



ANGUS HEALTH AND SOCIAL CARE
INTEGRATION JOINT BOARD – 27 JUNE 2018
PRESCRIBING MANAGEMENT REPORT
REPORT BY VICKY IRONS, CHIEF OFFICER

ABSTRACT

This report provides an update to the Integration Joint Board (IJB) on the prescribing management plans in Angus.

1. RECOMMENDATIONS

It is recommended that the Integration Joint Board:-

- (i) note the content of the paper and the scale of activity being progressed across Angus and regionally to address the prescribing overspends.
- (ii) note the evolving financial planning framework and the ongoing inclusion within the overall Angus IJB Financial Planning Framework.

2. BACKGROUND

Since April 2016 and the implementation of Health and Social Care Integration, Family Health Service (FHS) Prescribing has been devolved to local Partnerships. For many years FHS Prescribing has presented significant financial challenges within NHS Tayside. Angus Health & Social Care Partnership's (HSCP) FHS spend has posed particular challenges.

While we remain high prescribers within the context of national spend the UK spends significantly less per person on medicines than many of our EU partners, with the expenditure on medicines nationally and locally driven by medicines supply, pricing and prescribing practice (Kings Fund, 2018). We can directly influence prescribing practice, both in terms of public demand and clinicians prescribing practice, but have much less control over supply and pricing of medicines.

This report provides an update with regards the Angus FHS Prescribing position and actions being taken to address the financial situation following our last report to the IJB in April 2018.

3. CURRENT POSITION

Management and oversight of prescribing both regionally and within Angus remain as described in the April 2018 paper.

In 2017/18 Angus HSCP reported an FHS Prescribing overspend of £2.76m, after £0.5m of non-recurring funding being applied to budgets. This inevitably places prescribing as Angus HSCP's area of highest financial risk.

Whilst the FHS Prescribing overspends was significant in 2017/18 there is confidence that further improvements will be seen within 2018/19, due to the large amount of local activity which has taken place in response to both local and regional initiatives, if all regionally agreed plans are implemented as per current plans. Angus has not yet benefited from complete roll out of a number of the regionally agreed and led priorities fully detailed in the April report -

including Oral Nutritional Support, Stoma accessories programme and wound/catheter care. All are significant programmes which will conclude roll out in 2018/19 realising significant financial benefit and all either improving quality of care and/or reducing inequalities and waste in prescribing practice.

Dr Scott Jamieson was appointed as Angus Clinical Lead for Prescribing in September 2017. All Angus practices were issued with a tailored prescribing overview report in November 2017 which highlighted areas of significant variance or spend. All practices were asked to identify and submit agreed areas for clinically led action by 1 December 2017, with view to the activities being completed by 1 April 2018. All practices participated and audit submissions were returned for work completed by 1 April 2018.

Between December 2017 and April 2018 the above approach resulted in 870 additional Angus patients having medication reviews led by general practitioners including:

- (i) Polypharmacy reviews of patients receiving supported medication administration by the District Nursing service. These reviews were in addition to the regionally agreed polypharmacy reviews.
- (ii) Polypharmacy reviews of patients in residential care homes and sheltered housing – recognising processes are already in place to undertake polypharmacy reviews in nursing homes through the Frail, Elderly Local Enhanced Services.
- (iii) Drug specific reviews within a specified clinical framework. For example:
 - 237 patients on Solifenacin (antimuscarinic drug used in urinary frequency and incontinence) were reviewed, with 44% cessation and a further 17% trial cessation. This has translated to a 30% reduction in prescribing costs between Dec17- Feb 2018 and the preceding years spend for this drug.
 - 82 patients on Nefopam (analgesic) were reviewed across 2 practices. 69% cessation after discussion involving the patient.

The activity outlined is in addition to the initiatives agreed regionally and reported previously.

Drug switches which reflect Tayside-wide programmes of work have also been implemented across Angus. For example the agreed regional respiratory related inhaler switches data is now showing a total reduction in overall spend across the 4 inhalers of circa £24.8k per quarter. Consistent and supported implementation of emollient prescribing switches resulted in a 30% reduction in spend in Angus between December - February 2017 and December - February 2018.

All practices are encouraged to ensure patients use existing medications stocks before initiating medication changes to reduce waste. This, coupled with delays in prescribing data reporting, means changes made take a number of months to show in the standardised prescribing reports.

The approach taken above has been well received locally and the high levels of local clinical engagement and ownership welcomed.

The role of our nursing, allied health professionals and health visiting colleagues is recognised in reducing the current largest areas of increasing variation for Angus which include ONS supplements, catheter products and baby milks (12% increase in past year).

Both locally and within the NHS Tayside Prescribing Management Group we continue to horizon scan to detect new and future prescribing challenges and aim to support as proactive an approach to prescribing as possible.

