**Prescribing & Medicines: Reimbursement and remuneration paid to dispensing contractors**

**Financial year 2013**

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**About this Release**

Community pharmacists, dispensing doctors and appliance suppliers are contracted by NHSScotland to provide dispensing services to the population of Scotland. These ‘dispensing contractors’ must ensure that they have medicines, dressings and appliances available to dispense to someone arriving with a prescription. To do this, they purchase these products in advance. Dispensing contractors are paid in two different ways: for the services they provide and for the products they dispense. This publication reports on the payments they receive.

**Key points**

- Over the last ten years the data show a trend of increasing cost and number of items dispensed in Scotland. As the number of items dispensed has increased at a greater rate than the gross ingredient cost, the average cost per item is decreasing overall.

- The gross total payments to Scottish dispensing contractors increased by £26.6 million (2.4%) between 2012/13 and 2013/14.

- The number of prescription items dispensed in 2013/14 was 98.8 million, an increase of 1.8 million items (1.8%) compared to 2012/13.

- The gross ingredient cost (GIC) in 2013/14 was £977.4 million. This is an increase of £21.4 million (2.2%) compared to 2012/13. The GIC is the cost of drugs and appliances reimbursed before the deduction of any dispenser discount.

- The net ingredient cost (NIC) paid has increased from £910.2 million in 2012/13 to £937.8 million in 2013/14, an increase of £27.6 million (3.0%). The NIC is the cost of drugs and appliances reimbursed after deduction of any dispenser discount.

- The cost for remuneration of services has decreased by £0.96 million (0.5%) from £207.9 million in 2012/13 to £207.0 million in 2013/14.
Background
Payments are derived from information gathered by Practitioner Services, within the Practitioner and Counter Fraud Service, after the pricing of prescriptions has taken place. Payments to dispensing contractors are made by PSD on behalf of NHS Boards. Monthly data are published on a quarterly basis by ISD and a year-end summary is provided.

Contact
Paula McClements
Senior Statistician
paula.mcclements@nhs.net
0131 275 7666

Catriona Young
Senior Information Analyst
Catriona.Young@nhs.net
0131 275 6599

Further Information
Further information can be found in the Full Publication Report or on the ISD website

About ISD
Scotland has some of the best health service data in the world combining high quality, consistency, national coverage and the ability to link data to allow patient based analysis and follow up.
Information Services Division (ISD) is a business operating unit of NHS National Services Scotland - and has been in existence for over 40 years. We are an essential support service to NHSScotland and the Scottish Government Health Department and others, responsive to the needs of NHSScotland as the delivery of health and social care evolves.

Official Statistics
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