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 (remuneration) and for the products they dispense (reimbursement). This publication reports on the payments they receive.

Key points

Overall Cost

- The gross total payments to Scottish dispensing contractors increased by 3.5% (£30.5 million) from the April to December of 2014/15 compared to the same first nine months of 2013/14.

Services Provided

- The cost for remuneration of services has decreased by £0.4 million (0.2%) from £155.9 million in the first nine months of 2013/14 to £155.5 million in the same period in 2014/15. This is expected to balance out to negligible over the remainder of the financial year.

Products Dispensed

- The number of prescription items dispensed in the first nine months of 2014/15 was 76.3 million, an increase of 1.7 million items (2.3%) compared to the same time period in 2013/14. The gross ingredient cost also increased, although at a slightly higher rate (3.4%). Therefore the cost per item has remained fairly stable, increasing slightly from £9.90 per item to £10.01.

- The net ingredient cost (NIC) paid increased from £708.4 million in the first nine months of 2013/14 to £739.3 million in the first nine months of 2014/15, an increase of £30.9 million (4.4%). The NIC is the cost of drugs and appliances reimbursed after deduction of any dispenser discount.
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 Practitioner Services on behalf of NHS Boards. Monthly data are published on a quarterly basis by ISD and a year-end summary is provided.

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Further Information

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