Prescribing & Medicines: Reimbursement and remuneration paid to dispensing contractors
Calendar and financial years 2007-2011
Publication date – 27 March 2012

About this Release
Dispensing contractors are contracted by NHS Scotland to provide a service in Scotland. This release updates what contractors are remunerated and reimbursed for this service. Information is shown by calendar year up to December 2011 and the first three quarters of financial year 2011/12.

Key Points
• The gross total payments to Scottish dispensing contractors increased from £1,158 million in 2010 to £1,178 million in 2011.
• The net ingredient cost (NIC) paid to dispensing contractors for drug reimbursement continues to increase, from £951 million in 2010 to £972 million in 2011. However, the cost for remuneration of services shows a decrease of about £1.7 million (0.8%) from £207.4 million in 2010 to £205.7 million in 2011.
• The gross ingredient cost (GIC) paid to dispensing contractors for 2011 in respect of dispensing was £1,013 million. This is an increase of just under £8 million (0.8%) when compared to 2010.
• The number of prescription items for 2011 was 93.8 million. This is an increase of 2.8 million (3.1%) compared to 2010. The number of prescription items for 2010 was 91 million. This is an increase of 2.6 million (3.0%) compared to 2009.
• The cost of a single prescription was reduced from £3.00 to £0.00 in April 2011.

Background
Dispensing contractors, i.e. community pharmacists, dispensing doctors and appliance suppliers, are contracted by NHS Scotland to provide a service to the populace of Scotland. To ensure drugs are available for dispensing when a patient arrives with a prescription, dispensing contractors purchase drugs in advance. Therefore, dispensing contractors receive two distinct types of payment; remuneration for the service they provide and reimbursement for the drugs they dispense.
The fees and allowances have been revised from April 2011 as explained in the Scottish Government circular PCA2011(P)04 and these payments make up the majority of the increase.

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**Further Information**

Further information can be found in the [Full Publication Report](#) or on the [ISD website](#).

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