

Agenda item no.

Report to: Executive Management Team

From: I/S / Judith Woolley / Paul Fenton

Subject: Medication Management Strategic Plan – further detail, requested at the EMT meeting 3.7.08.

Date: 25.9.08.

1) EMT action required

- To make a decision upon the options for the future delivery of a pharmacy service, **either with a commercial contract or in-house**
- To determine sufficient resourcing to fund the necessary improvements
- **To look at in-house provision in the context of other Trust services, improving efficiency and cost-effectiveness**
- To agree a timescale for implementation
- To agree to the exploration of the long-term business opportunities that a robust pharmacy service could provide, and the potential advantages to the trust

2) Purpose of this report

Please refer to the report to EMT on July 3rd for brief background information, presentation notes and strategic plan.

The team requested additional information as follows:

- More detail about the supply service that Lloyds could provide
- Operational viability of an in-house option
- Staff rotas for dispensary cover
- Functions of the technicians and pharmacists on the wards/units
- Capital costs and set-up requirements of an in-house pharmacy (including IT)
- Potential premises available
- More information about the individual dispensing robot

3) Additional information attached

1. Supply service provided by Lloyds

I/S Clinical development manager, Lloyds Pharmacy Ltd, Sapphire Court, Walsgrave triangle Coventry CV2 2TX Tel. 024 7643 2075

General information

Lloyds can provide a procurement, supply and dispensing service for inpatients and outpatients. They can also supply medical sundries if required (dressings, disinfectants, stores items). If they are successful in obtaining this contract they will base the service at one of their existing branches with additional build and infrastructure. In the future they hope to be able to offer a specialist mental health service as well.

There are branches in Braintree, Witham, two in Colchester, Epping, and Bishop's Stortford. Patients or NEPFT staff will be able to collect from any branch, or a driver or member of Lloyds staff will deliver. The frequency of delivery can be specified on the contract (suggest once or twice a day) The outpatient service could replace FP10s where there is a branch available (not Harlow, Chelmsford, Clacton)

Staffing

NHS staff can be TUPEd across to Lloyds if necessary, continuing with NHS terms and conditions, and pension/superannuation, if need be. Lloyds will be employing pharmacists and technicians who have done CPPE training for mental health, are enthusiastic about the service and dedicated to the contract. They will work with the NEPFT clinical pharmacists, techs and other staff

Finance

The cost is divided into two parts:

- A management fee, set annually and paid monthly (estimated at £400 000 but to be confirmed)
- Drug costs. Lloyds has access to better discounts than PASA because of the size of the company (cannot confirm this independently). Because of this,
 - the cost of GENERIC drugs will be drug tariff less 5%* (to be confirmed)
 - the cost of BRANDED drugs will be tariff less 10%* (to be confirmed)
 - the cost of some specific drugs will be at drug tariff (e.g. Clozapine, Risperidone, constia)
 - the cost of all outpatient prescriptions will not include VAT @ 17.5%

Financial and statistical information that can be supplied

Monthly reports showing No of items and value, broken down into cost bases or BNF category

Software can be designed to meet our requirements

Unlicensed medicines, CDs and antibiotics could be identified by audit.

Miscellaneous

- **Waste** Medicinal waste (not clinical waste) could be collected from the ward by BHS as part of the contract, if we require.
- **Delivery notes** can be included
- **Key performance indicators** can be built into the contract and audit (e.g. timeliness, error rate)

Information required by Lloyds for more accurate costing of contract

- Number of items per year, for East, West and Mid Essex, subdivided into inpatient stock, named patient/discharge, outpatient prescriptions, FP10 prescriptions, and the costs. (supplied)

East Essex	44 005 items	£331 280 value
Mid Essex	22 235	£544 840
West Essex	17 031	£351593

This excludes FP10MDA for the Drug and Alcohol teams
- Prescribing data for a typical month (drug name, form, strength, quantity) including FP10 and hospital data. (supplied)
- Some idea of the dosette/MDS requirements
- Site visits (planned for Monday October 13th with the regional facilitator)

