer with whom a direct order has been placed or the name of the wholesaler who will effect any order placed.

Please detail vaccine orders placed with manufacturers by **9 March 2007**

Manufacturer	Quantity ordered	Expected delivery dates
Sanofi Pasteur MSD		
Novartis		
Glaxo Smith Kline		
MASTA		
Solvay Healthcare		
Wyeth Vaccines		

Please detail arrangements in place with vaccine suppliers to minimise the risk of shortfall of vaccine supplies. (Continue on separate sheet if required)

I confirm that we can guarantee maintenance of the cold chain whilst the vaccine is in our possession and in transit to the General Practice or Clinic

Signed:.....

Date:.....

[Pharmacist in charge]

'Information provided on this form is intended for use only by Health Board, PSD and SEHD officials. Such information will therefore not be shared with representatives of the pharmaceutical industry, nor with any other groups or persons'

**3. INFLUENZA VACCINE SUPPLY ARRANGEMENTS 2007-08
DISPENSING PRACTICES**

In order to receive the risk minimisation fee payment of 55p for influenza vaccine supply, the NHS Circular [PCA(P)(2007)1] requires contractors to demonstrate to NHS **[INSERT NAME]** that they have met the conditions detailed in the Annex to this circular. In order to facilitate this process, contractors are asked to complete and return this questionnaire. The information will be held until the completion of the 2007/08 Influenza Campaign and then destroyed. Completed forms should be sent to:

[INSERT NAME AND ADDRESS OF CONTACT]

Or faxed to: **[INSERT FAX NUMBER] no later than: [INSERT DATE]**

Practice name, practice code and address (<i>stamp may be used</i>)

1. Number of vaccines required for dispensing doctor patients.....
2. Please detail vaccine orders placed with manufacturers by **9 March 2007**

Manufacturer	Product	Quantity ordered	Expected delivery dates
Sanofi Pasteur MSD	Inactivated influenza vaccine		
	Inactivated influenza vaccine paediatric		
	Viroflu		
Novartis	Agrippal		
	Begrivac		

Commercial in Confidence (Once Completed)

Glaxo Smith Kline	Fluarix		
MASTA	Imuvac		
Solvay Healthcare	Influvac		
	Imuvac		
Wyeth Vaccines	Generic		
	Enzira		

3. If orders have been placed with fewer than three suppliers please detail reason(s) below: (Continue on separate sheet if required)

4. Please detail arrangements in place with vaccine suppliers to minimise the risk of shortfall of vaccine supplies. (Continue on separate sheet if required)

I confirm that we can guarantee maintenance of the cold chain whilst the vaccine is in our possession.

Signed:.....

Date:.....

[Practice manager or principal]

'Information provided on this form is intended for use only by Health Board, PSD and SEHD officials. Such information will therefore not be shared with representatives of the pharmaceutical industry, nor with any other groups or persons'