

Do pharmacists pay more to practise than other health care professionals?

Now that the new statutory fees for pharmacists have been approved for 2003 (see p825), Debbie Andalo compares what pharmacists pay to practise with what doctors, dentists and nurses pay to their regulatory and professional bodies

THE costs that all health professionals face in order to remain in practice are rising as the Government drives forward its agenda to tighten regulation in a climate of increasing litigation climate in the National Health Service.

RETENTION FEES

Over the past couple of years, annual fees to regulatory bodies for all the key professions — pharmacists, doctors, dentists and nurses — have been rising well above the rate of inflation. And none of the organisations rule out further increases to help pay for professional appraisal, increased regulation and continuing professional development.

Last year it was doctors — both general practitioners and hospital consultants — who saw the highest percentage increase in their retention fee. Their retention fee to the General Medical Council went up from £170 to £290. The GMC attributed the rise to a 100 per cent increase in its workload concerning complaints since 1999. Pharmacists at the same time also saw their retention fee go up from £142 to £186 — an increase of £44. Explaining the rise the Royal Pharmaceutical Society said the increase would generate an additional £1.4m which would help pay for developing its regulatory framework and, in the words of President Marshall Davies, “create an effective modern regulator for pharmacists”. The retention fee for 2003 will rise to just under £200.

However, it is dentists who are currently facing the biggest hike in the cost of being allowed to practise in the United Kingdom. The Privy Council is currently considering a recommendation from the profession's governing body the General Dental Council to bring in a new registration retention fee of £300 to replace the current fee of £135. Like the GMC, the GDC attributes the need for more money to an increase in the number of complaints it is having to deal with. In 1996 its professional conduct committee sat for only 13 days; this year it spent 60 days hearing cases. In 1997 its screening procedures dealt with 44 cases compared with 355 in 2001. In addition to their retention fee, dentists also have the option of being included on a specialist GDC register. The fee for specialist registration — which applies to 13 different specialists, including orthodontists — is £250 for the first year dropping to £200 in subsequent years.

Far fewer pharmacists are disciplined than other health professionals. However, the increase in fees is not solely to manage grater demands on disciplinary functions, but to support professional development.

Hospital pharmacist Robert McArtney, president of the Guild of Healthcare Pharmacists, said that often hospital pharmacists needed to be convinced of the benefits of being members of the Royal Pharmaceutical Society, beyond being entitled to practise.

Mr McArtney, who practises at the University Hospital of Wales in Cardiff, admitted: “I don't resent paying the fee and I don't have any problem with tighter regulation, although last year we had a fair bit extra to pay. I wouldn't be surprised if registration continues to rise year on year and I think most people would accept that, particularly as we are moving towards bringing in continuing professional development in pharmacy.”

Mike King, head of professional development at the Pharmaceutical Services Negotiating Committee, said there needed to be more transparency about the way the registration fee was spent.

He said: “This is an issue for us because, as negotiators, our views are sought about fees for professional registration and premises. The finances of community pharmacist contractors are extremely tight at the moment. About 70 to 80 per cent of their income is dependent on income from the dispensary. The way some people can keep afloat at the moment is from their income from the non-NHS side of their business.”

“Last year the increase on their income for dispensing a prescription was around 3 per cent but when you compare that to the increases in the registration and retention fees the increases for them are much larger. I think it would help if we had more transparency from the Society about how its figures are arrived at — it talks in terms of such broad issues that it appears valueless.”

Ann Lewis, the Society's Secretary and Registrar, said: “Like all health professional regulatory bodies, the Society is undertaking a programme to develop and extend our constitutional and regulatory framework in order to make us fit for purpose in a modern world. As we have explained, this will bring with it significant extra costs. While we shall continue to explore what Government funding could be available to support areas of this work, there is an evident expectation that professions should be prepared to invest in their own future.”

