

**EXPLANATORY MEMORANDUM TO**  
**THE NATIONAL HEALTH SERVICE (CHARGES FOR DRUGS AND**  
**APPLIANCES) AND (TRAVEL EXPENSES AND REMISSION OF CHARGES)**  
**AMENDMENT REGULATIONS 2007**

**2007 No. 1975**

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

2. **Description**

These Regulations (a) amend 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.

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

None.

4. **Legislative Background**

These Regulations amend the National Health Service (Charges for Drugs and Appliances) Regulations 2000 to provide that drugs for the treatment of tuberculosis are free of charge when supplied by an NHS Trust, NHS foundation trust or Primary Care Trust or under a Patient Group Direction. They also amend the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 to update the reference to an additional loan (which is to be disregarded from a student's loan income in calculating a student's entitlement to the remission of NHS charges and the payment of NHS travel expenses) to bring it into line with the updated version of the "Guide to Student Support" issued by the Student Awards Agency for Scotland and the consolidated version of the Education (Student Loans)(Scotland) Regulations 2007.

5. **Extent**

This instrument applies to England.

6. **European Convention on Human Rights**

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

## 7. Policy background

### National Health Service (Charges for Drugs and Appliances) Regulations 2000

7.1 A commissioning Toolkit has been developed to provide commissioners of TB services with a flexible commissioning framework and models of best practice for service delivery and laboratory services and surveillance. This is part of the Chief Medical Officer's Action Plan for TB in England, launched in October 2004, which has the long-term goal of reducing TB in this country through reducing the risk of infecting new people, providing high quality treatment and care for all people with TB and maintaining low levels of drug resistant TB.

7.2 Failure to complete treatment can lead to the development of drug resistant TB in that person which is much more difficult, and expensive, to treat. The Department of Health needs to ensure that patients complete their treatment so that they are cured and cease to pose a continuing threat to other people.

7.3 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. In order to remove one of the perceived barriers to treatment, these Regulations are amended to provide that drugs supplied by TB clinics run by Primary care Trusts, NHS Trusts or NHS foundation trusts, or through a patient group direction, to treat TB will be free of charge from 1 September 2007. This is intended to encourage people with TB to be seen regularly in TB clinics where they can be properly assessed and their treatment supervised by TB experts. This also enables us to exempt the medication on public health grounds rather than adding to the list of patients who have medical exemption from prescription charges.

### National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (The TERC Regulations)

7.4 The TERC Regulations provide that people receiving income support, income based jobseekers allowance, pension credit guarantee credit and working tax credit with child tax credit or child tax credit on its own (where gross annual income for tax credit purposes is below £15,050) are automatically entitled to free prescriptions, dental treatment, wigs and fabric supports and sight tests, full value of optical vouchers and payment of travel costs to hospital. That is, they are "passported" to entitlement.

7.5 The TERC Regulations also provide a "safety net" known as the National Health Service Low Income Scheme (LIS). 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. The TERC Regulations also allow for modification of the Income Support (General) Regulations 1987 in calculating entitlement for low income scheme purposes..

7.6 These amending Regulations modify the Income Support (General) Regulations 1987 in their application to the TERC Regulations. The policy intention is that Scottish students who are studying in England and make a LIS claim should have any “additional loan” (as described in the Guide to Student Support issued by the Student Awards Agency for Scotland) disregarded from their loan income when calculating their resources. An Additional Loan is available to Scottish students based on qualifying conditions, which include the family income level. It is broadly equivalent to the excess maintenance grant, which is available to students from England, Wales and Northern Ireland, for which a modifying Regulation allowing a disregard is already in place. This amendment updates the description of the additional loan, inserted by a previous amending instrument, in line with updated guidance issued by the Student Awards Agency for Scotland for 2007-08 and the consolidated version of the Education (Student Loans)(Scotland) Regulations 2007

## **8. Impact**

A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

## **9. Contact**

**Eleanor Shenton** at the Department of Health Tel: 020 7972 2923 or e-mail: [eleanor.shenton@dh.gsi.gov.uk](mailto:eleanor.shenton@dh.gsi.gov.uk) can answer any queries regarding the instrument.