NHS NORTH CENTRAL LONDON	**BOROUGHS:** BARNET, CAMDEN, ENFIELD, HARINGEY, ISLINGTON **WARDS:** ALL

REPORT TITLE:
NHS North Central London Quality Innovative Productivity and Prevention (QIPP) Plan Medicines Management – An Overview

REPORT OF: Liz Wise, QIPP Director, NHS North Central London

FOR SUBMISSION TO: North Central London Joint Health Overview & Scrutiny Committee	**DATE: 27 May 2011**

SUMMARY OF REPORT:

Around 10% of the total NHS spend is spent on medicines. Since their inception, Primary Care Trusts have employed Medicines Management teams to support the appropriate use of drugs locally, the management of the introduction of new medicines, ensuring compliance with NICE recommendations and to manage all other local medicines related issues.

The creation of the NHS North Central London cluster has allowed us to review relative performance against prescribing practice across Barnet, Camden, Enfield, Haringey, and Islington. The vehicle for review is the Quality Innovation Productivity and Prevention (QIPP) Plan.

The QIPP programme in Medicines Management (MM) is split into workstreams focused on GP prescribing and hospital prescribing.

Liz Wise, QIPP Director, NHS North Central London will present this paper and respond to any questions the Committee might have.

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RECOMMENDATIONS: The Committee is asked to note the comments of the report.

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DATE: 19 May 2011

NHS North Central London
Quality Innovative Productivity and Prevention (QIPP) Plan
Medicines Management – An Overview

Introduction

All PCTs have a responsibility for managing their resources appropriately. Around 10% of the total NHS spend is spent on medicines, and since their inception, PCTs have always employed Medicines Management teams to support the appropriate use of drugs locally, the management of the introduction of new medicines, ensuring compliance with NICE recommendations and to manage all other local medicines related issues.

Background

The QIPP programme in Medicines Management (MM) is split into workstreams focused on GP prescribing and hospital prescribing.

GP Prescribing - NHS North Central London (NCL) is made up of the five Boroughs, Camden, Islington, Barnet, Enfield and Haringey. Having managed medicines at borough level since 2001, the creation of a cluster has allowed us to review relative performance against prescribing practice. This review, unsurprisingly, shows large degrees of variation in prescribing practice that cannot be explained wholly by demography, levels of diversity or need. Each Borough has tackled issues of effectiveness, cost-effectiveness and prescribing performance in different ways and with different levels of resource. Now that individual PCTs are part of the same 'cluster', there is an unprecedented opportunity to optimise prescribing performance by working with clinicians from across North Central London, making best use of the workforce to support individual practitioners and practices, and reducing unexplained variations where they exist.

Hospital Prescribing - NHS NCL commissions services from eight acute Trusts. Drug costs make up a significant part of these contract values, and currently represent a rate of growth that far outstrips the growth allocations the Trusts receive. There is also variation in how the drugs are charged to the commissioning organisation, such that the same drug in the same quantity could be costing up to 71% more, depending on the Trust. It is important to agree a consistent and fair approach for reimbursement of these drugs and to be clearer about which drugs are prescribable in which circumstances.

QIPP Initiatives

1) GP Prescribing

Each PCT area has a local Medicines Management Committee that is usually chaired by a local GP and includes membership from medical, pharmaceutical, public health and other professions. Its main purpose is to review current evidence in prescribing and recommend a range of initiatives to promote the highest quality and most cost-effective prescribing amongst local GPs.
There are over 30 initiatives in total and individual practices are likely to "sign up" to five to ten of these depending on how they vary from locally agreed standards. Below are three examples of individual initiatives that give some idea of the range of areas that are being tackled.

Prescribing of Lipid Lowering Drugs – NICE guidance produced in January 2006, made it clear in whom statins were most effective and that despite the range of statins available "When the decision has been made to prescribe a statin, it is recommended that therapy should usually be initiated with a drug with a low acquisition cost."

MM teams from PCTs supported this national guidance to ensure that the right people were being prescribed a statin and that the right one was used. In 2011, there is still variation in practice. For example Haringey GP's prescribe the most cost effective statins 81% of the time, while Barnet GPs prescribe them only 68.3% of the time. Because there is at least a five-fold difference in cost of these equally effective medicines, Barnet could save £3/4m by moving to the London average, at no clinical detriment to their patients.

Prescribing of Glucosamine – This health supplement has been prescribed for a number of years to alleviate the pain of osteo- and rheumatoid arthritis. Recent reviews of evidence have been unequivocal in their findings regarding its ineffectiveness in these conditions. Yet while Enfield and Barnet GPs have responded by reducing their prescribing to £2000 per month, Camden GPs are still prescribing over £21,000 every month. In total over £0.5m is prescribed annually with no significant clinical benefit.

Prescribing of Specials – Not all drugs are available in a proprietary formulation suitable for every patient. For instance not all tablets are manufactured in liquid form, and not all adult medicines are available in suitable paediatric doses. There are a number of "specials manufacturers" who supply these vital medicines, but there is no regulation on the charges they make to the NHS. It has recently become possible to analyse individual charges, and there are surprising variations in both absolute and relative costs. Tablets that cost £2 per month are costing the NHS up to £200 per month when supplied in liquid form. Two manufacturers of the same ointment charge the NHS £15 and £300. At its height in July 2010, these medicines were costing almost £600k per month. NHS NCL MM teams have been working with local prescribers to rationalise this area and have already reduced the monthly bill to £475k, but will be continuing to work further so that everyone will continue to get the medicines they need at the most appropriate cost to the local NHS.

2) Hospital Prescribing

As stated earlier in this paper, the initiatives in hospital prescribing are mostly to bring in line drug costs with other parts of London and the country. Currently routine profit margins and handling charges are being charged by some Trusts and not by others. We want to reimburse hospitals for their acquisition costs of their drugs in line with common practice, and only pay additional charges exceptionally where unavoidable costs have been incurred by the Trust. NHS NCL are London outliers on costs of erythropoietin, an important drug to support patients having renal dialysis. Unlike other parts of London who have negotiated an agreed Tariff, NHS NCL is paying very different amounts. Bringing in line with other areas of London could save £2.5m. Finally, we would like to work with Trusts on a small number of expensive "high-tech" drugs. These drugs are now available as "biosimilars" – versions with the same effect and safety profile but very much cheaper. Where we can get clinical agreement to use these preferentially in the right patients, we could save NHS NCL up to £1.6m per year.

Conclusion

NHS NCL spends £162m (actual cost) on GP prescribing and up to £80m (estimate) on hospital prescribing. Initiatives designed with full clinical engagement in both primary and secondary care have been created to save a total of £9.3m (3.9%) by reducing clinical variation, prescribing in line with best practice, and reducing the prescribing of ineffective drugs.