Implementation

1. Tendering process, with an advertisement in the European Journal
2. Expression of interest
3. Prequalifying questionnaire (inc. genuine ability to deliver, company background)
4. Shortlist
5. Full service specification with legal caveats (NHS terms and conditions)
6. Questions on methods of provision

Timescales (minimum)

Service specification 2 months

OJ advert expression of interest etc 6 weeks

10 day cooling off period

Set-up 4 months

Operational 1 year

Increase in in-house specialist pharmacy staff to support this supply-only service 1-2 years

Notice to existing providers 6 months

Other Mental Health Trusts with Lloyds/commercial provision

- Avon and Wilts MHP Trust I/S
Started a Lloyds contract for 2/3rds of the Trust in April 08 See "Avon & Wilts Lloyds contract" on corporate drive (medicines) for more detail.
- Coventry I/S Population 850 000
Going live on Monday 29.9.08. Lloyds will provide a supply service for the whole trust. Coventry have advertised for additional directly employed specialists (4 x AfC8a Pharmacists, 0.6 x AfC7 Pharmacist, 3.5 x AfC5 technicians) as the first part of a service expansion programme.
- Also Hull (I/S 2 years, Rotherham and Doncaster since 1.8.08., I/S I/S I/S and Durham (I/S pulling out of Boots and out to tender.

2. Operational viability of an in-house option

Strengths	Weaknesses	Opportunities	Threats
<p>In-house control</p> <p>Flexibility to change the service quickly</p> <p>Patient-focussed service</p> <p>Procurement targeting MH costs</p> <p>More accessible financial/expenditure information</p> <p>In-house electronic dispensing records</p> <p>Unused medicines can be returned for reuse.</p> <p>The pharmacy can deal with medicines waste</p>	<p>Staff recruitment and retention</p> <p>Small economy of scale</p> <p>Lack of general medicine expertise</p> <p>Capital, estates and resource implications</p> <p>On-call service difficult to maintain</p>	<p>Business opportunities for external contracts</p> <p>Recognised place in provision of local health economy</p> <p>Joint project with estates to reprovide transport, estates and other facilities</p> <p>IT integration to facilitate electronic prescribing</p> <p>Can utilise new technologies to improve the service</p> <p>Review for more efficient out of hours system</p>	<p>Increased cost of logistics</p> <p>Change in government policies</p> <p>Staffing falls below critical level to maintain service</p>

3. Staff rotas for dispensary cover

DISPENSARY STAFF COVER

	Monday		Tuesday		Wednesday		Thursday		Friday	
West Ph'cist			Reconciliation		Reconciliation				Dispensary	
West technician			Dispensary		Clozapine clinic	MI				
Mid Ph'cist	Reconciliation		Dispen	Reconc					Dispen	Reconc
Mid technician	Clozap clinic	Dispen		MI						Dispen
Colch Ph'cist			Reconc		Dispensary		Reconciliation		MI alt.weeks	
Colch tech			Clozap clinic				Dispensary			
Clacton ph'cist	Reconciliation				Reconc		Dispensary		MI alt weeks	
Clacton tech	Dispensary				Clozap clinic					
5th pharmacist								MI		
Half 6 th pharmacist									Peripatetic	
Chief Ph'cist	Disp							Disp		
Clerical support/ Audit lead										
Half clerical supp										
Dispensary manager										
IT/Procurement lead										
Half MI/staff training/ Intervention/error monitoring										
ATO										
ATO										
Student tech			Ch'ford college							
Prereg. Pharmacist 6 x 2-4 weeks per year										

NOTES

- Coloured squares are staff in the dispensary building (brown-pharmacists, blue – technicians, pink – other) not necessarily dispensing
- Staff totals: 7 pharmacists including AD 6 technicians 4.5 other TOTAL 17.5
Excluding pre-registration pharmacist
- Number of items dispensed by hospitals based on available figures for 2007-8 are:

