

Formulary Development Balancing Profit Vs QIPP

Prad Savania
DDS Director



Formulary Development

Benefits

- Evidence based cost effective prescribing
- Adherence to local and national guidance
- Improved patient outcomes
- Informed Prescriber selection of drug choice
- Dispensing - potential to increase profitability



Your Dispensary Profitability Journey

How It Works

Your dispensary profitability journey...

follow our phased approach to maximise your dispensary profitability and operational efficiency.





Benefits of the DDS Journey

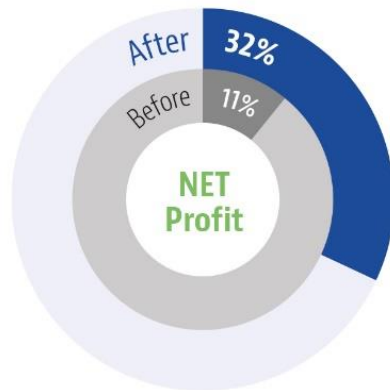
- Increase NET profit Margin
- Dispensary team training & upskilling
- Strengthen governance arrangements
- Improve dispensary efficiencies
- Future proof profitability



Benefits of Profitability Journey

Example Outcomes

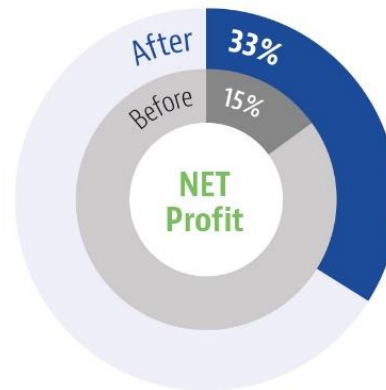
Dispensing surgeries who have embarked on the DDS profitability journey:



Kent

based surgery

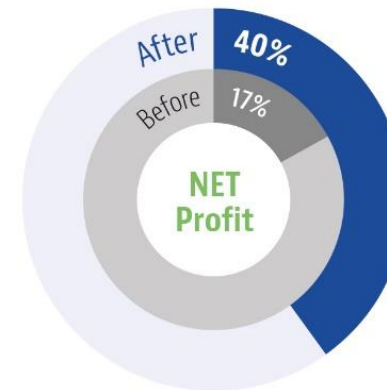
NET Profit Increase **21%**



Worcestershire

based surgery

NET Profit Increase **18%**



Lincolnshire

based surgery

NET Profit Increase **23%**



Formulary Development

- Prescribing data analytics
- Utilising ePACT2 data
- Current MDS schemes
- DDSA - analyser software



Prescribing Data Analytics

ePACT2

- Entire Surgery Prescribing



Total Practice Prescribing

BNF Presentation	High	Quantity	Quantity * Item	Items	NIC (£)	Actual Cost (£)	OOPE (£)	Containers (£)
Totals				21,912	161,034.16	150,023.76	60.99	171.00
0208020Y0AAACAC: Rivaroxaban_Tab 20mg	N	28	1,904	68	3,427.20	3,184.68	0.00	0.00
0208020Z0AAABAB: Apixaban_Tab 5mg	N	56	3,248	58	5,085.60	2,867.21	0.00	0.00
0302000C0BQAABX: Fostair_Inh 100mcg/6mcg (120D) CFF	N	1	61	61	1,788.52	1,662.16	0.00	0.00
0601023AEAAAAA: Linagliptin_Tab 5mg	N	28	1,372	49	1,629.74	1,514.44	0.00	0.00
1001010P0AAAIAI: Naproxen_Tab E/C 500mg	N	56	6,888	123	1,562.98	1,453.24	0.00	0.00
0601023ANAAAAA: Empagliflozin_Tab 10mg	N	28	924	33	1,207.47	1,122.06	0.00	0.00
0301020Q0AAABAB: Tiotropium_Pdr For Inh Cap 18mcg	N	30	960	32	1,072.00	996.18	0.00	0.00
0601023AGAAABAB: Dapagliflozin_Tab 10mg	N	28	812	29	1,061.11	986.10	0.00	0.00
0407020ADBEAFAP: Longtec_Tab 120mg M/R	N	77	385	5	1,048.50	974.68	0.00	0.50
0601023ABBBAAAA: Victoza_Inj 6mg/ml 3ml PF Pen	N	2	26	13	1,020.24	947.98	0.00	0.00
0209000Z0AAAAA: Ticagrelor_Tab 90mg	N	56	1,008	18	982.80	913.21	0.00	0.00
090402000BBHPA0: Nutrison Peptisorb_Liq	N	56,000	56,000	1	950.88	883.43	0.00	0.00
0208020Z0AAAAA: Apixaban_Tab 2.5mg	N	60	960	16	912.00	847.44	0.00	0.00
23351003842: Coloplast_Sensura Mio Midi Clsd Bag + Fltr P/Cut 30mm	N	150	300	2	902.00	838.01	0.00	0.00
23600706395: Dansac_NovaLife 1 Midi Ileo Bag Clr C/Fit 10-55/70mm	N	90	270	3	900.99	837.07	0.00	0.00

