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# Communicating the new ABPI code to NHS customers

The new ABPI code of practice and the impact of the new EU procurement directives were among issues discussed at the Guild of Healthcare Pharmacists procurement and distribution interest group meeting. Hannah Pike reports

**I**t is important that health care professionals are aware of the new Association of the British Pharmaceutical Industry code of practice, Martin Anderson, director NHS policy and partnerships at the ABPI, told delegates. Although the changes to the code are well known within the pharmaceutical industry, they are not as well known outside the industry as the ABPI would like them to be, he said, and a communications plan is under way to help inform NHS customers.

Mr Anderson described the key messages in the new code, that was agreed in November 2005 following a comprehensive consultation process. The code is a mandatory document affecting almost every pharmaceutical company in the UK. It is designed to prevent unethical and inappropriate practices, and ABPI member companies have had to be compliant with it from this spring.

The code comprises a number of clauses, covering aspects including marketing authorisations, gifts and inducements, distribution of promotional material and hospitality and meetings. Mr Anderson explained that one of the most serious offences a pharmaceutical company can commit is to be in breach of clause two — discrediting the industry. Staff training is also covered in the code. For example, it is a mandatory requirement that all pharmaceutical representatives pass the ABPI examination within 12 months of starting their job.

Some of the main changes to the code include:

- Further restrictions on what can be provided to health professionals in the way of promotional aids, hospitality, subsistence, travel and accommodation
- All new material to enter the market will now contain information to the patient about reporting adverse drug reactions

The Guild of Healthcare Pharmacists procurement and distribution interest group summer symposium was held in Coventry on 8 June. **Hannah Pike** is editor of *Hospital Pharmacist*



Martin Anderson: stronger sanctions for companies that breach the code of practice

- Stronger sanctions if companies are found to be in breach of the code
- Promotional competitions are no longer allowed
- Pharmacists can now certify certain promotional material in place of a medical signatory
- Delegates sponsored to attend meetings are limited to economy air travel, (although they may pay for an upgrade themselves)

Expanding on clause 19, which covers hospitality, Mr Anderson explained that a reasonable expense for a guest is defined as what you would expect the guest to spend on themselves. Lavish or deluxe venues are not to be used, and companies should avoid using venues renowned for their entertainment facilities.

He explained that a “memorandum of understanding” has been put together by the Medicines and Healthcare products Regulatory Agency, the ABPI and the Prescription Medicines Code of Practice Authority (established by the ABPI to administrate the code) setting out the responsibilities of each

group. He noted that self-regulation should be the first means of dealing with complaints, with the MHRA stepping in “when there is a clear case for protection” or if self-regulation fails.

## Sanctions

It was decided that companies in breach of the code would not be subject to a monetary fine. Instead, severe breaches of the code will now be published in the press by the ABPI, and might adversely affect the share prices of the company in question.

Companies must now withdraw any offending items more quickly than was required under the previous code. Furthermore, the PMCPA will increase the number of audits and visits they will make, and companies may be suspended or expelled from the ABPI. Mr Anderson pointed out that, should a company be removed from the ABPI, the MHRA would scrutinise every promotional activity which that company undertook with the NHS, taking a large amount of time. “If you are trying to launch a product and you have to have every step certified by the MHRA before you can put it into the market place, that really does slow down your launch and that costs millions of pounds,” he explained. Mr Anderson noted that these sanctions and restrictions may be increased if the code is not adhered to.

He added, “It is important that customers understand the code and do not ask us to do inappropriate things, and if you do think we are doing inappropriate things, complain. It is only through this self-regulatory process that we will actually manage the behaviour in a way that is acceptable to you as customers and to ourselves as the industry.”

He reminded delegates that anybody who thinks a company is breaking the code can put in a complaint. “You do not have to be a health professional or a senior person,” he said.

## Guidance for health professionals

Guidance for health professionals on the new ABPI code of conduct is available at [www.abpi.org.uk](http://www.abpi.org.uk)

# Impact of the new EU regulations on procurement in England and Wales

An overview of procurement in the NHS in Wales in the past, at present and as it may look in the future was presented by Gunther Kostyra, contracts manager at Welsh Health Supplies.

The NHS All-Wales Procurement strategy is currently being updated, Mr Kostyra said, but the key elements of electronic working, sustainable development and alignment of contracting will remain.