East	12 745 items	£219 540
Mid	14 387	£376 183
West	Estimated 14 000	£247 462
Total	41 132	£843 185
- The above assumes an offsite pharmacy which will not provide outpatient services. These could continue to come on FP10, or we could have a contract with Lloyds for Braintree, Witham, Colchester and Tendring.
- There must be at least one pharmacist at the dispensary 9-5 for supervision
- technicians must include at least one ACT trainer and one NVQ levels 2 and 3 assessor
- All ward visiting techs must have additional near patient tech training and current ACT accreditation
- Holiday and sickness cover will be provided in-house. This could mean a reduction in ward support.. If the situation is critical locum dispensary cover may be required.
- Full time hours are 37.5hr/week
- The pharmacy will be open from 9 am to 5 pm. Staff will arrive from 8 am and stay until 5.30 pm
- Prescriptions and stock orders will be faxed by pharmacy staff or nursing staff
- Deliveries will be made to all inpatient units and CRHTs once or twice daily and to community units at least weekly. There will be a locked secure room outside the pharmacy for collection of sealed packs of medicines by drivers out of hours, and for dropping off unwanted medicines from units.
- A pharmacy tech or a pharmacist will be available for medicines reconciliation Mon-Fri. There will be no pharmacy reconciliation service at the weekend. Current numbers are:

East	216 beds	918 admissions/year	Average 17.65/week
Mid	95 beds	456 admissions/year	Average 8.77/week
West	82 beds	467 admissions/year	Average 8.98/week

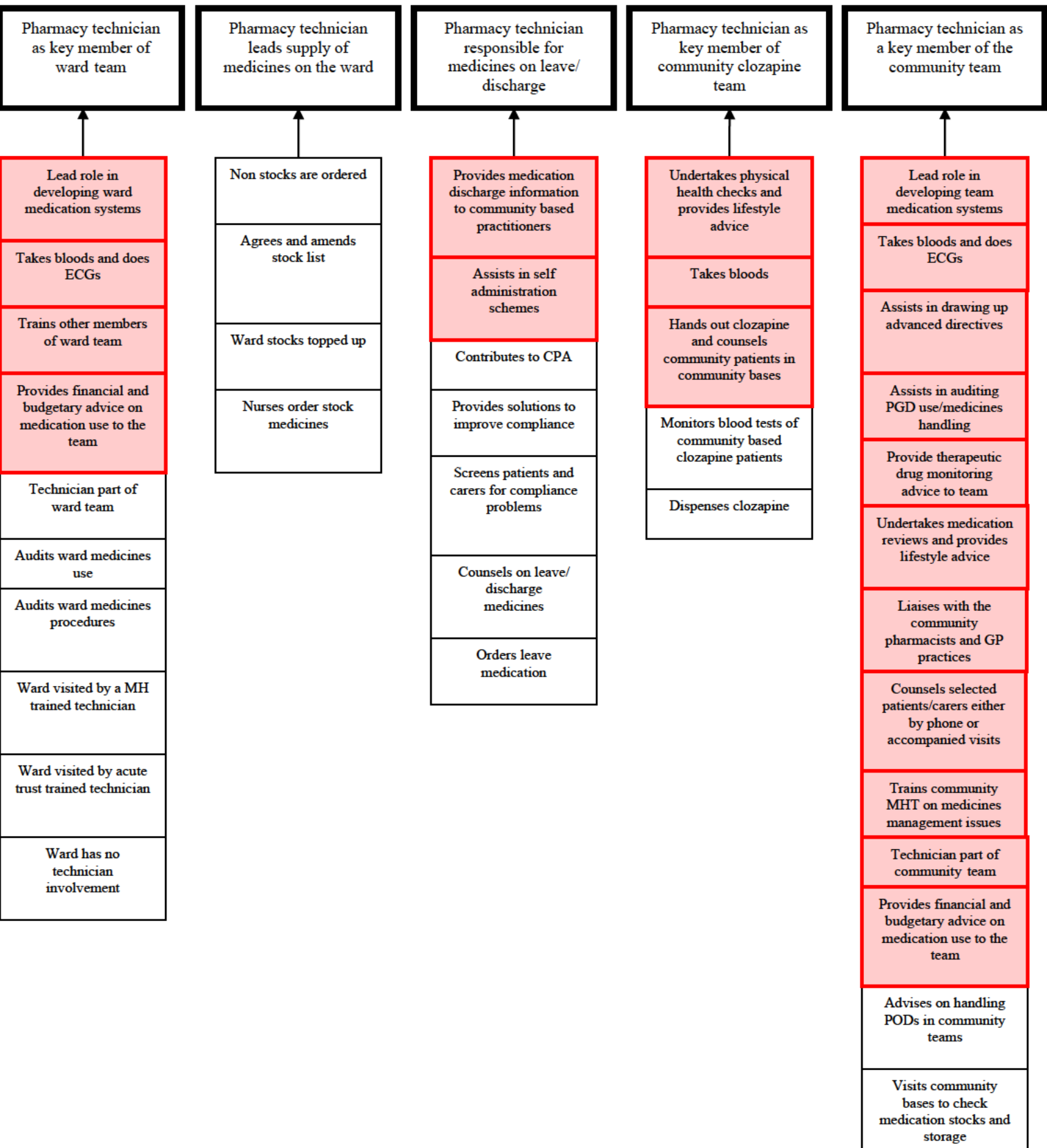
4. Functions of the technicians and pharmacists on the wards/units

