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**PHARMACY ACCESS SCHEME (ENGLAND)**

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**1. Premise**

- 1.1 The aim of the Pharmacy Access Scheme (PhAS) is to ensure that a baseline level of patient access to NHS community pharmaceutical services in England is protected. Qualifying pharmacies will receive an additional payment
- 1.2 The PhAS has been designed to capture the pharmacies that are most important for patient access, specifically those pharmacies where patient and public access would be materially affected should they close.
2. PhAS until 31 December 2021
- 2.1 The following pharmacies will be excluded from the scheme:
- (i) Pharmacies in areas with dense provision of pharmacies.
  - (ii) Pharmacies, which dispense a high number of prescription items per year (109,012 or more items per year).
  - (iii) Distance selling pharmacies.
  - (iv) Local pharmaceutical services (LPS) pharmacies<sup>1</sup>.
- 2.2 The scheme will include a review process to deal with any inaccuracies in calculations, or any unforeseen circumstances or exceptional geographical factors affecting access, like a road closure. The review process will also include cases where there may be a high level of deprivation, and pharmacies are 0.8 to 1 mile from another pharmacy, but critical for access.

<sup>1</sup> If a pharmacy with an LPS contract would have qualified for the PhAS were it on the pharmaceutical list, and then is included in the pharmaceutical list after 1 September 2016 because of a right of return or other contractual change, that pharmacy will be treated for the purposes of the PhAS as if it actually were on the pharmaceutical list on 1 September 2016.

**3 Entitlement**

- 3.1 From 1 December 2016 a pharmacy contractor will be eligible for the PhAS if it meets all of the following criteria:
- (a) The pharmacy is more than a mile away from its nearest pharmacy as at 1 September 2016 (measured by road distance); and,
  - (b) The pharmacy is on the pharmaceutical list as at 1 September 2016; and,
  - (c) The pharmacy dispenses less than 109,012 prescription items per year<sup>2</sup>.
- 3.2 The list of eligible pharmacy contractors is published at <https://www.gov.uk/government/publications/community-pharmacy-reforms>. The list will be fixed for the length of the scheme as set out in 2.1<sup>3</sup>.

<sup>2</sup> Contractors, who were not open for a full year in 2015/16, will have their payments capped if they exceed 109,012 items in the financial year.

<sup>3</sup> Pharmacy contractors, who will be subject to temporary arrangements as per section 29 of the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013, will be kept on the list of eligible contractors. However, any permanent changes, which result in the contractor not fulfilling the PhAS criteria as per paragraph 3.1, will result in the contractor being deleted from the list.

**4 Payment**

- 4.1 The payment calculation for PhAS is calculated in the following way:

**4.1.1 December 2016 to March 2017 –**

Step 1 – take the 2015/16\* remuneration (total fees and allowances plus 80p per item indicative for medicine margin) for a contractor and apply to it 1% efficiency savings.

Step 2 – calculate contractor's estimated remuneration for 2016/17 based on dispensed items in 2015/16\* using fees and allowances for the first eight months of the year as at April 2016 and fees and allowances for the last four months of the year as at 1 December 2016 plus 77p per item indicative for medicine margin\*\*.

Step 3 – take the difference between Step 1 and Step 2 to obtain the full payment.

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Step 4 – divide by four the number obtained in Step 3 to obtain a monthly payment.

4.1.2 April 2017 to March 2018 –

Step 1 – take the 2015/16\* remuneration (total fees and allowances plus 80p per item indicative for medicine margin) for a contractor and apply to it 3% efficiency savings.

Step 2 – calculate contractor's estimated remuneration for 2017/18 based on dispensed items in 2015/16\* using fees and allowances as at 1 April 2017 plus 76p per item indicative for medicine margin\*\*\*, and £6,400 Pharmacy Quality Scheme Payment\*\*\*\*.

Step 3 – take the difference between Step 1 and Step 2 to obtain the full payment. Step

4 – divide by twelve the number obtained in Step 3 to obtain a monthly payment.

4.1.3 Payments from April 2018, until otherwise determined, will be the monthly payment determined for April 2017 - March 2018.

- 4.2 Eligible PhAS pharmacy contractors will receive a fixed monthly payment based on the calculation outlined in paragraph 4.1.
- 4.3 Eligible PhAS pharmacy contractors will not be required to make a claim.
- 4.4 Eligible PhAS pharmacy contractors will receive the Pharmacy Quality Scheme reconciliation payment if appropriate as outlined in Part VIIA.

\*Payments to pharmacy contractors, for which we have less than twelve months' worth of data and, as appropriate, former LPS pharmacies, will be adjusted accordingly.

