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Recommendations for an appropriate system of payments for pharmaceutical services



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INTRODUCTION

Existing procedures for the payment of pharmaceutical services are regularly called into question in all European Union (EU) Member States (MS).

This is the result of:

- a) purely budgetary considerations (payment for pharmaceutical services is considered to be the item most easily reduced in the overall medicines budget) and
- b) a major transformation of the profession in recent decades (involving a switch away from the preparation of medicines to providing information and advice to patients).

The pharmacist's present task (and this will increasingly be the case in the future) involves intellectual dispensing-related activities designed to accompany the safe use of medicines that are no longer prepared in a traditional manner, but are now the end-product of an industrial process.

Along with this major change the profession is undergoing in the majority of MS, the form of payment for pharmaceutical services has developed from the most commonly found form within the health sector (a fee for the service provided, i.e. the preparation of the medicine) towards a system based on the sale of medicines.

As long as this situation remains, pharmacists are basically encouraged to increase the number of purchases made by patients, rather than broaden the range of services they offer.

The purpose of the present recommendations is to achieve a better approach to the current dilemma of the pharmacist's professional activities.

The European Union of Social Pharmacies (E.U.S.P.) believe that this is the right moment to review the methods of payment for pharmaceutical services, with a view to encouraging the development of services that patients and society expect of the pharmacist, in other words, the promotion of an effective and safe use of medicines.

Various studies have revealed the demand for such services, and their cost is much lower than the expected benefits.

Owing to the dual nature of the range of pharmacist's duties (distributing medicines and providing services) the global system of payment reflects the requirements of the two dimensions of the profession, in accordance with procedures that have yet to be defined.

In view of the complex nature of the services, the challenge thus consists in formulating systems of payment inciting pharmacists with financial and other arguments — to provide real care services.

Patients and society as a whole are set to benefit as a result, both in economic (national health services savings), clinical (lower morbidity and mortality rates), and human terms (better quality of life).

The payment system to be implemented needs to meet these goals while offering straightforward and easy-to-apply principles.

This system has to cover the costs of the service provided and needs to offer a reasonable and fair return on investment.

RECOMMENDATIONS

1. The cost of medicines and pharmaceutical services

The national health services budget for medicines and pharmaceutical services is under heavy pressure in all western countries.

This is the result of a huge increase in the ex-factory price of medicines, a surge in demand for medicines (caused by such factors as the gradual ageing of the population as a whole) and of the search for a better quality of life.

Social pharmacies wish to provide their patients with medicines and pharmaceutical services at a reasonable cost and as transparently as possible.

The E.U.S.P. believes this cost must also take into account the qualitative components of an effective pharmaceutical service. Those components need to be defined at each national level.

The E.U.S.P. has drawn up a charter of requirements in this area. (See: *Six commitments for quality pharmaceutical services, E.U.S.P., 2003*).

Incomplete pharmaceutical services may indirectly put a strain on national health service budgets in the long term.

1 JOHNSON JA, BOOTMAN JL : [Drug-related morbidity and mortality : a cost of illness model](#), Arch. Int. Med. 1995, 155: 1949-56.
JOHNSON JA, BOOTMAN JL : [Drug-related morbidity and mortality and the economic impact of pharmaceutical care](#), Am J Health-Syst. Pharm. 1997,54:554-8.





2. Payment for pharmaceutical services

The duties of a pharmacist may be divided into two main groups:

- > material duties (the distribution of medicines);
- > intellectual duties (providing information, advice about self-medication, identifying and solving problems related to medicines, etc.).

These latter duties, as we have already mentioned, are designed to aid the effectiveness and the safe use of medicines. These are the most important from a Public Health point of view, and those that make most demands on a pharmacist's basic and continuing education and training.

The pharmacist needs to be paid for all the services provided. These activities are essentially service-based but they also involve a material component: the dispensing of medicinal products.

Against this background, the E.U.S.P. wants to see pharmacists allowed to play an active part in managing the costs of patients and national health services (the socio-economic aspect of pharmaceutical services). This would involve the introduction of an additional incentive payment based on the savings made, for example, as a result of the use of generic medicines.

Finally, the E.U.S.P. considers that there should be scope for payments for specific services. As well as the pharmacist's everyday tasks, a series of specific services is required, such as night and weekend duties and promoting a pharmacotherapeutic dialogue with other care providers. At this level, an additional payment could be envisaged for those pharmacies that actually offer such services.



3. Principles for a payment system for pharmaceutical services

The E.U.S.P. recommends a two-strand payment system for pharmaceutical services.

Component 1

This component represents a reasonable and fair payment for providing the **material and human resources** needed to pursue the profession:

- > set-up costs including any costs for acquiring good will;
- > premises, fitting-out and the requisite equipment;
- > staff;
- > various operating costs;
- > purchasing, storing and preserving the necessary range of medicines.

Component 2

PART 1

The first part of this component is seen as a **reasonable and fair fee for the intellectual services** linked to the individual's academic achievements and role in the healthcare system. These activities include:

- > providing information and advice to patients about medicines (identifying and solving problems encountered — interactions, inadequate compliance with the treatment, duplication, etc. — advice about self-medication, keeping patient case histories);
- > the responsibilities related to these services;
- > the continuing training needed for these services;
- > the administrative processes and supervision for social protection and public health authorities.

PART 2

The second part of this component also represents a reasonable and fair fee for **specific services** provided by the pharmacist, such as:

- > night and weekend duty;
- > pharmacotherapeutic dialogue with other care providers;
- > savings made on behalf of the national health services;
- > services in the light of local requirements.

This second part of component 2 is granted only when the service concerned is in fact provided. The level of payment has to be specific and tailored to the type of service in question.



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