Interim report of the Committee on Cost of Prescribing.

MINISTRY OF HEALTH

Interim Report of the Committee on

COST OF PRESCRIBING

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COMMITTEE ON COST OF PRESCRIBING

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COMMITTEE ON COST OF PRESCRIBING

INTERIM REPORT

To the Rt. Hon. Derek Walker-Smith, T.D., Q.C., M.P.,
Minister of Health.

Sir,

INTRODUCTION

1. We were appointed in June, 1957, by the Minister of Health with the following terms of reference:

> "having regard to the increase in the cost of prescriptions issued under the National Health Service, to investigate the factors contributing to this cost and to make recommendations".

2. When he invited the Committee to undertake this commission, the Minister acknowledged that it was a formidable one which would take time to complete but in view of the urgency of the matter he asked us to submit an interim report, if we found it possible, before our investigations were complete.

3. We have held eleven meetings and have received evidence, both written and oral, from a number of bodies. Although still engaged in reviewing evidence, we consider that we have sufficient information on several matters to justify a few comments and recommendations applicable to the present system. At this stage we have not felt it appropriate to consider substantial modifications of the system.

4. Our first comment is that so far we have found no evidence of serious irresponsibility on the part of doctors in prescribing. The increase in the total cost of drugs to the National Health Service is proportionately less than in other countries of Europe and the Commonwealth which have similar (but usually more restricted) systems of insurance. The apparent wide discrepancies in cost between different areas in England and Wales suggested extravagance in certain places. The reasons for these differences are still under investigation but it is very difficult to arrive at any true assessment from the statistical data at present available. We believe that, on the whole, the duty of prescribing drugs at the public expense has been discharged carefully and with due responsibility ; nevertheless we think that some economy is possible without sacrifice of efficiency.

ROLE OF THE GENERAL PRACTITIONER

5. By the nature of their professional work general practitioners play a leading part in determining the Bill which has to be met for prescribing in the National Health Service. They decide what drugs and how much of them shall be given and their right to do so is at present unrestricted, except in so far as the cost of an individual doctor's prescribing may be challenged

through the procedure set out in the Service Committees and Tribunal Regulations if it appears to the Minister to exceed what is reasonably necessary for treatment.

6. Although economy in the National Health Service depends very largely on the doctors it is not fair that they should be criticised because the Bill, which the State has to meet, is a large one.

7. The primary duty of a doctor is, unquestionably, to do all he can to restore and maintain the health of his patients by the use of his professional skill and the therapeutic resources available to him. The National Health Service in its present form was not devised by the medical profession but by Parliament. Nevertheless the profession has ensured that the Service has provided good curative treatment for all with benefit to the health and comfort of the community.

8. People have become more doctor-minded and more demanding on doctors' services than they used to be. To some extent this is due to the provisions of the National Insurance regulations which require anyone claiming sickness benefit to be "signed on" by a doctor's certificate before he can draw anything. Employers, also, generally ask for doctors' certificates if their workers are absent for any period however brief and even when such certificates are not required under the National Insurance Act. In consequence a large proportion of the public are obliged to see doctors for these reasons, often on account of very minor illnesses, and it is not surprising that they should takes the opportunity to ask for prescriptions for simple remedies, which previously they would have bought for themselves.

9. The life of a general practitioner in these days is strenuous and exacting. Doctors with large numbers of patients on their lists have little leisure and consequently find it difficult to devote time to the examination of the relative costs of alternative prescriptions. So it is not to be wondered at if, when it comes to prescribing, the doctor sometimes takes a short cut and, instead of hunting up notebooks and formularies to pick out a standard preparation or an equivalent which can be provided cheaply, he prescribes some proprietary, which has been impressed on him by advertisement and which is no better or worse for the patient but may, unfortunately, be more expensive for the National Health Service.

10. Nevertheless, however exacting his professional duties may be, the general practitioner under the present National Health Service cannot escape responsibility for the careful spending of public funds on prescriptions which he issues at nominal cost to the patient, and our interim recommendations deal mainly with suggestions for providing the practitioner with more adequate information to assist him in his difficult task.