\*\*£800 million divided by a volume increase of 2.0%

\*\*\*£800 million divided by a volume increase of 4.04%

\*\*\*\*This calculation assumes pharmacy contractors achieve 100 points at £64 per point.

In 2019, the name of the Quality Payment Scheme was changed to Pharmacy Quality Scheme.

## 5 Review Process

5.1 A review process is included in the scheme to allow for consideration of extenuating circumstances which may mean that access is not being protected in the way intended by the scheme. The cases that will qualify for a review are as follows:

5.1.1 Inaccuracies (for example if the pharmacy postcode is incorrect or the distance from the next pharmacy is calculated incorrectly).

5.1.2 Physical feature anomalies (such as a semi-permanent roadblock meaning two pharmacies are then more than 1 mile from each other) and where the pharmacy is critical for access.

5.1.3 "Near miss" pharmacies (ie located 0.8 miles or more from another pharmacy) in areas of the top 20% (of Lower Layer Super Output Areas (LSOAs), when ranked by the Index of Multiple Deprivation) most deprived areas in England and who are critical for access.

5.2 Pharmacies, which dispense more than 109,012 items per annum, will not be considered for the review process.

5.3 Applications for review must be made within three months of the start of the scheme (1 December 2016) and NHS England will accept applications for review from 1 November 2016. Reviews will be administered and completed by NHS England; including the assessment of and decisions taken on all applications for review. Applications for review in cases relating to physical feature anomalies will be considered beyond this three month period, but only if the application relates to a change in circumstances which occurs after the end of the three month period. In such cases, the application for review must be brought within three months of the change in circumstances. Details of where to send requests for reviews are available at <http://www.nhsbsa.nhs.uk/PrescriptionServices/5827.aspx>. NHS England will aim to complete a review within six weeks of receiving a request.

## 6 PhAS from 1 January 2022

6.1 The following pharmacies will be excluded from the scheme:

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- (i) Distance selling pharmacies
  - (ii) Local Pharmaceutical Services (LPS) pharmacies<sup>1</sup>
  - (iii) Pharmacies in areas with dense provision of pharmacies
  - (iv) Pharmacies, which received fewer than 1,200 or more than 104,789 Single Activity Fees (SAFs) in 2019/20
  - (v) Pharmacies not directly accessible to the public.
- 6.2 If a pharmacy with an LPS contract would have qualified for the PhAS were it on the pharmaceutical list, and then is included in the pharmaceutical list after 31 March 2021 because of a right of return or other contractual change, that pharmacy will be treated for the purposes of the PhAS as if it were on the pharmaceutical list on 31 March 2021. LPS pharmacies returning to the pharmaceutical list, if meeting the eligibility criteria outlined in paragraph 7.1, will receive backdated payments from 1 January 2022 or the date they returned to the pharmaceutical list; whichever is later.
- 6.3 The scheme will include a review process to deal with any inaccuracies in calculations, or any unforeseen circumstances or exceptional geographical factors affecting access, like a road closure.

## 7 Entitlement

- 7.1 From 1 January 2022 a pharmacy contractor will be eligible for the PhAS if they meet all of the following criteria:
- (i) Physical distance from other pharmacies:
    - (a) The pharmacy's postcode is not in the 20% most deprived areas of England (according to the Index of Multiple Deprivation 2019) and the pharmacy is more than a mile away from its nearest pharmacy as at 31 March 2021 (pharmacy to pharmacy distance is measured using the Ordnance Survey<sup>1</sup>); or
    - (b) The pharmacy's postcode is in the 20% most deprived areas of England and the pharmacy is more than 0.8 mile away from its nearest pharmacy as at 31 March 2021 (pharmacy to pharmacy distance is measured using Ordnance Survey Road<sup>1</sup>; or
    - (c) The pharmacy was deemed eligible for the PhAS scheme in 2016 and the pharmacy was more than a mile away from its nearest pharmacy (prior to the review process) and the new distance determination calculated in 2021 is the only reason precluding that pharmacy from PhAS eligibility (i.e. there was no change in geographical location since 2016 for the pharmacy premises included in the new distance determination); or
    - (d) The pharmacy was deemed eligible for the PhAS scheme in 2016 via the "near miss" criteria in the review process and the new distance determination calculated in 2021 is the only reason precluding that pharmacy from PhAS eligibility (i.e. there was no change in geographical location since 2016 for the pharmacy premises that and its next nearest pharmacy
  - (ii) The pharmacy is on the pharmaceutical list as at 31 March 2021
  - (iii) The pharmacy received between 1,200 and 104,789 SAFs in 2019/20 (to note – for pharmacy contractors, who opened part way through 2019/20, their number of paid SAFs for the months they were opened were scaled up to 12 months and for pharmacy contractors, who opened during 2020/21, their number of paid SAFs during 2020/21 were scaled up to reflect a full year and used as proxy for 2019/20).
  - (iv) Pharmacy premises must be directly accessible to the public.

