

COVENTRY TEACHING PRIMARY CARE TRUST

Report to: Professional Executive Committee, 24th July 2007

Report from: Mark Galloway, Head of Medicines Management

Report Title: 2007/8 Prescribing Incentive Scheme (Amendment)

1.0 Background

In April 2007 both PCT PEC and Board approved the 2007/8 approach to achieving prescribing savings through a Prescribing Incentive Scheme (PIS). The scheme is based on the successful 2006/7 approach of incentivising practices to work towards set targets in the six therapy areas covered by the preferred prescribing list (PPL).

This new paper is in response to feedback from practices that the incentives offered in 2006/7 were insufficient to fully engage all prescribers and that to maximise savings a more rewarding payment structure would need to be considered.

The PCT Board recently endorsed an overall level of reward of no greater than 20% of the total savings available and the new proposals have taken this into account and also that over 90% of practices have now signed up to the new incentive scheme.

2.0 Preferred Prescribing List

The PPL has been modified in 2007/8 to include antiplatelet drugs, one of the new West Midlands SHA performance targets. The revised PPL, the targets and current performance and the potential cost saving to the PCT should all practices reach target are as below (*Taken from February 2007 data*):

| Therapy Area | Cost effective choice(s) | Target compliance | Current compliance | Potential annual PCT savings |
|----------------------------|--|-------------------|--------------------|---|
| Antiplatelets | Low dose aspirin | 87.5% | 87% | £50,000 (Not part of PIS) |
| ACE Inhibitors | Ramipril caps Lisinopril | 80% | 62% | £320,000 |
| Antidepressants - SSRIs | Fluoxetine Citalopram Sertraline | 80% | 80% | <i>This remains a PPL item but not part of PIS as target has been met</i> |
| ARBs | Olmesartan Telmisartan | 80% | 48% | £265,000 |

| | | | | |
|---|--|-----|-----|-------------------|
| | Irbesartan Candesartan | | | |
| NSAIDs | Ibuprofen Diclofenac Naproxen Mefenamic acid | 70% | 54% | £148,000 |
| PPIs | Lansoprazole caps Omeprazole caps | 90% | 74% | £433,000 |
| Mandatory SHA Targets | | | | |
| Statins | Simvastatin Pravastatin | 75% | 69% | £350,000 |
| ACE inhibitors as % of all angiotensin-renin drugs (ACEs +ARBs) | | 75% | 71% | £314,000 |
| *^Total potential savings | | | | £1,880,000 |
| 50% of Total potential savings | | | | £940,000 |

* this assumes no prescribing growth and full year effects.

^ there is potentially double accounting due to the complexity of the ACE Inhibitor, ARB and ACE / ARB ratio elements crossover

(The PIS includes all elements of PPL apart from those highlighted)

Note: Savings data varies from month to month according to current drug costs, volume increases in prescribing and prescribing profile changes.

3.0 Revised PIS achievement payment proposals

The scheme presented to the PEC previously rewarded practices via a points system and a set payment per point attained. The revised scheme is designed to be much simpler and easier for practices to calculate for themselves the potential rewards on offer. It is also, because of the expanded fund for rewards, potentially more generous than the original scheme.

The new scheme offers practices a percentage of savings accrued based on a schedule such as that illustrated below:

| | % of savings as reward |
|----------------------|------------------------|
| First £5,000 saved | 5% of savings |
| Next £10,000 saved | 10% of savings |
| Savings above £15,00 | 15% of savings |

The potential rewards per practice, based on the table above, are illustrated in **Appendix 1** below. This illustration offers 11% of savings as rewards to practices but does not offer a payment for practices which have attained target and maintained it throughout the year. A payment of £150 per element for maintaining target or above would add approximately £7,000 to the payments, or 0.5% of the total savings available.

This example would give practices, in total, approximately 12% of the savings back as rewards but there is scope to increase the payment levels to the 20% endorsed by the PCT Board.

4.0 Start date for amended scheme

The PIS has been advertised to practices since April and we now have more than 90% sign-up. The Medicines Management Team has been, and continues to, work with practices to improve, where appropriate, PPL compliance and so improvements have been made since the data in this paper was compiled. There are two options to be considered, therefore, in respect of where the baseline is drawn, *i.e.*:

- Use Q4 2006/7 as the baseline, in line with the original paper, and base payments on improvement across the whole of 2007/8 (April 07 to March 08)
- Reset the baseline to Q2 2007/8 and run the incentive from September 07 to August 08

The first option rewards practice for the work already done whilst the second option does not. However the second option allows for a restart to the PIS and a refocus which may result in improved engagement.

5.0 Monitoring

Practices will receive monthly progress reports on adherence to PPL targets and therefore will be able to assess their potential payments under the new proposals.

6.0 ScriptSwitch rewards

Some of the rewards funding could be allocated for achievement against targets set for the use of the prescribing decision support software, ScriptSwitch®. ScriptSwitch® is now installed in most practices across Coventry and by the end of July 2007 more than 90% will be equipped with the software.

Rewarding practices for accepting a set percentage of cost-effective switches offered by ScriptSwitch® is an option as this will further drive prescribing savings. However some of the switches relate to the PPL and there is a danger that practices may be rewarded twice for the same achievement.