Combating medicines waste continues to be a high priority given the predicted £300million cost of medicines waste every year across the U.K.

Appendix 1 outlines the top 50 drugs prescribed in Angus by cost (which accounts for more than 50% of total prescribing spend) during December 2017 - February 2018, which provides clear evidence of the impact of many of Angus and regional initiatives over the last year, as well as supporting identification of further areas of address.

4. PROPOSALS

Following review of 2017/18 outcomes at Angus Prescribing Management Group it was agreed that a further practice specific report (Appendix 2) should be issued to all practices, with reports issued on 1 June. Practices have been invited to identify and progress prescribing efficiency programmes based on the information provided. Whilst actions will be progressed on an ongoing basis, all actions will be completed and audit data submitted by 31 January 2019 to facilitate financial planning and planning for 2019/20 based on findings. Practices have been invited to provide a summary of their prescribing initiatives planned by 1 July, after which time the Angus Prescribing Action Plan (Appendix 3) will be updated and resubmitted to the Integration Joint Board.

Over the coming month a scoping exercise is also to be completed within each Angus practice to review in detail all high value, non-formulary prescribing; to ensure due governance and review where clinically appropriate. It is anticipated that most of this prescribing will not have been initiated in primary care.

In addition to the above locally agreed actions we will continue to implement agreed regional priorities as agreed through the Prescribing Management Group. These include:

1. Supporting a transformation of care pathways for diabetes, with an increased emphasis on supporting lifestyle changes such as weight management and increased activity and a much more personalised approach to diabetes management.
2. The development and implementation of a mental health prescribing formulary and associated guidance.
3. A continued focus on chronic pain pathways of care in line with agreed national standards.
4. A system wide approach to review and prescribing management around medicines of low clinical value.
5. Increased levels of public engagement and education regarding medicines use and medicines waste.
6. Implementation of the pharmacotherapy aspects of the 2018 GMS Contract to enhance and standardise support to practices to manage prescribing safely.
7. Development of an appliances group which will support review of non-medicines prescribed items, such as baby milk, gluten free foods, stoma products.
8. Conclusion of roll out of programmes of work initiated in 2017/18 as outlined above will contribute significantly to delivery on the proposed financial framework outlined below.

5. FINANCIAL IMPLICATIONS

2017/18 Update

As will be reported in separate papers, Angus IJB is reporting a 2017/18 year end prescribing overspend of c£2.76m. This is after £0.5m of non-recurring funds have been applied to budgets, suggesting an underlying in year overspend of c£3.2m. While the size of the projected/year-end shortfall has moved during the financial year, the scale of this overspend has remained as the single largest financial risk within the IJB. The reported year end position is also weaker than anticipated at the start of this financial year due to a range of factors including:- drug pricing issues (including 'short supply' effects), lower than expected savings realisation from planned initiatives (including slower than planned savings from some Tayside-wide initiatives) and, as was the case across Scotland, lower than expected cost reduction on Pregabalin price tariff changes.

It is also important to continue to note that Angus IJB remains a significant outlier, both in Tayside and Scotland, regarding Prescribing costs per weighted population. At the end of 2017, average Angus costs per weighted population were running at over 14% above the national average though latterly this has run at under 14% above the national average. Noting this is a 14% additional cost on a budget of c£21m, this correlates with the reported variance.

Some of the in year variation can be explained by national pricing effects having a disproportionate impact locally (e.g. as Angus used a high proportion of some Mental Health drugs that were subject to 'short supply' pricing changes). However, the continued variance

from the national average reflects the challenges of translating a comprehensive prescribing action plan into sustainable financial improvement over a short period. A number of focussed initiatives have been implemented during 2017/18, particularly locally since the end of 2017, albeit as yet there are no medium-term patterns of indicators that can confirm a recurring impact has been made in terms of improving the underlying position. It is important to note there is at least a two month time lag in terms of receipt of cost information so financial reporting is sometimes not quickly sensitive to interventions.

Financial Planning Framework

The table included at Appendix 4 describes the IJB's current financial planning framework for Prescribing. This shows ongoing shortfalls, however the IJB does manage prescribing budgets in the context of overall IJB resources and there will be partially offsetting factors elsewhere within the IJB's overall financial plans.

Budget Assumptions – While devolved budgets from NHS Tayside for 2018/19 and beyond have yet to be confirmed, assumptions are made of a 1.5% budget uplift with further financial support of c£200k likely to be agreed with NHS Tayside. Beyond that, the IJB has previously agreed and continues to plan for a proportion of budget to be re-directed to prescribing from other services reflecting our relative spend on Prescribing. This is intended to increase prescribing budgets by c£300k in 2018/19.