GENERAL

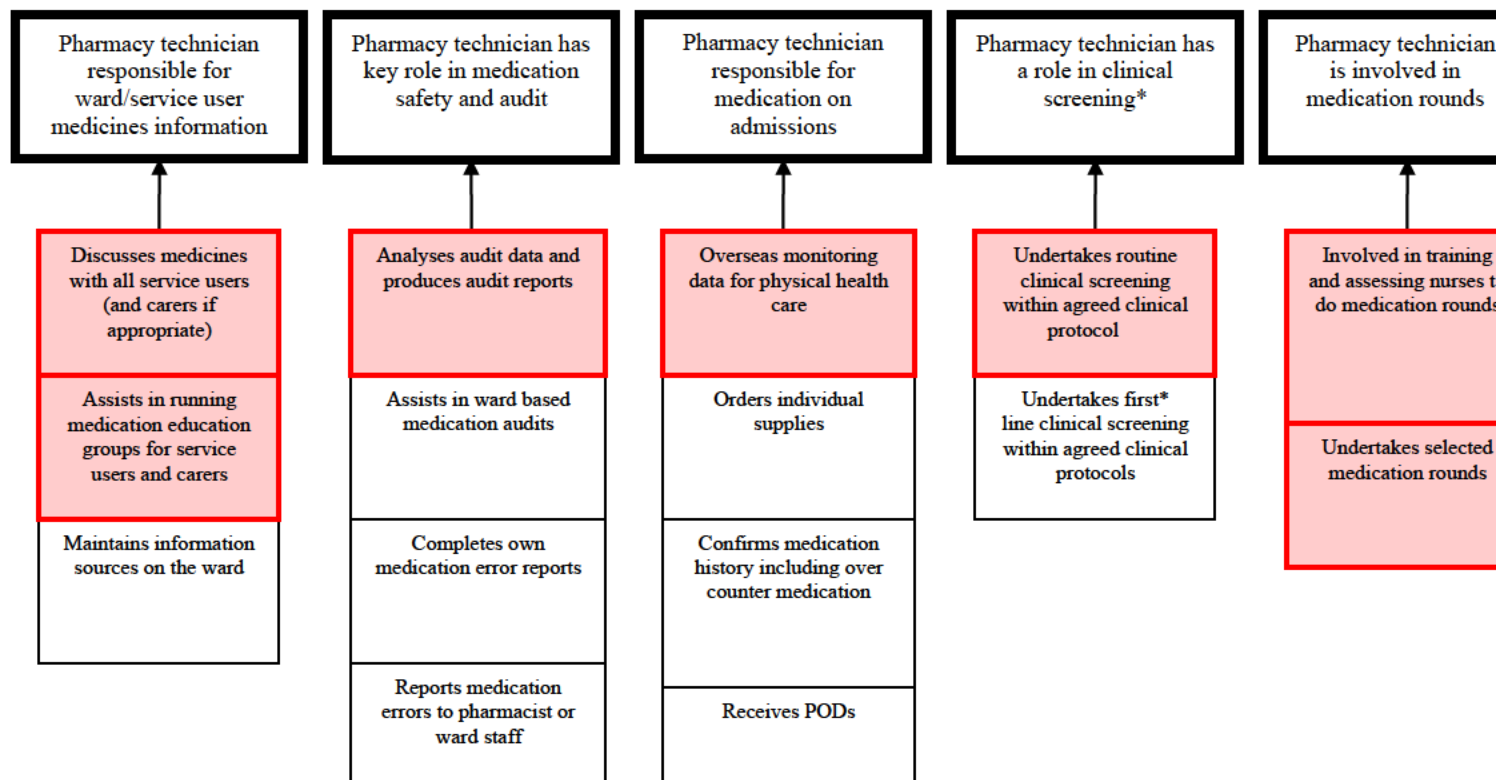
	Pharmacist	Tech	Comment
Care review	At least monthly for each consultant at each location		
Ward Handover	Weekly if possible	At least weekly	
Acute adult ward visits and PICUs	At least twice a week Topping up weekly	At least three times a week Weekly patient group	(Daily by tech or pharmacist)
Acute older adult ward visits	At least twice a week Topping up weekly	At least weekly Monthly carers group	
Rehab ward visits	At least weekly Topping up at least fortnightly	At least weekly Monthly patient group	
Non-acute Older adult ward visits	At least weekly Topping up at least fortnightly	At least weekly Some Carer groups	
CRHT	Daily	At least twice weekly	
Day units	At least quarterly	Monthly	Patient/carer groups
Community teams, assertive outreach, EIP	At least quarterly for stock check etc.	Monthly for training, audit, advice, patient groups	

