

**EXPLANATORY MEMORANDUM TO
THE NATIONAL HEALTH SERVICE (CHARGES FOR DRUGS AND APPLIANCES)
AND (TRAVEL EXPENSES AND REMISSION OF CHARGES)
AMENDMENT REGULATIONS 2009**

2009 No. 411

1. This explanatory memorandum has been prepared by the Department of Health and is laid before Parliament by Command of Her Majesty.

2. Purpose

These Regulations amend (a) the National Health Service (Charges for Drugs and Appliances) Regulations 2000 and (b) the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 to provide a routine uprating of amounts.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4. Legislative Context

4.1 The amount of the charge for an NHS prescription item, the circumstances in which a charge shall, or shall not, be made and the patients who are exempt from prescription charges are set out in the National Health Service (Charges for Drugs and Appliances) Regulations 2000.

4.2 These regulations amend the National Health Service (Charges for Drugs and Appliances) Regulations 2000 by increasing the prescription charge per item from £7.10 to £7.20, and increasing the charges for prescription pre-payment certificates, wigs and fabric supports by the same percentage as the increase in the prescription charge.

4.3 The National Health Service (Travel Expenses and Remission of Charges) Regulations 2003, (The TERC Regulations) provide:

- that people receiving certain benefits and tax credits are automatically entitled to free prescriptions, dental treatment, wigs and fabric supports and payment of travel costs to hospital; and
- a “safety net” - the National Health Service Low Income Scheme. Help from the scheme is income related and based on an assessment of a person’s ability to pay in the light of their financial resources at the time a claim is made or charge was paid. The calculation of entitlement is based on Income Support arrangements, plus net housing costs and council tax where a person is personally liable to pay. Any resources a person receives may be taken into account in full, completely ignored (disregarded) or disregarded up to a certain amount, as set out in the Income Support Regulations. The TERC Regulations also allow for modification of the Income Support (General) Regulations 1987 in calculating entitlement for Low Income Scheme purposes.

4.4 These regulations amend the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 by increasing the level of income for tax credits purposes at which entitlement to exemption from charges applies from £15,050 to £15,276. These regulations also increase the capital limit for those in a care home from £22,250 to £23,000, and the lower capital limit from £13,500 to £14,000.

5. Extent

5.1 This instrument applies to England.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 The National Health Service (Charges for Drugs and Appliances) Regulations 2000 provide for NHS prescription charges to be recovered from patients for the supply of drugs or appliances. The change increases the current prescription charge by 10p and will help maintain the contribution charges make to NHS funding. The increases in the other charges and limits (except the capital limits for those in a care home) made by these Regulations are in line with the rate of increase in the prescription charge. The increase in the prescription charge is 1.5 per cent. The increase in the capital limits for those in a care home is 3.5 per cent.

Consolidation

7.2 The charging arrangements in respect of people with long term conditions are currently the subject of a review by Professor Ian Gilmore. The need for consolidation will be considered once Professor Gilmore's recommendations have been considered. Professor Gilmore will report to Ministers in Summer 2009.

8. Consultation Outcome

8.1 There has been no consultation on these Regulations.

9. Guidance

9.1 No guidance has been prepared for this instrument. Pharmacists and Trusts will be notified of the increased prescription charge.

10. Impact

10.1 These Regulations have no impact on business, charities or voluntary bodies.

10.2 There is minimal cost to the public sector. Dispensers will need to be aware of the increase in charges and collect the increased amount. The National Health

Service Business Support Authority will need to amend their systems to reflect the increased level of the prescription charge and PPC fee. They will also need to reflect the increased levels of capital when calculating entitlement in a very small number of claims from self-funding people living permanently in care homes. The cost to the public is an additional 10p per prescribed item dispensed to those who are not entitled to free prescriptions. The additional cost per prepayment certificate or appliance is in the table.

Item	Current Charges	From 1 April
Prescription	£7.10	£7.20
12-month PPC*	£102.50	£104.00
3-month PPC *	£27.85	£28.25
Surgical brassiere	£24.00	£24.35
Abdominal or spinal support	£36.30	£36.80
Stock modacrylic wig	£59.20	£60.00
Partial human hair wig	£156.60	£158.90
Full bespoke human hair wig	£229.05	£232.45

11. Regulation Small Business

11.1 The legislation is not expected to generate any additional costs to small business.

12. Monitoring and Review

12.1 Options to increase National Health Service charges are considered annually.

13. Contact

Gina Jones at the Department of Health Tel: 020 7972 2954 or e-mail: gina.jones@dh.gsi.gov.uk can answer any queries regarding the instrument.