



Policy statement

Prescription charges

Introduction

Prescription drugs are vital to the fight against heart disease. They can play an important role in supporting people at risk of developing heart disease and helping heart patients to treat and manage their condition. Access to these drugs is essential to the BHF's vision of a world in which no one dies prematurely of heart disease, and they should be available and accessible to the whole population to ensure that health inequalities are not increased.

Policy statement

Heart disease is the UK's single biggest killer and free prescriptions help to ease the financial burden on those suffering at a time when patients' focus should be on prevention or rehabilitation. Essential and life-saving drugs should be made available to everyone who needs them.

The BHF commends the total abolition of prescription charges in Scotland, Wales and Northern Ireland. Reintroduction of these charges in response to financial pressures in the health service would be a false economy as failure to take preventative medication and to manage existing conditions well is likely to lead to far greater costs for the health service in the long term.

Exemptions from prescription charges should be extended to all people with long-term health conditions in England, including those at risk of and living with heart disease. As a first step, the costs of prescriptions and Prepayment Certificates should be frozen to ensure that medication does not become more difficult to afford.

Through research funded by the BHF and others we have a secure evidence base on which to treat patients with, or at risk of, heart disease. Preventative treatments including antihypertensive drugs and statins are vital to the fight against heart disease. New exemptions in England for long-term conditions should therefore include free prescriptions for people taking medication to ensure they don't develop heart disease as well as for those who are managing this condition.

Background

Prescription charges were introduced in 1952 as a way of supplementing income for the NHS and improving the service provided to patients. They have been controversial from the outset with a number of Government ministers resigning when they were first proposed, and continuing criticism that they represent 'a tax on the sick'.¹ Prescription charges in England rose to £7.65 per item in April 2012.²

Existing exemptions in England

A number of exemptions on the basis of medical condition were introduced in 1968 to ease the burden on those who were likely to have a greater need for medicine. People with the following do not pay prescription charges:

- A permanent fistula requiring dressing.
- Forms of hypoadrenalism such as Addison's Disease.
- Diabetes insipidus and other forms of hypopituitarism.
- Diabetes mellitus except where treatment is by diet alone.
- Hypoparathyroidism.
- Myasthenia gravis.
- Myxoedema (underactive thyroid) or other conditions where supplemental thyroid hormone is necessary.
- Epilepsy requiring regular anti-epilepsy medication.
- If, because of a permanent disability, you cannot leave your home without help.

This list was agreed with the BMA in 1968. Commentators have argued that they now create an arbitrary division between those who pay and those who do not, and are no longer based on any defensible medical criteria.³ A new exemption from prescription charges for cancer patients was introduced on 1 April 2009.⁴

Exemptions are also in place based on ability to pay. These include children under 16, pregnant women and new mothers with an exemption certificate, people over 60, 16-18 year olds in full-time education, people in receipt of certain benefits including income support, jobseekers allowance or the pension credit guarantee and people on low incomes.

The Government estimates that around 88% of prescriptions are currently dispensed free of charge in England.⁵ However this masks the fact that working age people still pay substantial charges with 80% of people aged between 18 and 60 paying for prescriptions.⁶ A third of respondents to a 2009 survey of heart patients said that they had not taken prescribed medication due to cost and 35% of respondents said that they had gone without something else in order to pay prescription charges.⁷

¹ <http://www.equityhealthj.com/content/7/1/12>

² <http://www.dh.gov.uk/health/2012/03/nhs-charges/>

³ Royal Pharmaceutical Society of Great Britain (2005) *Prescription charges – should they be abolished?*

⁴ <http://www.nhs.uk/NHSEngland/Healthcosts/Pages/Prescriptioncosts.aspx>

⁵ <http://nds.coi.gov.uk/environment/fullDetail.asp?ReleaseID=358188&NewsAreaID=2&NavigatedFromDepartment=True>

⁶ Citizen's Advice (2001) *Unhealthy Charges*

⁷ Survey ran from 22/07/2009 to 21/08/2009 and received 155 responses

Prescription Pre-payment Certificates

Prescription Prepayment Certificates cost £29.10 for 3 months and £104.00 for 12 months. They offer a saving to anyone who needs more than 3 items in 3 months or more than 14 items in 12 months.⁸ A 2001 Citizen's Advice survey found that 27% of their clients who had difficulty with paying prescription charges had not bought a pre-payment certificate because they could not afford it.⁹

In December 2010, the Prescription Charges Coalition ran a survey to assess perception and awareness of Prescription Prepayment Certificates amongst people living with heart conditions. The vast majority of those respondents who were living with heart disease were aware of Prescription Pre-payment certificates and were likely to have found about them from their pharmacist or GP. Respondents felt that including information about prepayment certificates on repeat prescriptions or in GP surgeries would both be effective means of raising awareness