Other functions: One-stop facilitation, self-medication assessment and planning, discharge planning, assessment and planning for special needs (DDA), training for procedures, for psychotropics and for other medicines, audit, implementation of and adherence to Trust procedures, prescribing advice, formulary advice, help with administration of medicines, input to care plans, liaison with community pharmacies and GPs, medicines information, ensuring that written information is available for patients, individual patient counselling, home visits. See appendix for NWW pharmacy technician functions. In the future Pharmacists can be independent or supplementary prescribers.

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Please note shaded boxes are aspirational roles and unshaded ones are core roles.

September 2007

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WARDS AND UNITS TO BE COVERED

Function	East	Mid	West
Acute adult	Ardleigh Gosfield Peter Bruff	Finchingfield Galleywood	Chelmer Stort
PICU	Cedar Maple (LS)	Christopher	Shannon
Acute older adult	Henneage MacIntyre	Drake House	Kittwood Roding
Rehab adult	Severalls House Rivendell Brambles Ipswich Rd		Cam
Non-acute older adult	Bernard Lucas Tower Ward	J6	
CRHT	ISS Lakes CRHT Martello Ct	NIC Witham	Eden
Day units	Abberton (?) Defoe Martello Ct Freeland Ct Mayfield Clacton	Tillingham Redwoods St John's Cherry Trees Maldon Gables Braintree	Kittwood Epping forest
Community units	Assertive outreach Birchwood EIP Severalls CMHT Harwich CMHOA Harwich CMHOA Birchwood CMHT1 Oyster Ct CMHT2 Oyster Ct CMHOA Clacton CMHT E Tendring CMHT W Tendring	Assertive outreach NIC Witham EIP OIC Witham CMHT N Chelm CMHT S Chelm CMHOA Drake Ho CMHOA Maldon CMHT Maldon CMHOA Gables CMHT Tabor Ho CMHT Witham CMHOA Witham CMHT Halstead	Assertive outreach EIP CMHOA Derwent CMHT N Latton B CMHT S Latton B CMHT Loughton CMHOA Loughton CMHT Regent Rd CMHT River Lea Ho CMHT N Uttlesford Saffron Walden CMHOA N Uttlesford CMHT S Uttlesford Great Dunmow
CDAT	NEEDAS Herrick House Colch.	Changes Chelmsford	CDAT Aylmer Ho Harlow
CAMHS	Longview Colchester Clacton	Rannoch L Chelm. Maldon White Lodge Btree	Harlow CAMHS Loughton CAMHS
Other	Abberton OPD ECT Lakes Memory clinic	Linden OPD ECT Linden C	Derwent OPD ECT suite Memory clinic