Once a robust scheme has been devised to fairly reward practices for effective use of ScriptSwitch® this will be presented to the PEC for consideration at a later date.

7.0 Recommendations

The PEC is requested to:

- Note the details of the proposed, amended, incentive scheme payment structure
- Agree the proposed payment structure based on percentage of savings made
- Agree a payment for those practices already at target
- Agree a start date for the PIS as amended
- Agree the principle of rewarding effective use of ScriptSwitch®

Appendix 1: Potential rewards by practice

| | Potential annual savings | 5% | 10% | 15% | Total potential rewards |
|--|--------------------------|------|--------|--------|-------------------------|
| | £72,035 | £250 | £1,000 | £8,555 | £9,805 |
| | £57,412 | £250 | £1,000 | £6,362 | £7,612 |
| | £55,011 | £250 | £1,000 | £6,002 | £7,252 |
| | £52,594 | £250 | £1,000 | £5,639 | £6,889 |
| | £46,540 | £250 | £1,000 | £4,731 | £5,981 |
| | £45,473 | £250 | £1,000 | £4,571 | £5,821 |
| | £41,024 | £250 | £1,000 | £3,904 | £5,154 |
| | £40,238 | £250 | £1,000 | £3,786 | £5,036 |
| | £37,364 | £250 | £1,000 | £3,355 | £4,605 |
| | £37,079 | £250 | £1,000 | £3,312 | £4,562 |
| | £36,818 | £250 | £1,000 | £3,273 | £4,523 |
| | £36,627 | £250 | £1,000 | £3,244 | £4,494 |
| | £30,295 | £250 | £1,000 | £2,294 | £3,544 |
| | £30,217 | £250 | £1,000 | £2,282 | £3,532 |
| | £28,699 | £250 | £1,000 | £2,055 | £3,305 |
| | £27,984 | £250 | £1,000 | £1,948 | £3,198 |
| | £26,412 | £250 | £1,000 | £1,712 | £2,962 |
| | £26,030 | £250 | £1,000 | £1,654 | £2,904 |
| | £25,792 | £250 | £1,000 | £1,619 | £2,869 |
| | £24,964 | £250 | £1,000 | £1,495 | £2,745 |
| | £24,559 | £250 | £1,000 | £1,434 | £2,684 |
| | £23,527 | £250 | £1,000 | £1,279 | £2,529 |
| | £23,399 | £250 | £1,000 | £1,260 | £2,510 |
| | £23,101 | £250 | £1,000 | £1,215 | £2,465 |
| | £21,302 | £250 | £1,000 | £945 | £2,195 |
| | £20,851 | £250 | £1,000 | £878 | £2,128 |
| | £20,783 | £250 | £1,000 | £867 | £2,117 |
| | £20,749 | £250 | £1,000 | £862 | £2,112 |
| | £20,100 | £250 | £1,000 | £765 | £2,015 |
| | £19,937 | £250 | £1,000 | £740 | £1,990 |
| | £19,779 | £250 | £1,000 | £717 | £1,967 |
| | £16,817 | £250 | £1,000 | £273 | £1,523 |
| | £16,546 | £250 | £1,000 | £232 | £1,482 |
| | £14,681 | £250 | £968 | £0 | £1,218 |
| | £14,013 | £250 | £901 | £0 | £1,151 |
| | £13,937 | £250 | £894 | £0 | £1,144 |
| | £13,271 | £250 | £827 | £0 | £1,077 |
| | £12,403 | £250 | £740 | £0 | £990 |
| | £12,071 | £250 | £707 | £0 | £957 |
| | £11,988 | £250 | £699 | £0 | £949 |
| | £11,658 | £250 | £666 | £0 | £916 |
| | £11,602 | £250 | £660 | £0 | £910 |
| | £11,473 | £250 | £647 | £0 | £897 |
| | £10,914 | £250 | £591 | £0 | £841 |
| | £9,319 | £250 | £432 | £0 | £682 |
| | £8,653 | £250 | £365 | £0 | £615 |
| | £7,748 | £250 | £275 | £0 | £525 |
| | £7,269 | £250 | £227 | £0 | £477 |
| | £6,394 | £250 | £139 | £0 | £389 |
| | £6,264 | £250 | £126 | £0 | £376 |
| | £6,102 | £250 | £110 | £0 | £360 |
| | £5,944 | £250 | £94 | £0 | £344 |
| | £5,760 | £250 | £76 | £0 | £326 |

| | | | | | | |
|--|---------------|-------------------|----------------|----------------|----------------|-----------------|
| | | £5,240 | £250 | £24 | £0 | £274 |
| | | £4,267 | £213 | £0 | £0 | £213 |
| | | £3,731 | £187 | £0 | £0 | £187 |
| | | £3,419 | £171 | £0 | £0 | £171 |
| | | £3,110 | £155 | £0 | £0 | £155 |
| | | £2,204 | £110 | £0 | £0 | £110 |
| | | £2,053 | £103 | £0 | £0 | £103 |
| | | £2,053 | £103 | £0 | £0 | £103 |
| | | £1,380 | £69 | £0 | £0 | £69 |
| | | £1,367 | £68 | £0 | £0 | £68 |
| | Totals | £1,280,342 | £14,679 | £43,170 | £83,258 | £141,108 |