BRITISH NATIONAL FORMULARY

11. The British National Formulary is compiled by a Joint Committee appointed by the British Medical Association and the Pharmaceutical Society of Great Britain. In order to make it comprehensive the Committee include not only many formulæ prepared from readily available drugs but also, under titles based on Approved Names, products available only in proprietary form.

12. New editions of the Formulary are published at intervals of two and a half years and we are informed that it is impracticable to publish them more frequently. In 1957, when the fourth edition appeared, an alternative edition was also issued in which formulæ were arranged according to a pharmacological classification. In the alternative edition the notes for prescribers are more extensive than in the standard volume.

13. We are satisfied that the Formulary has made a valuable contribution to medical practice and we consider that it should be in the hands of all doctors whether in hospital or in general practice and that clinical students registered with the General Medical Council should be supplied with it.

14. Doctors are unlikely to acquire the habit of using the British National Formulary unless they make its acquaintance during their training and are encouraged by their teachers to refer to it as a matter of course. The evidence already before us suggests that clinical teachers do little to interest students in it. Indeed we were disturbed to learn that in some Medical Schools no instruction is given to students in its use. We therefore recommend that the attention of Medical Schools be directed to the importance of the Formulary.

15. We are particularly impressed by the contents and lay-out of the alternative edition and, subject to what is said in the following section, we recommend that the Ministry of Health should supply copies of this edition to all clinical students and, in place of the standard edition, to all general practitioners and doctors in hospitals.

16. Hitherto the Joint Committee have considered it unwise to record the prices of preparations in the British National Formulary for two reasons. They feared (i) that the inclusion of prices might lead to suspicion that cheapness rather than therapeutic value determined the selection of new preparations and (ii) that frequent amendments would be necessary to deal with changes in price.

17. But if a doctor is to prescribe efficiently and with a proper regard for economy he must be provided with information about the comparative costs of standard drugs and proprietary preparations having similar therapeutic uses.

NEED FOR A COMPREHENSIVE PRESCRIBING HANDBOOK

18. Many doctors who prescribe expensive preparations do so because they are unaware of their cost. That doctors should be in such a position seems to us not only unfortunate but also to offend against the most elementary canons of financial responsibility. In most cases a doctor faced with a choice of prescribing a very expensive drug and a cheaper and equally effective alternative may reasonably be expected to prescribe the latter. He cannot discriminate in this way, however, unless he is aware of the relative costs of the alternatives at his disposal and such information is not readily available at present to general practitioners or for that matter to hospital doctors.

19. The Committee acknowledge the value of the steps already taken by the Ministry of Health in circulating lists of comparative prices of British

National Formulary preparations and of frequently prescribed proprietary preparations as part of the "Prescribers' Notes" series. It seems to us, however, that if information about costs is to be of real value in assisting doctors to select the cheaper preparation when alternatives are available, it should be provided in a single comprehensive prescribing handbook of convenient size and adequately indexed.

20. This handbook should contain not only much of the present British National Formulary (alternative edition) but also the comparative costs of standard and proprietary preparations and other information now only to be found in a number of separate publications.

21. In order to keep information on prices up-to-date revision would be necessary at regular intervals. We therefore suggest that a loose-leaf type of publication should be considered, possibly with the various sections in different colours. Such a system would also enable preparations of new drugs of obvious merit to be added to the Formulary without delay.

22. Representatives of the medical profession and individual practitioners have assured us that doctors would welcome a prescribing manual of this kind in place of the present plethora of documents on the subject and that they would be prepared to undertake the small additional burden involved in keeping the manual up to date if it were produced in loose-leaf form.

23. The experience and skill of the Joint Committee are essential to the new type of publication we propose and we hope they may be persuaded to collaborate in its production. The Joint Committee might regard the inclusion of prices with less concern if these were to be included in a section obviously distinct from the Formulary proper and if its production were to be the responsibility of the Department or some other body.

24. We recommend therefore that the Minister should confer with the British Medical Association and the Pharmaceutical Society to see if it is practicable to include, within the one publication, sections which are prepared by, and are the responsibility of, separate bodies. The problems of the cost of the book and its scope should be discussed at the same time.