	Kingswood OPD Eaglehurst Occupational health		
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5. Capital costs and set-up requirements of an in-house pharmacy (including IT)

Timescale: Funding, Outline Planning permission, design, planning and building regs, building, commissioning, building a pharmacy team

Options for provision: Traditional build, Modular build (25 year life)(3-4 months quicker than traditional), Portacabin (3yr life), Lease of existing building e.g. on industrial estate, on/in existing NEPFT property

References:

NHS Estates Health Building Note 29

Design for patient safety – a guide for the design of the dispensing environment Edition 1 11/2007

Design for patient safety - a guide to the design of dispensed medicines Ed 1 11/2007

CAPITAL COSTS			
Item/description		Cost	Comment
Dispensary for up to 12 people, floor area 79 sq.m		£417 000 £320 000 £83 000	Modular build £3 000/m Traditional build £2 300/m Refit of premises £600/m Total area 139m
Procurement office 10 sq.m			
Clinical Office 20 sq m			
Vestibule for transport collection and delivery, outside main burglar alarm system (include room for a fridge) 6-9 sq m			
Two toilets+sink (cloakroom) 6 sq m			
Patient/staff waiting area 15 sq m			

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Training room 40 sq m	£24 000 - £120 000	This could be used as a training room by others, or a meeting room (?replace Gemini Centre)
Vehicular access for fairly large lorries		
Burglar alarm system	7 000	
Climate control	1158	Ref: Welco 2008
Computer system hardware	10 000	
Computer software	80 000	
Computer installation costs	?	
Dispensing benches and cupboards	10 000	Howdens? Kitchen units
Shelves		
2 fridges (one small, one large with display door)	2 148	
Sloping open drawer system(s) for dispensary	4 000	
Controlled Drug cupboard	785	
Transit CD boxes and bags	3 000	33 x 5 envopaks and 25 lockable boxes
Transit stock boxes and wheels	1000	30
Phones (4) and faxes (3)	1 000	
Photocopier	1 000	
Chairs/stools 2+6+6+4+15	1 000	
Sack barrow	50	
Episys handheld printers for ward level labels 3	2 000	
Mobile phones x 5	700	
Pharmfast www.tribalgroup.co.uk	?	Can track prescriptions, medicines over multiple sites Improves monitoring and audit, security in transit, human error
TOTAL	231 841	Refit of premises, including red items

REVENUE COSTS		
Item/description	Cost p a	Comment
Premises maintenance and repair		
Services (electricity/gas/water etc)		
Leasehold		
Burglar alarm		
Computer		
Cleaning		
Stationery		
Security seals for transit bags		
(Photocopier lease)		

REFERENCES

www.pharmacy-equipment.com 01863 348 123

www.hbdirect.co.uk hire and sale of ex-hire modular healthcare buildings 0845 840 4545

www.ascribe.com Computer systems 0870 053 4545

www.firstdatabank.co.uk JAC pharmacy computers and electronic prescribing systems
www.thebarcodewarehouse.co.uk hand held data collection and download facility
www.episys.com hand-held labeller with database for drugs and capacity to download to main computer system.
www.connectingforhealth.nhs.uk I/S

