Prescribing & Medicines: Dispenser Payments and Prescription Cost Analysis

Financial Year 2016/17

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About this release

This release from the Information Services Division provides the first annual publication on the number and cost of NHS prescriptions reimbursed in the community for the financial year 2016/17. This is a new publication combining financial reporting in the previous ‘Dispensing Reimbursement, Remuneration and Volume Report’ and the ‘Prescription Cost Analysis Report’. Included is a breakdown of dispensing contractor payments for the services they provide (remuneration) and for the items they dispense (reimbursement) and detailed cost and volume analysis on the individual items dispensed.

Main points

Overall Cost

- The total (net) cost for dispensing items and providing services (including fees for dispensing and additional pharmaceutical services) in 2016/17 was £1.3 billion, an increase of 2.3% compared to 2015/16.
- The total number of items dispensed increased by 1.2% to 103.4 million items from 2015/16 to 2016/17. The cost of items reimbursed has increased overall by 28.4% over the last 10 years.

Products Dispensed

- The Gross Ingredient Cost for items dispensed increased by 2.9% between 2015/16 and 2016/17, to £1.1 billion. This is partly due to price adjustments for items with supply issues, new medicines and the move in supply of some high cost treatments from hospital to primary care.
- This is reflected in the average cost per item which has increased from £10.79 to £10.98 between 2015/16 and 2016/17.
- In 2016/17 the drug pregabalin, used to treat epilepsy, had the highest total Gross Ingredient Cost in 2016/17 at £40.74 million. The drug omeprazole, used for reducing stomach acid, was the most commonly prescribed drug with 3.6 million dispensed items.

Services Provided

- The cost for remuneration of services has increased by £0.6 million (0.3%) from £213.4 million in 2015/16 to £214.0 million in 2016/17.
Background

Information on NHS services provided and NHS prescriptions dispensed in Scotland and prescribed in Scotland and dispensed elsewhere in the United Kingdom represented in this report is obtained from the Prescribing Information System. GPs write the vast majority of these prescriptions, with the remainder written by authorised prescribers such as nurses, dentists and allied health professionals (AHPs). Also included are prescriptions written in hospitals that were dispensed in the community, but prescriptions dispensed within hospitals are not included. All these prescriptions are dispensed by dispensing contractors, i.e. community pharmacies, dispensing doctors, a small number of specialist appliance suppliers and stoma providers. Dispensing contractors receive two distinct types of payment: remuneration for the service they provide and reimbursement for the products they dispense. Payments are derived from information gathered by Practitioner Services after the pricing of prescriptions has taken place. Payments to dispensing contractors are made by Practitioner Services on behalf of the NHS Boards. The main statistics reported on in this publication are volume, which is the count of all the prescription items reimbursed, and the costs of remuneration of services and the cost of items reimbursed.

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Find out more

ISD holds several decades of information on medicines prescribed within NHSScotland. We currently have data on over one billion prescriptions. All of the information we publish on prescribing is available on our website at http://www.isdscotland.org/Health-Topics/Prescribing-and-medicines/.

Further information can be found in the Full Prescribing Remuneration Report

All the data contained in this report are available as downloadable data tables.

This report will be updated in August 2018

ISD and Official Statistics

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