I thought I would try this month to explain some of the reasons why we are having problems within Dispensary, and why pharmacies are closing at an alarming rate nationally.

A few years ago (before the pandemic) we started having problems accessing some medications. We are a small purchaser with less buying power than some of the big chains, but nevertheless there seemed to be an increase in restricted lines. We believed these pressures were down to Brexit and uncertainty within the market. Before this settled down the pandemic happened. China shut down ports and other countries that export base products for medications were obviously restricted. Some companies switched to producing more medication for pandemic specific purposes, and obviously production was affected by ill health in factory workers and base product availability. This led to severe shortages of some medications within the UK. At one point we were importing Paracetamol from India as it was cheaper/more accessible than buying in the UK.

Tensions rose at this point as some really important medications were not available/only available in small supply/only available in some brands, and our patients started getting worried about whether their medication would be available or not. The long-term availability issue with HRT was a particularly troubling time for us as we use HRT a lot, and a lack of availability really had a significant impact on our patients. We completely understood the worry (we shared it) but it was hard trying to explain the problem. We have had to reassure patients who find their normal drug has a sticker label over the original box, as it has been imported from a different country, and the original label may been in Greek! Aside from the combination of Brexit, and pandemic stock supplies, we have since seen a significant increase in sicker people in the community. This is due to the backlog for operations and outpatient clinics at the hospital caused by Covid delays (where the hospital was consumed by treating Covid). We are managing far more complex patients at home, and needing to prescribe more and more medications (from 8,000 to 11,000 items per month roughly), and find ways to source these.

Fast forward to summer last year and a new problem started hitting us... (this is the part where you need to bear with me as I try to explain this to the best of my ability ). The Voluntary Scheme for Branded Medicines Pricing and Access (VPAS) is an agreement with the Dept of Health and Social Care to try to provide best value on drugs to get the most effective medicines into use more quickly. It makes sense to try to keep medicines cost effective so that more people can benefit from them. This is a voluntary scheme that manufacturers sign up to but my understanding is that, if they don't sign up, their drug is less likely to make it onto national drug formularies. I would describe it like a tax on profit, and last summer the statutory scheme payment percentage started rising. From 5% this had shifted to approaching 20% by the end of 2022.

Suddenly previously profitable lines were no longer cost effective, and manufacturers started buying and selling manufacturing rights for products/product lines or stopping production altogether. In December 2022 there were 170 drugs on the concessions list (usually about 60 in December) which is a reflector of drug availability issues. This has led to problems with finding alternatives where a drug is no longer made, substantial swings in the price of drugs, different manufacturers signing sole provider deals with different wholesalers, and huge volatility in the market. It has even affected the services we provide. I was really upset to have to cancel minor surgery appointments in January 2023 as the local anaesthetic was not available.

It has not been a surprise to see the large chain pharmacies closing significant proportions of their outlets, but this has huge implications for communities nationally.

From the 1st April 2023 (sadly it wasn't an April Fool) the statutory scheme payment percentage has increased to 27.5%. We are holding our breath to see which products are affected next.

A couple of patients told me that my attempt at summarising a complicated few years for the pharmaceutical industry had been useful. I decided to share it more widely because understanding the roots of a problem helps us work together. Please remember this is my interpretation of what I have watched happen. I (& the whole team) have spoken to scores of patients to try to explain why their medication needs to be changed. At the start of the pandemic patients were less receptive, but I would really like to thank you all for working with us to try to find solutions, and accepting that we are no longer able to provide preferred brands as we have to accept what we are able to get hold of.

I'll try for some lighter subject matter next month!

Dr Emma Watts