IT COMPUTER SYSTEMS – PROPOSED REQUIREMENTS

- CONSULTANCY Expertise for setting up available: I/S
I/S Willing to come for a month for setting up, and provide advice and training.
- Needs to be compatible with connectingforhealth plans (Lorenzo) in central quadrant (North West to South East England)
- Needs to interface with the Trust computer system (whatever that may be) to access PAS, and drug history and and allergies if possible
- Needs to have the potential to facilitate electronic prescribing from all sites connected directly to the pharmacy (this to be rolled out gradually)
- Needs to be connected to all units by cable or satellite (this should be easy because the Trust system will do that)
- Needs a file of medicines, with additional label requirements (software available)
- Bar code recognition for receiving goods, initially with a “wand”
- Levels of security built into system(administrative function, prescriptions not personal notes) and ability to add or remove levels for individuals.
- Ability for connection with care records for physical illness when available
- Tracker log
- Make controlled drugs entry records that will meet the new legislation requirements
- Identify Controlled Drugs and produce a separate monthly report for their dispensing
- “ non-formulary medicines “ “ “ “ “
- Identify unlicensed medicines “ “ “ “
- Identify antibiotic usage for infection control statistics
- Produce monthly reports, in cost order
- Be able to produce expenditure/dispensing reports for individual medicines or groups of medicines
- Ability to link to handheld label printers and upload information from them.
- Ability for electronic ordering to wholesalers (NOTE The wholesalers will often provide the modem and software and wands for this)
- Link to finance to produce invoices
- RFID (Radio frequency identification) for stock control and increased efficiency (time and cost saving)

General information

- There will be a communications room ready in 18 months at the Older Adults, Linden Centre, which could be used to house the pharmacy hard drive
- A pilot?
- Implementation timescale – probably at least 6 months, link with I/S
- Revenue costs (per capita licence to use software) If accredited for connectingforhealth this should be free.
- ? Will this be more cost-effective than using the 3 acute trusts? Difficult to say, but the quality of information and control and risk will be better. There is national

encouragement to move away from dependence upon other Trusts/organisations. Autonomy should mean we achieve the service specifications we need. The acute trusts are not interested in providing a service to us. There are errors with medicines.

- A connectingforhealth project manager is to be appointed (I/S department)

6. Potential premises available (Paul Fenton)

Linden Centre would be the best location for an in-house pharmacy, but there is no room for suitable development on this site.

Derwent and the Lakes are not central, and would cause increased transport costs, complicated runs and more time delays.

Premises in Chelmsford, Witham, Great Leighs and Braintree were considered. Three were shortlisted and visited.

The site at Robjohns Rd was considered the most appropriate for location, potential, parking, and possibly value for rental, but it will need refurbishment.(see medicines site on corporate drive). The site area is 446 square metres (4,800 sq. ft) with an option for a second unit, same size, next door. There is potential to build a mezzanine floor, which will further increase floor area. There is parking for about 18 cars including a back yard which can be secured. Refit costs approx. £267 000 Rental £30 000 pa to be negotiated.

Other potential uses: Transport base (large indoor secure area), Estates base, Medical records, training room, Changes

I/S are looking at better costings and potential savings from this relocation of other services.

7. More information about the individual dispensing robot

This is a relatively small robot that puts individual tablets into fully labelled and legal single dose packaging. It has most potential for CRHT and acute areas where doses change rapidly, and suicide risk and for elderly people who cannot deal with medicines in conventional packaging. It requires a machine to pop tablets out of conventional packaging, computer linkup and software, and operating technicians with good accuracy and technical skills. Not to be confused with the robots installed at PAH and MEHT pharmacies which only dispense original packs, do not require well qualified staff, and cost about £800 000.

Norwich has one up and running. More information can be provided at the meeting .