

abolition of NHS prescription charges (Scotland) bill

The Scottish Consumer Council's written evidence to the Scottish Parliament Health Committee

May 2005

About the Scottish Consumer Council

The Scottish Consumer Council (SCC) was set up by government in 1975. Our purpose is to promote the interests of consumers in Scotland, with particular regard to those people who experience disadvantage in society. While producers of goods and services are usually well-organised and articulate when protecting their own interests, individual consumers very often are not. The people whose interests we represent are consumers of all kinds: they may be patients, tenants, parents, solicitors' clients, public transport users, or simply shoppers in a supermarket.

Consumers benefit from efficient and effective services in the public and private sectors. Service-providers benefit from discriminating consumers. A balanced partnership between the two is essential and the SCC seeks to develop this partnership by:

- carrying out research into consumer issues and concerns;
- informing key policy and decision-makers about consumer concerns and issues;
- influencing key policy and decision-making processes;
- informing and raising awareness among consumers.

The SCC is part of the National Consumer Council (NCC) and is sponsored by the Department of Trade and Industry. The SCC's Chairman and Council members are appointed by the Secretary of State for Trade and Industry in consultation with the First Minister. Martyn Evans, the SCC's Director, leads the staff team.

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The SCC assesses the consumer perspective in any situation by analysing the position of consumers against a set of consumer principles.

These are:

ACCESS

Can consumers actually get the goods or services they need or want?

CHOICE

Can consumers affect the way the goods and services are provided through their own choice?

INFORMATION

Do consumers have the information they need, presented in the way they want, to make informed choices?

REDRESS

If something goes wrong, can it be put right?

SAFETY

Are standards as high as they can reasonably be?

FAIRNESS

Are consumers subject to arbitrary discrimination for reasons unconnected with their characteristics as consumers?

REPRESENTATION

If consumers cannot affect what is provided through their own choices, are there other effective means for their views to be represented?

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Written evidence to the Scottish Parliament Health Committee Abolition of NHS Prescription Charges (Scotland) Bill

Does the SCC agree with the main objectives of the bill and why?

The SCC believes that the main objectives of the bill are as follows:

- To make access to NHS care and treatment more equitable by removing costs which constitute a barrier to treatment for some patients
- To remove the current unfairness and inconsistency in eligibility for free prescriptions
- To improve the health of the Scottish population by encouraging early treatment of conditions

NHS charges as a barrier to treatment

The SCC believes that charges, not only prescription charges, but other charges such as dental or opticians' charges can constitute a barrier to treatment. This may be because:

- Some patients feel unable to pay the costs of treatment required (affordability).
- Fear of charges may deter people from seeking treatment, particularly where costs are difficult to explain or understand. This is the case with dental services (fear of costs).
- Patients entitled to help with NHS costs may be unaware of the schemes which exist to help with costs, whether that is exemption, or remission of fees through the low income scheme (information).

Affordability

There is evidence that, for many disadvantaged consumers, the cost of the prescription charge is a deterrent to getting the treatment they need. They may fail to get the prescription, take a lower dose than that prescribed, or choose to obtain only one of the medicines prescribed. Evidence from the National Association of Citizens Advice Bureaux showed that 28% of those who paid prescription charges had failed to cash all or part of their prescription because of the cost. Those with long term health conditions were the worst affected, with 37% failing to get all or part of their prescriptions dispensed¹.

The schemes in place to assist people living on a low income have flaws. The Low Income scheme, which exists to help those who are not exempt, but who are living on a low income, has an extremely complex application form that is daunting for all but the most determined applicants, or those with good support.

¹ National Association of Citizens Advice Bureaux, *Unhealthy Charges: CAB evidence on the impact of health charges*, London, 2001

The pre-payment scheme, which should mean that no-one pays more than £90.40 for all prescribed treatments over a year, is not widely known about, not well advertised, and can only be paid for in advance, which itself is a barrier to many.

Fear of cost

Fear of cost has been shown to be a barrier to people accessing dental services. This is a greater problem in relation to dental services than it is in relation to prescriptions, because of the greater range of costs. In contrast, most people know what a prescription costs, and a fear of cost is less likely to put people off going to the doctor, though it may be a deterrent for some.

Lack of information about charges

The inconsistencies and variations in the charging regime means that it is not easy for people to understand how the system works, or whether they are exempt from payment. There is generally a high awareness of the level of the prescription charge because, unlike dental charges, it is a single flat rate charge. However, there is a need to improve information about and access to the schemes which exist to make charges more affordable, notably the Low Income Scheme and the pre-payment certificates.

Unfairness and inconsistency

The current situation is characterised by inconsistency. This can be seen both in relation to who is exempt from paying charges, and in differences between different parts of the NHS. For example, while people over the age of 60 are exempt from paying prescription charges, they are not exempt from paying for dental treatment. Similarly, people with a limited range of long term chronic conditions are exempt from paying prescription charges, while equally debilitating long term conditions are not covered.

Inequity

The barriers created by charges, coupled with the inconsistencies in the system, give rise to various inequities including the following:

- When flat rate charges such as prescription charges are used, the effect is to penalise those on lower incomes, which creates what the NCC has described as a “cycle of detriment” for people who narrowly fail to be exempt from charges. Disadvantaged groups are more likely to experience ill health, and they are also more likely to be deterred from seeking or using healthcare services by the cost of charges. As the NCC has argued

Because charging can exacerbate disadvantage, it raises the question: are charges an effective way of raising or saving money for the NHS?

- The same people are treated differently in different parts of the NHS
- People with different medical conditions are treated differently even if the effects on their life are similar.

Conclusion

The SCC does agree with the main objectives of the bill, as we have set them out at the start of this evidence. We believe that NHS charges can be a barrier to accessing services, and that this is made more complex by the inconsistencies in the way charges are applied, and the difficulties of informing people clearly about what charges they might be liable for, and what help is available to reduce those costs. There is a clear danger that people's health is made worse by a failure to follow treatment at an early stage.

However, the SCC does not believe that the problems in this area will be solved simply by abolishing prescription charges. To follow this course of action would still leave problems in the rest of the NHS, particularly with regard to dental and optical services, in which the impact of charges is considerable, as treatment costs can be much higher and less predictable.

There needs to be clarity about what is core NHS provision, and therefore what should be universally available. The National Consumer Council has recommended a fundamental review of NHS charges and exemptions.

The Scottish Consumer Council supports this approach in Scotland. Many of the inconsistencies which exist today are the result of piecemeal tinkering with parts of the system without considering the whole on an objective basis. There is as much a case for reviewing charges for dental services as there is for reviewing prescription charges, but to argue for one without considering the wider picture is not helpful.

The SCC awaits with interest the outcomes of the current review of prescription charges in the NHS in Scotland, but would recommend that a more wide-reaching approach be taken, which could look at some fundamental questions which such a review should consider:

- What is the justification for having charges in a system described as being based on need rather than ability to pay?
- If they can be justified, how can they be made fair?

Underlying principles

The SCC believes that the following principles must underpin the use of charges in the NHS:

- **Transparency.** There must be greater clarity about the reasons for and the impact of charges.
- **Information.** There must be better information for consumers, in particular about the schemes which prevent charges being a barrier for disadvantaged consumers.
- **Affordability.** Any charging scheme must be based on the ability to pay.
- **Flexibility.** Any charging scheme must have alternative ways of paying for those who experience difficulty in paying up front charges for care, treatment or prescriptions.