

Procuring medicines

This issue's special feature, on which these questions are based, was commissioned from independent authors. The information in the box (below, right) should help readers to identify knowledge gaps and undertake continuing professional development. All readers are invited to complete the questions overleaf on procuring medicines, to test their understanding of the articles, and send their answers, together with a stamped and addressed C5 envelope, to:

Life-long Learning — procurement
Hospital Pharmacist
1 Lambeth High Street
London SE1 7JN

Entries must be received by 22 January 2007. Results will be returned with a certificate of completion.

Your name, address and scores will be held on a database for the purpose of awarding prizes. Should you wish your details not to be held in this way, please tick the box. If you do this, you will be sent a certificate, but you will be ineligible for a prize.

Life-long Learning competition

The 2005/06 Life-long Learning series ended with the July/August issue of *Hospital Pharmacist*. The winner and runners up of the competition were announced in the November issue. The next competition will be launched in the January 2007 issue. In the meantime, readers are invited to continue to answer the Life-long Learning questions for continuing professional development purposes. Accreditation by the College of Pharmacy Practice remains unchanged.

Hospital Pharmacist online

Hospital Pharmacist is available online at www.pjonline.com/hp/index.html. The website contains the current issue and an archive of back issues from January 2000 onwards. There are also links to the regular features in *Hospital Pharmacist* (eg, Life-long Learning, meeting reports, comments, careers, focus on technicians) and forthcoming special features.

The site also contains advice to contributors to *Hospital Pharmacist*, information about the annual *Hospital Pharmacist* conference, a link to *The Pharmaceutical Journal* careers website and information on subscribing to the journal.

There is a diary page with information about reunions, meetings, courses and health events (www.pjonline.com/diary).



Name: _____

RPSGB registration number: _____

Address: _____

Post code: _____

How to undertake continuing professional development

Identify knowledge gaps

- ◆ To understand the principles of how drugs are procured in the NHS
- ◆ To have a knowledge of the changes occurring in the way drugs are procured at a national level

Act

- ◆ Read the articles in this issue
- ◆ Test your knowledge by answering the multiple-choice questions overleaf

Evaluate

- ◆ What have you learnt?
- ◆ How has it added value to your practice?
- ◆ What will you do now and how will this be achieved?

The feature on procuring medicines has been accredited by the College of Pharmacy Practice against the Royal Pharmaceutical Society's general and hospital practice areas of competence, which can be accessed via *Hospital Pharmacist* online (www.pjonline.com/links/hp).

Reading the feature and completing the questions will help readers to fulfil aspects of the following competency areas, depending on their area of practice and application of learning: G1, G5, G8, G9, HP3, HP10, HP11, HP12, HP13.

Completion of the questions entitles undergraduates to one point towards the Professional Development Certificate, a joint initiative between the British Pharmaceutical Students' Association and the College.

The assistance of the College of Pharmacy Practice is acknowledged in producing the CPD elements of this month's special feature.

Further information on how hospital pharmacists are approaching the challenges of CPD can be found in articles in the February 2005 issue of *Hospital Pharmacist* (2005;12:65–72).



To answer the questions, tick either the True or False column

	True	False		True	False
1. Concerning medicines in the NHS:			6. Concerning the Supply Chain Excellence Programme (SCEP):		
a) NHS hospitals in England spend over £2bn per year on pharmaceuticals			a) The primary objective of SCEP was to reduce the price of contracts for medicines		
b) Hospital pharmacies tend to hold about one month's supply of drugs as stock			b) SCEP increased the number of regional pharmaceutical procurement groups to 14		
c) Hospital pharmacies should aim to hold about one week's supply of drugs as stock			c) SCEP only covers pharmaceuticals		
d) All branded products have a ten-year patent period			d) In England SCEP contracts for generic medicines are managed by the NHS Purchasing and Supply Agency (NHS PASA)		
e) The NHS supply chain review was commissioned by the commercial directorate of the Department of Health			e) Each collaborative procurement hub (CPH) is chaired by a procurement pharmacist		
2. Regarding procurement:			7. Regarding national groups and strategies:		
a) Effective contracting for medicines is a key element in reducing NHS spend			a) The PMSG aims to prevent the development of market monopolies		
b) Only specialist procurement pharmacists need to have a knowledge of drug costs and product selection			b) The PMSG aims to drive prices as low as possible		
c) A close partnership between clinical and procurement pharmacists is essential for effective contracting			c) The National Pharmaceutical Supply Group acts as a link between pharmacists and NHS PASA		
d) Procurement of generic medicines requires high-level clinical input			d) CPHs are strategically responsible for all NHS commercial transactions		
e) Clinician engagement is important for therapeutic rationalisation of medicines at a local level			e) CPHs are funded by the commercial directorate of the Department of Health		
3. Concerning contracts:			8. Concerning data handling:		
a) Adjudication of tenders is based solely on price			a) All drugs of the same strength will have the same European article number (EAN) regardless of pack size		
b) Adjudication for branded medicines is usually performed at a local or consortia level			b) Commerce extensible markup language (cXML) is used to send data securely across the internet		
c) All suppliers should be given a fair and equal chance of winning a contract			c) PharmEx collects purchasing data from pharmacy computer systems for an annual update		
d) The threshold for contracts that must adhere to EU procurement law is approximately £100,000			d) Products may have a number of different prices depending on which costs are being referred to		
e) Non-adherence to contracts is monitored by the Pharmaceutical Market Support Group (PMSG)			e) Trust coding systems may alter as the clinical structure of a trust changes		
4. Concerning pricing (1):			9. Regarding electronic trading:		
a) In the last round of the Pharmaceutical Price Regulation Scheme negotiations a price reduction of 10 per cent was achieved for medicines in the NHS			a) About 50 suppliers in the UK currently trade electronically		
b) The national price of a branded medicine is established at its launch			b) Electronic commerce (e-commerce) systems can help hospitals order stock more efficiently		
c) After the launch a manufacturer may increase its product prices as it sees fit			c) Most e-commerce systems currently operate as add-on modules to pharmacy computers		
d) The prices of hospital medicines exclude VAT			d) The PowerGate system matches product lines on a pharmacy computer to the supplier's catalogue		
e) The UK is often used as a reference source for other EU countries' pricing systems			e) Value Added Networks are free for NHS trusts to use		
5. Concerning pricing (2):			10. Concerning advances and developments:		
a) The two legal methods of valuing stock are average cost (AVCO) and first-in first-out (FIFO)			a) The Pharmacy Messaging Service is now provided free of charge to NHS trusts in the UK		
b) The AVCO price is calculated manually			b) The NHS drugs supply has now been outsourced to DHL		
c) AVCO prices always exclude VAT			c) DHL has pledged to save £1bn over a ten-year contract period		
d) Financial coding systems help ensure that drugs are allocated to the appropriate cost centre			d) Pharmaceuticals and utilities are the main exclusions from the DHL contract		
e) Errors in benchmarking may occur if VAT is not accounted for			e) DHL will now be taking over the activities formerly carried out by NHS Logistics		

Answers will appear in the February 2007 issue

