A Word in your ear

Draft dispensing fee

You may have heard that a draft dispensing fee has been published for comment. If you work in a community or private hospital pharmacy, you will have heard the pharmacists discussing it.

What is all the fuss about? The important thing is that we come from a history where the price of medicines was very difficult to determine.

Pharmaceutical manufacturers used to publish a price in a list. This price was taken to be the cost price of the medicine, but the product was seldom sold to the pharmacist at this price. It often depended on what quantity of medicine was purchased because discounts were often given for bulk purchases. It also made a difference if the buyer was a dispensing doctor – obviously a dispensing doctor was guaranteeing that the particular product would be sold to a patient. Pharmacies, on the other hand, keep a range of products, so they often buy one or two containers of a product, just in case they get a prescription for it.

The result was that no-one knew what the actual cost price of the medicine was – it was marked up to be marked down by different percentages, depending on who the buyer was.

When it came to the price that the consumer was charged, it was just as confusing. Pharmacists marked the price up, usually by 50%, and then marked it down, depending on what they had paid for it in the first place and who the customer was.

In 2004, the first regulations were published in order to introduce a transparent pricing system for medicines.

The first change was to introduce a Single Exit Price, so that it now does not matter who the person buying from the manufacturer is, nor does it matter what quantities are bought. Whether you buy one tablet or 5 000, and whether the buyer is a pharmacy or a dispensing doctor, the cost price is the same. The result of this is that everyone is aware of what the price from the manufacturer is.

When it comes to the dispensing fee, it has not been that simple. Initially, the regulations required pharmacists to add no more than 26% of the Single Exit Price, with a maximum of R 26. This was challenged in court – pharmacists could not accept the dispensing fee because it would not have generated enough income to cover their costs. Research was conducted that proved this.

Since then, a number of different dispensing fees have been published for public comment. Most have been rejected by pharmacists.

Luckily, there has been a lot of communication between the Pharmacy Stakeholders Forum and the Pricing Committee, which advises the Minister of Health on the price of medicines.

In July 2010, a new dispensing fee was published for public comment. We are sincerely hoping that this fee will be acceptable and will permit pharmacies to have enough income to permit them to carry on providing their services to the public.

When the final fee is published in the regulations, we will let you know exactly what it is and how it must be calculated. Although it will no doubt be worked out by the computer, it’s always useful to know how it’s calculated so that you can explain it to patients who ask about it.

Healthy home environments

I read the article on making your home environment healthy with great interest. At first I thought, “But we all know this.” When I thought again, though, I realised that it is absolutely essential that we should have all the facts. After all, many of our clients do not know exactly why we say that hygiene is so important. We’re the ones who have to explain it, and not just the theory, but we have to know what to do and how to do it. If we don’t, how are we going to educate our clients?

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