Miss Lewis added that the Society currently has two streams of income — income from fees and income from its publishing business, which is highly successful but operating in a risk market. “Even before we embarked on the programme to modernise the Society, the fee income by no means covered the cost of all the Society's opera-



tions and the contribution made by the publishing business continues to underpin a proportion of the Society's core work as a regulatory and professional body,” she said.

On top of their registration fee, community pharmacists have to pay an annual levy of £400 to their local pharmaceutical committee which goes towards meeting the running costs of the PSNC.

GPs face a similar statutory local medical committee levy that is thought to be in the region of £200. This goes towards the costs of the General Practitioners Committee which is the negotiating arm of the British Medical Association. GPs also face an additional LMC voluntary levy which is thought to be in the region of £50 or £60.

PREMISES FEES

Community pharmacists are the only health professionals who have to pay a fee to their regulatory body for registering their premises. Last year the retention fee for premises went up by 5 per cent to £97 and will go up to £101 for 2003.

Although GPs and dentists also have to provide their clinical services from their own premises neither of these health professionals face a premises fee.

GP and member of the council of the British Medical Association Dr Grant Kelly, who practises in Chichester, confirmed that, as a dispensing GP, he does not have to pay a retention fee to allow his practice to run a dispensary.

He said: “This is obviously something which the community pharmacists failed to negotiate on properly when this fee was agreed. Their premises are commercial premises and I think if they were only dispensing NHS prescriptions they would be entitled to negotiate with their primary care organisation for money to support their dispensing. But in reality they are running a business and it is the business side of what they do which is making them the money — that is why the dispensary is always at the

back of the shop because customers have to pass by all the products on sale before they reach it.”

STAFF TRAINING

The costs to pharmacy contractors of mandatory staff training is currently an issue.

Colette McCreedy, director of pharmacy practice at the National Pharmaceutical Association feared that the costs of being a community pharmacist will increase as the Royal Pharmaceutical Society pushes ahead with its proposals to tighten self-regulation. Plans to bring in mandatory training for community pharmacy staff will be costly for contractors, as will the Society's proposal that technicians should be registered. She said: “Pharmacists in the hospital don't have to pay for their staff but as employers we are going to have to bear the cost of that ourselves. It's going to be tough. I don't think the Society and the Government are thinking about the cost implications of some of these issues. The NPA is totally committed to quality of staff but what is of concern is that the requirements being asked of us have not been thought out properly. The regulation which is being imposed on the whole of pharmacy sector may be far beyond what is needed. The people who will suffer the most are the employers because they have to bear the costs.”

INDEMNITY INSURANCE

Indemnity cover for staff working in the NHS also throws up huge differences between the different professions. Hospital pharmacists, hospital consultants and nurses do not have to take out personal cover because, as NHS employees, their work is covered by NHS vicarious liability.

Locum pharmacists have to pay their own indemnity insurance. The Pharmacy Insurance Agency charges an annual premium of £149. This provides professional indemnity of up to £3m with legal defence costs of up to £200,000. The premium is reduced to £144 if the pharmacist undergoes 30 hours of accredited continuing professional development every year.

Locums who work in a supermarket pharmacy, however, are covered by the company's indemnity insurance. Penny Beck, superintendent pharmacist for Tesco stores, who is responsible for just over 200 in-store pharmacies, said: “Locums are an essential part of the Tesco operation and it would be difficult to run without them. While they work for us they are covered by our company indemnity insurance.”

Locums who work for National Co-operative Chemists Ltd are also covered by company indemnity while working in any of their 293 pharmacies, confirmed its NHS business development manager, Liz Colling.

Andy Murdock, director of pharmacy for Lloydspharmacy, said any locums working for Lloyds were covered by the company's NPA insurance.

Locums who work in hospital pharmacies are treated like any other clinicians in

the NHS and are covered by the NHS vicarious liability system.

Pharmacy contractors also have to have indemnity cover. If they are a member of the National Pharmaceutical Association, their annual £621 membership provides them with indemnity cover. The indemnity also covers them for incidents within their premises such as an accident involving a member of the public. The NPA can also arrange additional insurance for locum cover.