<sup>1</sup> The analysis to establish walking distances between pharmacies is underpinned by the UK national mapping agency's Ordnance Survey (OS) mapping products for official addressing (Ordnance Survey AddressBase) to locate pharmacies from address details, and for highways routing networks (Ordnance Survey MasterMap Highways Network Roads and Paths) datasets to create the walking routes. The respective datasets were the versions extracted on 31 March 2021 according to OS product revision cycle for each dataset. The analysis to generate the walking routes between pharmacies was undertaken using the ESRI ArcGIS software products ArcGIS Pro and related Network Analyst Extension.

7.2 The list of eligible pharmacy contractors is published at

<https://www.gov.uk/government/publications/community-pharmacy-contractual-framework-2019-to-2024>.

- 7.3 A condition of the first (January) PhAS payment, which will be paid out with the reconciliation payment on 1 April 2022, is that the pharmacy contractor must be registered on the Manage Your Service (MYS) platform to provide the Community Pharmacist Consultation Service (CPCS) on 31 December 2021. For the pharmacy contractor to continue to receive the monthly PhAS payment as part of their reconciliation payment, they must have been registered to provide the CPCS on the MYS platform for greater than or equal to half of the number of full days in the relevant month.
- 7.4 Pharmacy contractors, who will be subject to temporary arrangements as per section 29 of the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013, will be kept on the list of eligible contractors. However, any permanent changes, which result in the contractor not fulfilling the PhAS criteria as per paragraph 7.1 will result in the contractor being deleted from the list.

## 8 Payment

- 8.1 Eligible PhAS pharmacy contractors will not be required to make a claim and they will receive a monthly payment with their reconciliation payment as per Table 1 providing they meet the eligibility criteria outlined in paragraph 7.1 and the requirement in paragraph 7.3.

<b>Lower Bound</b> (number of SAFs 2019/20)	<b>Upper Bound</b> (number of SAFs 2019/20)	<b>Monthly PhAS payment £</b>
1,200	2,500	109.38
2,501	5,000	291.67
5,001	10,000	546.88
10,001	15,000	765.63
15,001	20,000	947.92
20,001	25,000	1,093.75
25,001	30,000	1,203.13
30,001	35,000	1,276.04
35,001	40,000	1,348.96
40,001	45,000	1,421.88
45,001	50,000	1,458.33
50,001	55,000	1,458.33
55,001	60,000	1,458.33
60,001	65,000	1,421.88
65,001	70,000	1,348.96
70,001	75,000	1,276.04
75,001	80,000	1,203.13
80,001	85,000	1,093.75

85,001	90,000	947.92
90,001	95,000	765.63
95,001	100,000	546.88
100,001	102,500	291.67
102,501	104,789	109.38

Table 1. Monthly PhAS payments from January 2022

- 8.2 Pharmacy contractors should note that the monthly payments outlined in Table 1 might be subject to change.

## 9 Review Process

- 9.1 A review process is included in the scheme to allow for consideration of extenuating circumstances which may mean that access is not being protected in the way intended by the scheme. The cases that will qualify for a review are as follows:
- 9.1.1 Inaccuracies in distance determination (for example if the pharmacy postcode is incorrect or the distance from the next pharmacy is calculated incorrectly).
  - 9.1.2 Physical feature anomalies (such as a semi-permanent roadblock meaning two pharmacies are then more than 1 mile from each other).
- 9.2 Pharmacies, which were paid fewer than 1,200 or more than 104,789 SAFs in 2019/20 will not be considered for the review process.
- 9.3 Applications for review must be submitted between 4 January and 4 February 2022. Reviews will be administered and completed by NHS England and NHS Improvement (NHSE&I), including the assessment of and decisions taken on all applications for review. All pharmacy contractors will be informed of the outcome of the review process by the end of May 2022.
- 9.4 Contractors must apply for the review process through a portal commissioned by NHSE&I. The detail of how to apply will be communicated to contractors prior to 1 January 2022. Applications for review must contain evidence of how the contractor meets the eligibility criteria (for example, proof of their correct address, a physical anomaly along the mapped route or distance from another pharmacy). Only distance data from Ordnance Survey Road network mapping will be accepted as evidence for the purpose of the review process.
- 9.5 Contractors, who are deemed to be eligible for PhAS through the review process, will have their payments back dated to 1 January 2022.
- 9.6 Appropriate review processes will be adopted for relevant pharmacies with LPS contracts that return to the pharmaceutical list.
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