The cost of prescription drugs

Prescription charges in England raise around £1bn for the Exchequer and represent around 40 per cent of all income raised from NHS charges.¹⁰ The National Audit Office has identified the potential for £200m savings from the drugs budget through more efficient prescribing.¹¹ The 2009 Pharmaceutical Price Regulation Scheme negotiations included a 3.9% price cut for branded medicines and substitution of branded medicines with generic alternatives unless the branded medicine has been specified by the GP.¹²

There is inconclusive evidence of whether an abolition or increase in exemptions to prescription charges leads to more drugs being prescribed. However, studies do indicate that prescription charges do have a disproportionate effect on the poor and could perpetuate or exacerbate existing health inequalities.^{13,14} A 2001 Citizen's Advice survey found that 50% of clients who had paid prescription charges reported difficulties in paying the charge.¹⁵

The failure to afford medication, particularly primary prevention drugs, has significant cost-effectiveness implications for the overall health service budget as failure to take preventative action can store up far greater (and more expensive) health problems later on.¹⁶ While prescription charges may deter people from visiting their GP and so reduce overall health service costs, these are likely to be outweighed by increased use of resource-intensive costs that substitute for prescription drugs such as hospital visits.¹⁷

⁸ <http://www.nhsbsa.nhs.uk/1127.aspx>

⁹ Citizen's Advice (2001) *Unhealthy Charges*

¹⁰ Royal Pharmaceutical Society of Great Britain (2005) *Prescription charges – should they be abolished?*

¹¹ NAO (2007) *Prescribing costs in primary care*

¹² http://www.dh.gov.uk/en/Publicationsandstatistics/Lettersandcirculars/Dearcolleagueletters/DH_090494

¹³ Hitiris, T (2000) *Prescription charges in the United Kingdom: A critical review* University of York

¹⁴ Royal Pharmaceutical Society of Great Britain (2005) *Prescription charges – should they be abolished?*

¹⁵ Citizen's Advice (2001) *Unhealthy charges*

¹⁶ Social Market Foundation (2004) *A fairer prescription for NHS charges*

¹⁷ <http://www.equityhealthj.com/content/7/1/12>

Debate in England

In 2008 Professor Ian Gilmore of the Royal College of Physicians was commissioned by the Labour government to conduct a review of prescription charges. The review examined how to implement a commitment made by then Prime Minister Gordon Brown to abolish charges for all people with long term conditions.¹⁸

The review reported to ministers in 2009 and was published by the Coalition Government in May 2010.¹⁹ The review made a number of recommendations including a proposal for how long term conditions could be defined, that doctors should determine patient's eligibility and that new exemptions should be brought in by gradually reducing the cost of pre-payment certificates. The review estimated that the cost of introducing exemptions for people with long term conditions would be around £200m a year and that the total cost for all exemptions, including those already in place would be around £430m a year.²⁰

In the October 2010 spending review statement, the government confirmed that they would not be taking forward the previous commitment to abolishing prescription charges for all people with long term conditions.²¹

Debate in Northern Ireland

In April 2010, the Northern Irish Assembly abolished prescription charges for people living in Northern Ireland and visitors to Northern Ireland from any other country in the UK.²² This followed gradual reductions of charges in previous years. The abolition of charges will cost around £13.5m a year.²³

However, in December 2011 Health Minister Edwin Poots signalled that prescription charges may be reintroduced. The funds raised by this measure would be used to pay for drugs for debilitating diseases. A consultation on this issue is expected during 2012.²⁴

Wales and Scotland

On 1 April 2007, the Welsh Government abolished prescription charges for all patients in Wales.²⁵ This followed gradual reductions of charges in previous years. The scrapping of the charge applied to both patients registered with a Welsh GP and Welsh patients who have an English GP, who with an entitlement card will be able to get free prescriptions from a Welsh pharmacist. The scheme is estimated to cost £30m a year.²⁶

¹⁸ http://www.labour.org.uk/gordon_brown_conference

¹⁹ http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_116366

²⁰ http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@ps/@sta/@perf/documents/digitalasset/dh_116367.pdf

²¹ http://cdn.hm-treasury.gov.uk/sr2010_completereport.pdf

²² <http://www.nidirect.gov.uk/prescription-charges>

²³ http://news.bbc.co.uk/1/hi/northern_ireland/7641637.stm

²⁴ <http://www.bbc.co.uk/news/uk-northern-ireland-16145841>

²⁵ <http://www.wales.nhs.uk/page.cfm?pid=9586>

²⁶ <http://news.bbc.co.uk/1/hi/wales/6513579.stm>

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On 1 April 2011, the Scottish Government abolished prescription charges for all patients in Scotland and for people with Welsh or Northern Irish prescriptions presented in Scotland.²⁷ This followed a gradual reduction in charges from 2007 onwards. The abolition of charges will cost around £57m a year.²⁸

For further information email policy@bhf.org.uk

²⁷ <http://www.scotland.gov.uk/Topics/Health/NHS-Scotland/Health-Costs/pres-charges>

²⁸ <http://news.bbc.co.uk/1/hi/scotland/7127997.stm>