PRICES TO BE INCLUDED IN ADVERTISING LITERATURE

25. Very considerable expense is incurred annually by drug manufacturers in the preparation and circulation to general practitioners of literature advertising their products; and their methods of salesmanship exert an important influence on many doctors' prescribing. While the Committee welcome the public-spirited action of the Association of British Pharmaceutical Industry in recommending its members to keep the medical profession informed of the price of their products, the evidence before us indicates that certain firms do not observe the recommendation.

26. We have already said that it is imprudent that doctors should continue to prescribe drugs in ignorance of their cost. Although the circulation of lists of comparative costs of British National Formulary and proprietary preparations may improve the position, the drugs and preparations so listed form but a small fraction of the multitude advertised through the post, in medical journals, and by representatives of the manufacturers.

27. It is not sufficient to suggest to doctors that when prices are not quoted they should infer that the product so advertised is an expensive one which they should prescribe only after the most careful consideration. In our view some more positive action is required. We have been informed that there is no obligation on drug manufacturers to include prices in the literature circulated to doctors. In the circumstances we support the suggestion made to us in evidence that, if necessary, the law should be amended to make it obligatory for manufacturers to indicate in literature circulated to doctors in the National Health Service the price of the advertised products. It is important that the price quoted should be the retail one and should be related to the therapeutic quantity likely to be required.

28. We have been told that some Executive Councils supply drug houses and advertising agencies with copies of their medical and pharmaceutical lists. It is unnecessary and indeed undesirable in our view that advertising campaigns should be given official encouragement in this way and we think that the Department should direct the Executive Councils concerned to discontinue the practice.

"PRESCRIBERS' NOTES"

29. The information contained in the Ministry's "Prescribers' Notes" is of considerable practical value in assisting doctors to prescribe with economy. Although distribution of this publication has recently been extended to hospital doctors in addition to general practitioners, it does not reach all of them and it is not issued to students. We endorse the suggestion that the advantages to be gained from circulating "Prescribers' Notes" to all clinical teachers, consultants, hospital doctors and final year medical students as well as to general practitioners would far outweigh the small extra cost involved. In our view the Notes could usefully be issued at more frequent intervals.

30. It has been suggested that "Prescribers' Notes" might be expanded in scope to include articles analysing doctors' prescribing costs and suggesting economies. In addition recognised authorities might be invited to describe different forms of treatment, particularly those involving expensive new methods; each article should include tables showing the cost of the different drugs employed.

31. We agree that these proposals should increase awareness of the cost of drugs among prescribers in hospital and general practice and we recommend that consideration be given to them.

CIRCULATION OF DOCTORS' PRESCRIBING STATISTICS

32. In 1955, doctors were supplied for the first time under the National Health Service with statistics which gave them a basis for assessing and comparing their prescribing costs. Information is now being circulated annually about the frequency and cost of a doctor's prescribing in any one month,

compared with averages for the area and for the country as a whole. Where a doctor's prescribing costs seem unduly high, a detailed report on a month's prescriptions is prepared and the doctor is usually visited by one of the Department's Regional Medical Officers. At present about 700 doctors are visited each year.

33. Most doctors welcome the circulation of this information and the advice and help of the Regional Medical Officers which we believe have helped to reduce the cost of prescribing. The main criticism of the present arrangements which has come to our notice is that information of this kind is not supplied often enough and that it should be based on more up-to-date prescriptions than it is.

34. At present each doctor's prescribing costs are reviewed and details are sent to him about once a year, based on prescriptions issued some four months previously. While recognising that shortage of manpower may be a limiting factor, we would urge the Ministry of Health to try to speed up the circulation to doctors of up-to-date prescribing statistics and to increase the number of informal visits by R.M.O's. which doctors appear to find so helpful.

35. Before leaving this subject we should perhaps mention that one of the incidental advantages claimed in evidence by the Joint Pricing Committee in support of their demand for full pricing of prescriptions, was that full pricing would facilitate the preparation of more accurate statistics. The Joint Pricing Committee contended that they could undertake full pricing without more staff and at no greater expense than under the present averaging system. If it is possible to improve the effectiveness of the data circulated to doctors about their prescribing costs, e.g. by presenting combined statistics of each doctor's prescriptions from all Executive Council areas, we would urge the Department to institute full pricing immediately even though some additional staff may be involved for the time being. The whole matter however seems to us a suitable one for investigation by experts in operation and statistical arrangement and we recommend that the Department should institute such an investigation forthwith.