Welsh Health Supplies has had to rework its procedures to comply with the new EU directives which came into force at the end of January, Mr Kostyra explained. The main issues for them have been around the criteria for awarding contracts, ensuring transparency, and building matters such as sustainable development into the procurement process. "I really believe that we ought to look at the impact our purchasing decisions have on the social, economic and environmental issues relating to the country," he said. There is now scope in the EU regulations to include sustainable development criteria, and although the new directives have necessitated a lot of work, they reinforce good practice in procurement, he said.

Turning to web tendering, Mr Kostyra said that Welsh Health Supplies has been using this technology for two years and that it is catching on in most of the public sector. It is a simple process which allows quantitative information to be downloaded onto contract management systems. This gives more time to look at qualitative issues and also saves on paperwork.

In terms of transparency, the new regulations leave nowhere to hide, he said. The Freedom of Information Act obliges them to release meeting notes, details of attendees and overall contract values. "We are spending public money and you should know how we are spending public money," he said.

According to Mr Kostyra, in the future there will be greater consideration of the impact that decisions made in secondary care might have on primary care. "The penny is finally dropping with the Welsh Assembly Government that we are spending a lot more on pharmaceuticals in primary care than we are in secondary, yet we put a lot more resources into managing secondary care costs." He said that he expects greater collaboration in public sector procurement in the future, and an even more professional approach.

## Speaker presentations

Presentations from the PDIG summer conference are available at [www.pdig.org](http://www.pdig.org)



V'Iain Fenton-May: a product's suitability for robotic dispensing is taken into account

## New assessment tool

V'Iain Fenton-May, quality assurance pharmacist for Welsh Hospitals, at St Mary's Pharmaceutical Unit, Cardiff, described a new contract assessment tool being used in Wales.

After an initial filtering of items has been carried out by the All Wales Drugs Contracting Committee's quality assurance group (considering factors such as how the company is rated and the strategic need), value for money is then assessed depending on acquisition costs and risks.

In addition, the pharmacy purchasing group, representing Welsh trusts, will give an ongoing assessment of each company and product. Each item is assessed for suitability for robotic dispensing, and classed as being an item that is "essential" to be put into the robot (ie, likely to prevent known picking errors), "desirable", or "not necessary". This is then taken into account when calculating the product quality assessment score. When scoring suppliers, companies are rated on aspects such as past reliability, acceptable returns policy, price changing history and complaints handling.

During quality assessment, the products are scored on factors including ease of opening, consumer satisfaction and readability of the label. The barcodes on the product are also checked for readability. Mr Fenton-May explained that some barcodes are smudged and some products even have the same barcodes for different strengths of drugs. If companies reuse barcodes of discontinued lines this can lead to errors, since the old codes may still be in the computer memory, leading to issue of the wrong product.

Mr Fenton-May explained that products are allocated scores that are only relevant against competing lines and have no relevance elsewhere or to another line. Each line will be scored and the adjudication document, including the scores, will be submitted to the Drug Contracting Committee for a final decision.

## Transparency

Ian Allen, category manager, NHS Purchasing and Supply Agency (PASA), described how, unlike in Wales, in England framework agreements are used for purchasing, as allowed by the new directives.

Similarly to the situation in Wales, it is the award criteria aspect of the new legislation that has most challenged PASA. Dr Allen explained how, in England, award assessment is a two stage process. In the first stage, the commercial stage, PASA considers the cost of the items, the risk associated with awarding each contract, and supplier performance. He said that PASA is starting to improve its monitoring of supplier performance and feeding this information back to local adjudicating groups and suppliers. In the second stage, the technical stage, PASA looks to the NHS hospital pharmacy service to assess quality assurance, and, again, risk and supplier performance.

There is now a greater focus on being able to demonstrate transparency, and mechanisms must be in place to explain exactly why each supplier did or did not win the business. There is also the opportunity for a further debrief if requested, Dr Allen explained. He described how PASA is currently developing a descriptive document to provide a full explanation to any potential supplier of what processes they will use to award contracts.

Turning to e-procurement, Dr Allen explained that PASA uses a web provider to deliver the tender package. Electronic auctions have also been used successfully in the past, and the new directives provide guidance on this.

Re-opening competitions from those companies with whom PASA has framework agreements (known as "mini competitions") is now an option to help purchasers choose between eligible suppliers if the framework does not provide sufficient detail for them to make their decision. Some guidance on this is offered in the directives, but there is limited information on how to practically do it since it is a new process. What the new directives attempt to do is to provide legislation that foresees future technological developments, Dr Allen said.