The devolved budget, while still to be confirmed, is considerably lower than the level of spend incurred. In previous years, Angus IJB has noted its concern to NHS Tayside as to the level of devolved Prescribing budgets. For 2018/19 it is possible that concern will be restated in the context of both the level of spend likely and the formulae used to apportion resources. From 2018/19, the Integration Scheme for Angus IJB changes the risk-sharing arrangements between Angus Council and NHS Tayside. This means Angus Council now also have a financial exposure linked to the Angus IJB Prescribing overspend and this will be an issue they will monitor closely.

Budget Update - The information available re likely Prescribing costs does vary due to external factors (e.g. Drug Price Tariffs). The latest information (as at April 2018) is there will be an amendment to the net cost of some drugs in 2018/19 that had not previously been allowed for in Tayside-wide financial plans. The Angus impact of this change is c£250k and this is now reflected in the financial plan.

Expenditure Assumptions - Assumptions are made in this framework regarding pricing and volume growth. For 2018/19 volume growth is assumed to be nil (it is assumed to be contained at this level due to, for example, increased investment in polypharmacy reviews) with prices expected to increase due to reasons including reversal of one year only (2017/18) national pricing adjustments. It is generally anticipated that 'short supply' impacts in 2018/19 will be less than the spike in costs seen at times during 2017/18 – however this remains a risk across the country.

Intervention Assumptions – A series of planned interventions are now either underway or in the process of being activated (described as passive and active interventions). These will all be monitored at a Tayside level but all come with a degree of risk. Additional local interventions are planned (building on the work in the final part of 2017/18) that are expected to deliver cost reduction benefit throughout 2018/19.

Since previous projections, the planned interventions have been revised as follows:-

- More information is now available re likely benefits of drugs coming off patent (this includes a reduction in assumed benefits of these changes).
- A number of updates now factored into specific planned interventions.
- An extended list of interventions (i.e. further interventions) is now included reflecting the breadth of work now in progress locally and across Tayside.

Many of the interventions still have a material level of risk associated with them. This is reflected in the risk assessed position for 2018/19 which shows that while full assumed benefits would deliver a year end overspend of c£1.9m, once this has been risk assessed the year end position could be nearer £2.3m. The risk assessments allow for include timing, uptake and

factors out-with the direct control of Angus HSCP. However all risks will be monitored in year through agreed mechanisms including through Tayside PMG.

Future year Assumptions - While the series of interventions planned for 2018/19 is reasonably well developed, albeit still with significant associated risks, for 2019/20 and beyond, the plans still require further development. However 3 main planning assumptions are included as follows:-

- 1) That for 2019/20 and 2020/21, there will be a continued incremental relative shift of budgets from other Angus health services towards to Prescribing.
- 2) For 2019/20 and 2020/21, Angus IJB aims to ensure that prescribing initiatives at least cover the annual impact of price and demographic factors on prescribing budgets after any budget uplifts.
- 3) For 2019/20 and 2020/21, Angus IJB aims to reduce the variance between Angus costs per weighted patient and the Scottish average by 2% per annum.

Finance Summary

While the attached plans continue to show significant shortfall on an annual basis (£1.9m re 2018/19, before risk assessment or c£2.3m after risk assessments), the IJB will continue to seek to secure offsetting variances within other services to work towards the delivery of an overall balanced budget for 2018/19 and future years. The IJB has had partial success in delivering this in 2017/18, albeit largely on a non-recurring basis.

The above summarised position is c£0.5m weaker than the assumptions used in the April 2018 report (25/18) to the IJB regarding the IJB's overall financial plan for 2018/19. This reflects the introduction of a more robust risk assessment now available but also the impact of price changes noted above. These revised assessments will be included in future versions of the IJB's finance reports.

The forecast prescribing overspends do continue to represent the most significant risk for the IJB's financial planning and therefore to both NHS Tayside and Angus Council. Angus IJB is working closely with NHS Tayside to ensure there are whole system interventions in place to assist resolve the prescribing challenges and to augment work being undertaken locally.

6. OTHER IMPLICATIONS

The strategic risks associated with prescribing are detailed within the Angus IJB Strategic Risk Register.

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List of Appendices:

Appendix 1 – Angus Top 50 GIC spend
Appendix 2 - Example Practice Report
Appendix 3 - Angus HSCP Prescribing Management Plan: Active Interventions 2018/19
Appendix 4 - Planned Prescribing Expenditure Profile 2018/19

Reference:

The rising cost of medicines to the NHS: what's the story? Kings Fund, April 2018
https://www.kingsfund.org.uk/publications/rising-cost-medicines-nhs?gclid=EAlalQobChMlt5yZnKew2wIVjbHtCh0aXwfyEAAAYASAAEgJWbfD_BwE