FUNCTION OF THE REGIONAL MEDICAL OFFICER

36. We have given some thought to the function of the Regional Medical Officer in the present context since the advice given by these officers in the course of their visits must represent for many doctors the only objective guidance they have received on the economics of prescribing under the National Health Service since entering general practice.

37. The potential value of the Regional Medical Officer in educating general practitioners in the art of prescribing may have been under-estimated. For the average practitioner a visit from the Regional Medical Officer is inevitably associated with the official procedure for investigating prescribing costs and the possibility of a summons to appear before a Local Medical Committee. The disciplinary aspect of the Regional Medical Officer's work in the field of prescribing we would prefer to be incidental to his other more useful advisory function.

38. The point has been made to us time and again in evidence that insufficient attention is given to the problem of education in effective prescribing. This we accept. While the question of instructing students and newly-qualified doctors in prescribing is essentially one for the Medical Schools and one on which we shall have more to say in our final report, we think that the Regional Medical Officer should play a very important part in providing the doctor already established in general practice with authoritative and up-to-date information on developments in pharmacology and therapeutics and with practical guidance on the cost of his day-to-day prescribing. We therefore urge the Department to make greater use of Regional Medical Officers in this way.

39. The right type of Regional Officer, that is the one with long and recent experience in general practice, can help doctors to effect substantial savings in their prescribing costs. General practitioners of standing might be selected to carry out this work, e.g., in a consultant capacity, in areas outside the Executive Councils with which they are in contract. In order to attract recruits of the right calibre everything possible should be done in our view to raise the status of these officers, and we ask the Department to consider whether the present level of their remuneration is in fact commensurate with the responsibilities they should bear.

INADEQUACY OF DEPARTMENTAL STATISTICS

40. For an interim report of this kind we have not investigated all the factors contributing to the increase in the cost of the general pharmaceutical services. It seems probable that these factors are both numerous and complex and a complete analysis of them will be difficult. Our preliminary enquiries have satisfied us however that if a complete survey is required now or in the future it will be necessary to improve the statistical information available to those who undertake it.

APPROVED NAMES

41. One of the greatest difficulties facing the general practitioner in deciding what he should prescribe for a patient lies in the number of different names by which new drugs may be known. There are for example just under 5,000 proprietary preparations available for prescribing. Economies would follow, we believe, if simple approved names for new products could be evolved quickly and given the widest possible publicity. This would depend of course to some extent upon cheaper standard preparations being quickly available.

42. Approved names are devised or selected by the British Pharmacopoeia Commission. They are non-proprietary names and are not subject to the trade mark restrictions which usually apply to the names of proprietary products.

Approved names are used in the titles of monographs in the British Pharmacopoeia and British National Formulary. Although approved names must conform with the general rules of the British Pharmacopoeia Commission and must not conflict with existing proprietary names, we consider it essential that steps should be taken to ensure that approved names are as simple as possible. We are informed, for example, that the present rules of nomenclature require that the approved name should be based on a drug's chemical constitution, but that in practice few doctors can be expected to recognise the constitution of a particular substance from its approved name.

43. At present a year or two may elapse before an approved name is formulated for a new drug. During this period doctors get into the habit of prescribing the new preparations by their trade names, which are coined immediately in the case of larger drug firms by staff employed specifically for the purpose and are deliberately designed to be easily written and memorised. As a result of high pressure salesmanship these branded names become household words in the general practitioner's vocabulary very soon after the preparations are placed on the market.

44. It seems to us that some of the principles of nomenclature now in force may well be inappropriate to-day. We therefore recommend the Minister to ask the British Pharmacopoeia Commission, in the light of what we have said, whether they will review the principles on which the selection of approved names is at present based.

