

Canterbury

District Health Board

Te Poari Hauora o Waitaha

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RE Official Information Act request CDHB 9827

I refer to your email dated 10 April 2018 requesting the following information from the Canterbury DHB under the Official Information Act.

ALL relevant information/ documents / notes etc. regarding:-

- 1) The 150 (or so) key pharmacies or pharmacy locations.
- 2) The legal advice, or internal policy, that backs your verbal assertion that if no signed contract is in place at 1 July that no payment for services will be made.

Additionally, because I'm sure this must exist:

- 3) The CDHB review or analysis of the demo contracts present in Canterbury post the EQ's.

1. I understand this follows a report in 'PharmacyToday' on 16 March 2018 quoting me as saying, "We have already identified across the country that there are about 150 pharmacies located in such a way that we need to make sure they stay there."

I made this statement based on analysis of pharmacy locations by Technical Advisory Services (TAS). TAS commissioned this analysis in 2016 to assist DHBs with continuity planning for pharmacy services. TAS will shortly be publically releasing information on pharmacy service planning, including this analysis.

2. The Canterbury DHB is subject to the Operational Policy Framework (OPF) issued by the Ministry of Health and forming part of the Canterbury DHB's funding agreement with the Crown. The OPF is publicly available at: <https://nsfl.health.govt.nz/accountability/operational-policy-framework-0>.

Section 3.21 of the OPF requires the Canterbury DHB to use the services of the Ministry of Health's Sector Operations Group when contracting for health services, including making payments under such contracts. Sector Operations Group will not accept, process or pay claims from a pharmacy unless it has authority from DHBs in the form of a contract which is active for the service period of the claim. DHBs will shortly be writing to all holders of current community pharmacy service agreements to extend the expiry date by three months to 30 September 2018. Extending these signed agreements will allow

Sector Operations Group to continue accepting, processing and paying claims, on behalf of DHBs, from pharmacies holding these agreements.

3. The Canterbury Clinical Network (CCN) undertook an initiative known as the Demonstration Pharmacy Programme from July 2012 to December 2014, in which 20 pharmacies worked with an aligned general practice to better integrate care for complex patients.

Participating pharmacies received the following support:

- a clinical pharmacist experienced in working within general practice led pharmacists in developing closer working relationships with local practices;
- a 'lean' programme led by the DHB's Business Development Unit which helped pharmacists to release time for engaging with patients and their general practice teams; and
- a funding floor – funding certainty for two years based on an agreed forecast of service levels and funding prepared for pharmacies and the DHB by analysts at Pegasus Health.

The Demonstration Pharmacy Programme was evaluated for the CCN by the University of Otago, and reports of this evaluation are publicly available on the CCN website at:

<http://ccn.health.nz/CCNMembersArea/WebDocumentLibrary.aspx?EntryId=2034>.

The DHB holds further information about the service levels and funding of individual pharmacies during the period of the Demonstration Pharmacy Programme, and additional payments it made to some of these pharmacies in fulfilment its funding floor commitment. I am withholding this information as its release would be likely to unreasonably prejudice the commercial position of the pharmacies which are the subject of the information.

I trust that this satisfies your interest in this matter.

Please note that this response, or an edited version of this response, may be published on the Canterbury DHB website.

Yours sincerely



Carolyn Gullery
Executive Director
Planning, Funding & Decision Support