NIC - Net Ingredient Cost = Drug Tariff Listed Cost



Prescribing Data Analytics

ePACT2

- Entire Surgery Prescribing
- Top Twenty Drugs by cost



Top Twenty Lines by Cost

Top 20 BNF products	NIC (£)	NIC	from previous	Items
Apixaban	7,854.60	3.54	55.41	196
Rivaroxaban	6,413.40	2.89	3.67	175
Proprietary Co Enteral Nutrit	4,838.87	2.18	8.71	71
Empagliflozin	3,036.99	1.37	45.61	87
Trimipramine Mal	2,954.29	1.33	35.55	7
Naproxen	2,841.27	1.28	395.51	231
Fluticasone Prop (Inh)	2,687.26	1.21	-19.90	104
Tiotropium	2,590.87	1.17	-20.09	81
Ins NovoRapid	2,378.15	1.07	-6.56	43
Linagliptin	2,297.56	1.03	0.73	105
Leuprorelin Acet	2,106.72	0.95	-50.88	10
Solifenacin	2,023.39	0.91	-14.21	85
Levothyrox Sod	1,883.47	0.85	-8.52	1,542
Co-Codamol	1,877.75	0.85	10.32	408
Omeprazole	1,721.13	0.77	24.56	1,523
Seretide	1,671.73	0.75	-34.59	54
Colecal	1,615.07	0.73	-8.18	374
Symbicort	1,484.00	0.67	26.19	40
Alogliptin	1,482.95	0.67		72
Ins Biphasic Aspart (Novo-Nordisk)	1,434.91	0.65	16.65	28
These top 20 BNF products represent	55,194.38	24.84	9.37	5,236



Prescribing Data Analytics

ePACT2

- Entire Surgery Prescribing
- Top Twenty Drugs by cost
- Personally Administered Items
- Surgical Lines
- Dispensed Items Only



Dispensing Only

PD4(PxQ) Dispensing at Practice Level

BNF Level - Presentation by Quantity; Chapters - (All Column Values)

BNF Presentation	High Volume Vaccine	Quantity	Quantity * Items	Items	NIC (£)	Actual Cost (£)	OOPE (£)	Payment for Containers (£)
Totals				6,986	47,064.77	41,802.93	40.99	0.00
0208020Y0AAACAC: Rivaroxaban_Tab 20mg	N	28	504	18	907.20	805.76	0.00	0.00
0208020Z0AAABAB: Apixaban_Tab 5mg	N	56	952	17	904.40	803.29	0.00	0.00
0304010Y0AAABAB: Alimemazine Tart_Oral Soln 7.5mg/5ml	N	500	500	1	897.75	797.38	0.00	0.00
0601023AEAAAAAA: Linagliptin_Tab 5mg	N	28	644	23	764.98	679.46	0.00	0.00
0302000C0BQAABX: Fostair_Inh 100mcg/6mcg (120D) CFF	N	1	19	19	557.08	494.80	0.00	0.00
0601023ANAAAAAA: Empagliflozin_Tab 10mg	N	28	364	13	475.67	422.49	0.00	0.00
090900000BBLGAO: SMA_PRO High Energy Liq	N	12,000	48,000	4	472.80	419.94	0.00	0.00
0408010H0AAA3A3: Lamotrigine_Liq Spec 50mg/5ml	N	200	200	1	466.62	414.45	0.00	0.00
0301020Q0AAABAB: Tiotropium_Pdr For Inh Cap 18mcg	N	30	390	13	435.50	386.81	0.00	0.00
1001010P0AAAAEAE: Naproxen_Tab 500mg	N	56	1,120	20	399.38	354.73	0.00	0.00
0209000Z0AAAAAA: Ticagrelor_Tab 90mg	N	56	392	7	382.20	339.47	0.00	0.00
040801060AACRCR: Clobazam_Oral Susp 5mg/5ml S/F	N	600	600	1	360.00	319.75	0.00	0.00
0601023ABAAAAAA: Liraglutide_Inj 6mg/ml 3ml PF Pen	N	3	9	3	353.16	313.61	0.00	0.00
0601012V0BBAEAD: Ins Lantus SoloStar_100u/ml 3ml Pf Pen	N	5	45	9	339.93	301.93	0.00	0.00
1108010A0AAACAC: Mercaptamine HCl_Eye Dps 0.55%	N	36	36	1	325.88	289.45	0.00	0.00
0302000C0BQABBZ: Fostair_Inh 200mcg/6mcg (120D) CFF	N	1	11	11	322.52	286.46	0.00	0.00
0302000K0BHAAAM: DuoResp Spiromax_Inh 160mcg/4.5mcg(120D)	N	1	11	11	307.67	273.27	0.00	0.00