45. Lists of approved names are circulated at intervals by the General Medical Council. The lists, which also appear in the professional journals, consist of the new approved name of each drug together with its full chemical name and its proprietary names. The approved names are arranged in alphabetical order but in this form the lists are of little value to the average doctor and pharmacist who know most new drugs by their proprietary names. If doctors are to be encouraged to prescribe official preparations additional lists should be provided in which proprietary names are arranged alphabetically together with their official equivalents.

46. We consider also that before putting a new drug on the market manufacturers should be encouraged to ask the British Pharmacopoeia Commission to give it an approved name. As soon as that has been done, the approved name should appear on labels and advertising literature for proprietary preparations as prominently as the trade one. We recommend the Minister to consult the Association of British Pharmaceutical Industry with the object of persuading drug manufacturers to adopt this practice.

QUANTITIES TO BE PRESCRIBED

47. Opinions have been expressed in evidence that general practitioners sometimes fail to relate the quantity of drugs or medicines prescribed to the requirements of individual patients. This is, of course, to some extent a matter of training and we shall have something to say in our final report about the instruction given to medical students in dealing with the problems of prescribing.

48. Information with which we have been provided about the cost of the pharmaceutical services in recent months indicates a significant increase in the quantities of drugs ordered on each prescription. This increase has been particularly marked since the introduction of the shilling charge per prescription. Indeed, experience since the new charges were introduced in December, 1956, has shown that, while leading to a substantial reduction in the number of prescriptions issued, the charges have resulted in an equally substantial increase in the amounts prescribed.

49. We have given serious attention to this problem of larger quantities and have examined a number of suggestions for reducing waste involved in the practice.

50. We were particularly interested, for example, in the Report of a special Committee which presented its findings in May, 1957, to the New Zealand Minister of Health on this problem. We understand that in 1954 the original supply which doctors in New Zealand might order on a prescription was restricted to not more than 15 days' treatment with the possibility of one repeat prescription, similarly restricted. This restriction is said to have resulted in a considerable reduction in the average cost per prescription. The New Zealand Committee thought that a further restriction to a maximum of 10 days' supply plus one similar repeat, with special provision in appropriate cases, would be justifiable and would achieve further saving.

51. We contemplated making a recommendation for a similar limitation of quantity in prescriptions under the National Health Service regulations in this country but our investigations revealed so many administrative difficulties in our Service, which differs considerably from that established in New Zealand, that we have refrained from doing so at this stage. We intend, however, to review the matter again in our final report.

SUMMARY OF RECOMMENDATIONS

52. (i) The attention of Medical Schools should be directed to the importance of the British National Formulary and the Minister of Health should supply copies of the alternative edition to all clinical students, general practitioners and hospital doctors (paras. 14 and 15);

(ii) The Minister should confer with the British Medical Association and the Pharmaceutical Society with a view to the production of a comprehensive prescribing handbook which should include information about comparative costs of standard drugs and proprietary preparations (para. 24);

(iii) The law should be amended, if necessary, to compel manufacturers to indicate in literature circulated to doctors the retail price of the advertised product (para. 27);

(iv) The Minister should direct Executive Councils who supply drug houses and advertising agencies with copies of medical and pharmaceutical lists to discontinue the practice (para. 28);

(v) "Prescribers' Notes" should be circulated to all clinical teachers, consultants, hospital doctors and final year students as well as to general practitioners. The Notes should be issued more frequently and should be expanded in scope (paras. 29 and 30);

(vi) The circulation to doctors of up-to-date prescribing statistics should be speeded up and informal visiting by Regional Medical Officers increased (para. 34);

(vii) The Minister should institute forthwith an investigation by experts into the question of full pricing of all prescriptions (para. 35);

(viii) In order to attract recruits of the right calibre the status of Regional Medical Officers should be improved and consideration given to the adequacy of their remuneration (para. 39);

(ix) The British Pharmacopœia Commission should be asked to review the principles on which the selection of approved names is based (para. 44);

(x) Before putting a new drug on the market manufacturers should ask the British Pharmacopœia Commission to give it an approved name which should then appear prominently on labels and advertising literature (para. 46).

(SIGNED) HENRY HINCHLIFFE (*Chairman*).
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