GPs (who are independent contractors) and dentists (who are self-employed) do not receive indemnity cover from the NHS. They have to take out their own personal insurance. For GPs this is around £3,000 a year. Dentists face an annual indemnity cost of around £1,000. Hospital consultants, however, who are involved in private practice, have to take out additional indemnity cover. The cost varies according to the clinical specialty. Those who face the highest bill are obstetricians, who can expect to pay as much as 50 per cent of their expected private income in indemnity cover.

Members of the Royal College of Nursing who pay an annual £146 membership fee are also entitled to additional indemnity cover above and beyond that which is provided within the NHS.

GP Dr Kelly, who has just paid £3,000 to his medical defence organisation for his indemnity cover this year, said: “I don't feel hard done by even if other NHS professionals do not have to pay this. I think that today the temptation for trusts to settle out of court is huge. However if you settle out of court there is the feeling that you are admitting that the doctor has done something wrong. Whereas my defence organisation will at the outset realise that as a priority there is a severe professional reputation issue here.”

The Guild of Healthcare Pharmacists recommends that its members take out personal indemnity cover if they plan to work outside the NHS. Newly qualified hospital pharmacists, who start on a salary of £18,000, have traditionally been attracted to work as locums in community pharmacy to boost their income.

Mr McArtney explained: “A lot of younger and some older pharmacists will do community locums and they will need additional indemnity cover.

“We don't discourage them from doing the work although we do have some concerns about the number of hours they may be working in a week and they may be breaking the European working hours directive which is there to protect people. However, if they don't want to be protected there is really nothing we can do about that.”

“TRADE” ORGANISATIONS

Membership of the guild, which costs £120 annually, also entitles them to be members of the health care union AMICUS MSF which in turn guarantees them legal advice if they are caught up in disputes. Mr McArtney added: “What membership of the guild

and the union give you is independent legal advice and the union can offer representation — it offers increased cover for employment protection.”

Health professionals have no obligation to join their appropriate “trade” organisation although in the majority of cases it is an opportunity they choose to take up. Membership of the Guild of Healthcare Pharmacists is cheapest at £120 a year and the Royal College of Nursing offering nurses the next best price of £146 a year. Membership of the British Dental Association costs upwards of £293 a year while the British Medical Association charges GPs and hospital doctors a £318.72p membership fee.

The NPA has the highest membership fee of £621 but the NPA argues that the services on offer are wide ranging and cover not only the member's professional responsibilities but also support for running a small business. Also, like the RCN fee, indemnity costs are included.

All the “trade” organisations offer similar packages for members. On offer are advice and representation at times of dispute as well as free subscription to association literature and access to specialist libraries.

ROYAL COLLEGES

Doctors — both GPs and consultants — also may become members of their various royal colleges, which are devoted to professional development and offer an arena for academic debate. The cost of membership of a college varies and is linked to examination and assessment. Membership may be compulsory for hospital consultants. For GPs who wish to become members of the Royal College of General Practitioners the membership fee is £336. There are a range of membership categories available to consultants who want to join the Royal College of Physicians. They go from £125 for collegiate membership to £390 to become a fellow, which is the most common category held by consultant physicians. The Royal Pharmaceutical Society has a dual function to provide not only a regulatory role but also to promote education and provide academic support for its members so the fee covers some support similar to that offered by the royal colleges as well as the GMC. Dentists have the option to join the dental faculty of the Royal College of Surgeons for an annual fee of £145.

IN CONCLUSION

The range of costs faced by health professionals in the UK today varies with huge differences occurring even across individual professions which are mostly dependent on employee or self-employed status.

Despite these differences, what is clear is that the mandatory costs of registration, which have risen substantially in recent years, have not yet reached a plateau. Many health professionals are going to have to dig deeper into their pockets for the foreseeable future if they want to practise in the UK until the Government is convinced that its reforms for tighter regulation are in place.