NIC - Net Ingredient Cost = Drug Tariff Listed Cost

Actual Cost = Drug Tariff cost less clawback = Amount actually Paid



Dispensing Only

PD4(PxQ) Dispensing at Practice Level

BNF Level - Presentation by Quantity; Chapters - (All Column Values)

BNF Presentation	High Volume Vaccine	Quantity		Items	Quantity *		NIC (£)	Actual Cost (£)	OOPE (£)	Payment for Containers (£)
		Quantity	Items		Items	Items				
Totals				6,986			47,064.77	41,802.93	40.99	0.00
0208020Y0AAACAC: Rivaroxaban_Tab 20mg	N	28	504	18			904.40	803.29	0.00	0.00
0208020Z0AAABAB: Apixaban_Tab 5mg	N	56	952	17					0.00	0.00
0304010Y0AAABAB: Alimemazine Tart_Oral Soln 7.5mg/5ml	N	500	500	1					0.00	0.00
0601023AEAAAAA: Linagliptin_Tab 5mg	N								0.00	0.00
0302000C0BQAABX: Fostair_Inh 100mcg/6mcg (120D) CFF	N								0.00	0.00
0601023ANAAAAA: Empagliflozin_Tab 10mg	N								0.00	0.00
090900000BBLGAO: SMA_PRO High Energy Liq	N	12,							0.00	0.00
0408010H0AAA3A3: Lamotrigine_Liq Spec 50mg/5ml	N								0.00	0.00
0301020Q0AAABAB: Tiotropium_Pdr For Inh Cap 18mcg	N								0.00	0.00
1001010P0AAAEAE: Naproxen_Tab 500mg	N								0.00	0.00
0209000Z0AAAAA: Ticagrelor_Tab 90mg	N								0.00	0.00
040801060AACRCR: Clobazam_Oral Susp 5mg/5ml S/F	N								0.00	0.00
0601023ABAAAAA: Liraglutide_Inj 6mg/ml 3ml PF Pen	N								0.00	0.00
0601012V0BBEAD: Ins Lantus SoloStar_100u/ml 3ml Pf Pen	N								0.00	0.00
1108010A0AAACAC: Mercaptamine HCl_Eye Dps 0.55%	N								0.00	0.00
0302000C0BQABBZ: Fostair_Inh 200mcg/6mcg (120D) CFF	N								0.00	0.00
0302000K0BHAAAM: DuoResp Spiromax_Inh 160mcg/4.5mcg(120D)	N								0.00	0.00

NIC - Net Ingredient Cost = Drug Tariff Listed Cost

Actual Cost = Drug Tariff cost less clawback = Amount actually Paid



Formulary – First Phase

- Identify Current Status
- Establish National & Local Guidance
- Analysis of DDS data
- Plan To Combat Losses
- Partnership Discussions



Formulary – Second Phase

- Draft BNF Chapter based Formulary
- Chapters Incl sub-sections
- Evidence based
- Partnership clinical discussions
- Includes a traffic light system



Formulary – Third Phase

- Full Consent
- Embedded onto GP IT system
- Full Practice Prescriber Meeting
- Produce a list of therapy areas for review
- Current prescribing in line with new formulary



Formulary – Examples

Chapter 12 - Ears & Nose

			Notes
12.1.1	Otitis Externa	Cetraxal ☑ & Cetraxal Plus ☑	
		Otomize Ear Spray ☑	
		Cilodex ☑	
		Sofradex ☑	
		Genticin HC ☑	
12.2.1	Rhinitis 1st Line	Beclomethasone Aq Nasal Spray ☑	Prescribe as Generic
	Rhinitis 2nd Line	Mometasone furoate nasal spray ☑	
		Triamcinolone nasal spray ☑	
		Fluticasone Aq Nasal Spray ☑	Prescribe as Generic
12.2.3	Infection	Naseptin ☑	
		Bactroban Nasal ☑	
12.3.1	Throat Infection	Benzydamine spray ☑	
		Benzydamine mouthwash ☑	
12.3.5	Anti- Fungal	Nystatin Liquid ☑	
		Miconazole gel ☑	



