

22 December 2017

Ms C Gullery
General Manager Planning
Funding and Decision Support
Canterbury and West Coast District Health Boards

By email: Carolyn.gullery@cdhb.health.nz

Dear Carolyn

Community Pharmacy Services Agreement (CPSA)

Thank you for the invitation to provide advice in response to the sector Agent's concerns regarding the proposed CPSA. As previously discussed we are happy to participate in discussions that may assist the negotiations through the provision of assurance from Council of pharmacist clinical, legal and ethical obligations to ensure public or patient safety.

We appreciated the opportunity to meet with the DHB representatives and sector agents on 2 November 2017 and subsequently participate in a follow-up teleconference to discuss the feedback collated in our PowerPoint presentation. Primarily, we believe that with the level of detail and engagement we have had with the group so far, we are only able to provide principle based comments regarding the proposed CPSA.

Regulatory Principles

As the recognised pharmacist regulatory body, the Pharmacy Council upholds and practises the regulatory principles of right touch regulation;

Right-touch regulation means understanding the problem before jumping to the solution and ensures that the level of regulation is proportionate to the level of risk to the public. With the addition of the principle "agility" it focusses on proactively anticipating change in the sector.

In an attempt to better understand the problem, we wonder whether it would be helpful for us to have a more in-depth understanding of how the proposed service delivery and service approach will operate. The Pharmacy Council is happy to meet with the group as a whole or alternatively, separately with each party to help us appreciate the fundamental concerns and find the appropriate regulatory approach.

Preliminary View and Position

We have reviewed the documents you forwarded to us on 13 December 2017 and in light of the patient safety concerns that have been raised during contract discussions, have provided preliminary advice to be considered in the context of the proposed contract being split into three distinct schedules. We have also understood that, although three schedules it remains as one contract and in the first instance, expect the service will be delivered by the same party. The proposed CPSA also seems on the face of it to be more flexible and supportive of innovative models of patient care, however we understand the concerns that have been raised about splitting the process and cognitive functions into separate schedules.

The proposed structure is the first phase to enable innovation to occur and enable practice to evolve accordingly. As the regulator, our core focus of interest is to ensure practice is safe for the patient and public.

We would want to work with DHBs/Sector Agents to be assured that the development of practice (reflected in subsequent phases of contract development) through the evolution of service design and delivery ensures patient safety.

Separating out what has been the accepted safe, professional and ethical requirement of the “dispensing process” appears to be at complete odds to the way in which pharmacists in New Zealand have always practised. It is quite understandable that there is discomfort with supporting a contract which potentially could be seen to place another point of transition of patient care and with the potential to introduce a risk to patient safety.

Our preliminary advice is that the schedule one and two split does introduce a patient transition point which could heighten risk but in principle, if appropriate mitigators are reflected in practice (i.e., “checks and balances”) we can support the split to help achieve the desired innovation in pharmacy practice. It is well-known that transition points in patient care increase risks to patient safety, particularly about information sharing and accountability for patient follow-up. However, we again understand that this draft of the contract is a first phase and the service delivery of both schedules will remain with the same party, so the risk is minimal. Subsequent phases of service design and delivery development will be important for the Council to understand that mitigators exist in practice to minimise the transition point of risk. Scenario modelling of practice will be valuable to assure all parties that risks are minimised within practice under the proposed contract draft and can be through appropriate service design and delivery in future developments of the contract.

It is equally understood that future service design and delivery will be significantly influenced by technology. The transition point risk identified will be further mitigated by a nationally consistent patient health record accessible by registered health practitioners looking after a common patient. Without a safe and secure national mechanism for recording changes to medicines and preferably real-time exchange of information at patient care transition points there is a risk to patient care, safety and well-being.

In time with the further developments of service design and delivery the separation proposed has the potential, for specialisation and economies of scale, to elevate the level of expertise of service provision and hence improve patient experience, access to care and ultimately patient safety and health outcome.

Broad advice on overall approach

We appreciate that involvement in CPSA negotiations per se is not Council’s mandate, however we do respect the opportunity to be invited to provide advice. The schedule separation does sound like an appropriate first step. However, the subsequent phases and development of service design and delivery will be critical to ensure practice evolves and patient safety is protected always. We would very much value the opportunity to participate in these discussions.

The Pharmacy Council is happy to meet with the group as a whole or alternatively, separately with each party if this would help the group reach alignment and an outcome of service delivery that achieves a safe and workable, flexible contract that enables and supports innovation.

Yours sincerely



Michael A Pead
Chief Executive