EXPLANATORY MEMORANDUM TO

THE NATIONAL HEALTH SERVICE (CHARGES FOR DRUGS AND APPLIANCES) AMENDMENT REGULATIONS 2012

2012 No. 470

1. This explanatory memorandum has been prepared by Department of Health and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1 These Regulations amend the National Health Service (Charges for Drugs and Appliances) Regulations 2000 (the Charges Regulations) to increase prescription and other charges payable under them.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4. Legislative Context

4.1 These regulations amend the Charges Regulations to provide a routine uprating of the amounts that are to be charged in relation to the supply of prescriptions and certain appliances under those Regulations.

5. Territorial Extent and Application

5.1 This instrument applies to England.

6. European Convention on Human Rights

As the instrument is subject to the negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 The amount of the charge for an NHS prescription item and certain other appliances supplied by the NHS, the circumstances in which a charge shall, or shall not, be made and the patients who are exempt from prescription charges are set out in the Charges Regulations. The amendments made in this instrument to the Charges Regulations increase the current single prescription charge in respect of drugs and appliances by 25p, an increase of 3.38%. This increase combined with the freezing of the fee payable for both the three month and twelve month prescription prepayment certificates produces an overall increase in prescription charge revenue of 2.5%, which will help maintain the contribution charges make to NHS funding. The Department has balanced the need to protect NHS funding against the impact of charges on

personal incomes and has been able to constrain the increase in charges made under the Charges Regulations to 2.5% overall, which is below the observed levels of inflation (Consumer Prices Index and the Retail Prices Index). The increases in the other charges made by these regulations are in line with the 2.5% rate of increase.

7.2 Prescription pre-payment certificates are available to everyone and can be purchased directly from some pharmacists, by phone, online or by post. They will save people money if they need four prescription items or more in a three month period, or fourteen items or more in a year. Prescription prepayment certificate holders pay no further charge at the point of dispensing. There is no limit to the number of items the holder may obtain using the certificate. A twelve month prescription prepayment certificate can be purchased by direct debit instalments.

- Consolidation

7.3 Consolidation of these regulations will be considered in the light of any policy changes relating to prescription charges policy, such as changes to the age at which a person becomes exempt, which is currently at the age of 60.

8. Consultation outcome

8.1 No consultation has taken place, as this instrument does not alter existing policy.

9. Guidance

9.1 No guidance has been prepared for this instrument. Pharmacists and NHS bodies will be notified of the increased prescription charge.

10. Impact

10.1 An Impact Assessment has not been prepared for this instrument. No impact on business, charities or voluntary bodies is foreseen.

10.1 There is minimal cost to the public sector. Dispensers of drugs and appliances under the Charges Regulations will need to be aware of the increase in charges and collect the increased amount. The National Health Service Business Services Authority will need to amend their systems to reflect the increased level of the prescription charge and other charges provided for in the Charges Regulations. The cost to the public is an additional 25p per prescribed medicine or appliance dispensed to those who are not entitled to free prescriptions. There is no increase in the cost of a three or twelve month prepayment certificate. The additional cost for wigs and fabric supports are as set out in the table below.

Wigs and Fabric Supports	Charge 1 April 2011 (£)	Charge 1 April 2012 (£)
Surgical brassiere	25.10	25.70
Abdominal or spinal support	37.90	38.80
Stock modacrylic wig	61.85	63.35
Partial human hair wig	163.80	167.85
Full bespoke human hair wig	239.45	245.40

11. Regulating small business

11.1 There is no additional burden to business. The pharmacists, dispensing GPs, and NHS bodies who currently collect charges under the Charges Regulations will continue to do so in the same way.

12. Monitoring & review

12.1 The charges imposed by the Charges Regulations are reviewed annually, to consider what, if any, change in the amounts of such charges should be made.

13. Contact

Eleanor Shenton at the Department of Health Tel: 02079722923 or email: eleanor.shenton@dh.gsi.gov.uk can answer any queries regarding the instrument.