Formulary – Examples

Chapter 2 - Cardiovascular

2.1	Inotrope	Digoxin ☞	
2.2.1	Thiazide 1st Line	Indapamide 1.5mg s/r ☞	
	Thiazide 2nd Line	Bendroflumethiazide 2.5mg ☞	
		Indapamide 2.5mg ☞	
2.2.2	Loop diuretics 1st Line	Furosemide 20mg ☞	
	Loop diuretics 2nd Line	Bumetanide 1mg ☞	
2.2.3	K + Sparing	Amiloride 5mg ☞	
	Heart Failure	Spironolactone tabs range ☞	
2.4	Beta-Blocker 1st Line	Bisoprolol 2.5mg ☞	
	Beta-Blocker 2nd Line	Propranolol 10mg ☞	
2.5.5	Ace Inhibitor 1st Line	Ramipril Capsules ☞	NOT TABLETS*
	Ace Inhibitor 2nd Line	Lisinopril ☞	
	Sartan CCF/Hypertension	Candesartan 8mg ☞	
		Olmesartan 10mg ☞	
		Losartan ☞	
	GTN	Glyceryl Trinitrate Spray ☞	Prescribe 200 dose only



Formulary – Examples

Chapter 4 - Central Nervous System

4.1.1	Hypnotic 1st Line	Zopiclone ☹	
	Hypnotic 2nd Line	Zolpidem ☹	
4.1.2	Anxiolytics	Diazepam ☹	2mg first then titrate
4.3.1	TCA 1st Line	Amitriptyline 10mg ☹	
	TCA 2nd Line	Trazodone 50mg ☹	
4.3.3	SSRI 1st Line	Escitalopram/Citalopram 20mg ☹	
	SSRI 2nd Line	Sertraline 50mg ☹	
	SSRI 3rd line	Fluoxetine 20mg ☹	
	Other anti depressants	Venlafaxine MR Capsules 75mg ☹	Prescribe Generic and dispense Vencarm
		Venlafaxine MR Capsules 225mg ☹	Prescribe generically and dispense Vencarm
		Duloxetine 30mg ☹	Prescribe Generic
4.6	Nausea/Vertigo 1st Line	Prochlorperazine 5mg ☹	
		Prochlorperazine buccal ☹	
	Nausea/Vertigo 2nd Line	Betahistine 8mg ☹	
		Metoclopramide 10mg ☹	
4.7.1	Analgesics	Paracetamol ☹	
		Co-Codamol ☹	



Formulary Impact Kirton Lindsey & Scotter Surgery

Dr Robert Padley
Senior GP Partner

Background

- DDA Member
- Attends National Conference Every Year
- Saw DDS Profitability Presentation
- Surgery Merger Pending



Kirton Lindsey

- Merging With Scotter
- Dispensing Site In North Lincs.
- Scotter dispensing + onsite Pharmacy
- Disparity on commercials between sites
- Establish Unified approach/processes



What Happened?

- Took on DDS Audit & Profitability Service
- Discussed with partnership team
- Engaged with DDS
- Resource Limited in-house



What Happened?

- Lack of expertise
- Positive references from Local GP & DDRs
- Best practice examples all over the UK
- DDS service model - proven delivery record



What happened

- DDS audits at both sites
- Summary reports detailing potentials
- Detailed implementation and action plan
- Differences in net profits between sites



What happened

- Both sites significant potential to increase commercial margin
- Two different formularies
- Poor adherence to existing formularies
- Training & processes embedded on procurement, operational and management pathways



Focus for today - Formulary

- Detailed analysis on current prescribing patterns
- Identified potential loss making lines
- Identified NHS budgetary savings
- Created a draft formulary incorporating 13 BNF Chapters



Focus for today - Formulary

- Informed decision aid highlight good clinical practice
- Optimised patient outcomes
- In line with NICE and local guidance
- Highlight dispensary friendly lines – provides prescribers to make an informed choice



Focus on Formulary

- Existing Prescribing to new Formulary patterns
- Worked closely with Practice Pharmacist
- DDR/QIPP friendly
- Resource via MMT Pharmacist
- External Clinical Pharmacist



Focus on Formulary



Practice meeting for all
prescribers



Formulary embedded onto GP IT
- System One



Identify key therapy
areas for review



Patients changed where clinically
appropriate

Areas Identified

Area	Current Annual Loss £	Additional Annual Disp Profit £	Annual QIPP Saving £
Brand to Generic	1079.2	13201.08	12772.68
Cat C lines re-alignment	456.1	10816.08	
UK Brand to Parallel Import	156.1	5032.8	
Formulary Alignment		11986.44	15827.04
QIPP Winners	12331.71	19531.89	31118.16
CAT M procurement losses	24989.28	-4500	
Total	£39,012.39	£56,068.29	£59,717.88



Concluding remarks

- Could have tried to attempt ourselves
- But a lot of resource and lot of time
- Didn't have the same level of expertise
- Wouldn't have realised the full potential
- What have you got to lose?



Thank You

Prad Savania
DDS Director



Come and talk to the DDS Directors



- Amanda Chell



- Prad Savania



- Dr Wayne Turner



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