

## Are NHS prescription charges helping or harming the NHS?

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NHS prescription charges have been described as unfair, illogical and inconsistent. In an article published in *BMJ* today, John Appleby, Chief Economist at the King's Fund assesses whether the policy of charging for prescriptions in England is helping or harming the NHS.

England remains the only UK country still charging patients for their <u>prescriptions</u> – currently £8.05 (€10; \$13.5) per prescribed item.

Although prescription charges have been rising, the latest data show that the number of pharmaceutical items prescribed in England reached its highest level yet - over one billion in 2012 - equivalent to nearly 19 per person in that year and an increase of 62% since 2002, writes Appleby.

Yet only around 10% of prescribed items attract a charge due to a host of exemptions – for children, elderly people, those in receipt of welfare benefits and others.

Appleby also points out that, while prescription charges have held up, the actual cost of drugs has been falling in real terms since 2004 - partly due to greater use of cheaper generic drugs rather than branded drugs.

But as charges for an increasing number of drugs start to exceed their price – and especially for <u>prescribed drugs</u> out of patent that can be bought over the counter - "increasingly it looks as though there are limits to future charging increases in charges," he writes.



Although charging does raise money for the NHS – estimated at up to £700m in 2012 – Appleby suggests that abolishing charges may be worth it "if charging dissuades some people from seeking care or cashing in prescriptions, increasing their risk of needing emergency treatment in the future."

Yet a study in Wales found that making prescriptions free for everyone seems to have no effect on access to and take up of care and treatment.

Although these results disprove the contention that dispensing rates would rise steeply if the prescription charge was removed, they also suggest that the charging regime was not a substantial barrier to accessing NHS care, explains Appleby.

However, he says, this is not necessarily an argument for increasing or widening the scope of patient charges and "the standard economists' downward sloping demand curve (where higher prices mean lower demand) could well reappear depending on charging levels, exemption arrangements, and other factors," he concludes.

More information: Paper: <a href="www.bmj.com/cgi/doi/10.1136/bmj.g3944">www.bmj.com/cgi/doi/10.1136/bmj.g3944</a>

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