



POLICY

Community Pharmacy Services Commissioning

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| Applicable to: Community Pharmacy Services Providers | Issued by: Strategy, Planning and Performance |
| | Contact: Clinical Services Programme Lead |

1. PURPOSE

Commissioning is a continual and iterative cycle involving the development and implementation of services based on strategic planning, procurement, monitoring/reporting and evaluation. Commissioning describes a broad set of linked activities, including service overviews, priority setting, procurement and purchase through contracts, monitoring of service delivery and review and evaluation.

The purpose of this policy is to outline an equitable and quality approach by which MDHB will commission Community Pharmacy Services that achieve our statutory objectives and the national and DHB visions in a manner that best meets the needs of the MidCentral DHB district community in an equitable manner.

2. CONTEXT

MidCentral District Health Board (MDHB) has a statutory objective under the Public Health and Disability Act 2000:

'..to seek the optimum arrangement for the most effective and efficient delivery of health services in order to meet local,..... needs.'

The Integrated Community Pharmacy Services Agreement (ICPSA) came into effect on 1 October 2018. The intent of this agreement is the provision of integrated Pharmacist Services in the community delivered with greater flexibility that meet the needs of local populations, address inequities, promote pharmacists as experts in medicines management and encourage collaboration between consumers, their pharmacist and a broader multi-disciplinary team. A variation to ICPSA in 2019 provided DHBs ability to have control over the location of contract holders if it had a policy relating to population access to community pharmacy services.

The Ministry of Health published a *Pharmacy Action Plan 2016-2020* in 2016 and in 2019 MidCentral Health adopted its *Pharmacy in MidCentral Strategy* to guide the future development of Pharmacy services in the MidCentral district.

3. SCOPE

Situations where this policy applies include:

- All requests received for a new Integrated Community Pharmacy Services Agreement (ICPSA)
- When existing ICPSA holders seek to partial or complete sale of a pharmacy or there is a change in control of the pharmacy
- When an existing ICPSA holder:
 - Seeks to relocate the pharmacy;
 - Seeks to provide services from an additional premises (including through a satellite pharmacy) or location;
 - Seeks to amalgamate with one or more providers;
 - Seeks to provide a new funded Pharmacy Service within existing contracts.

This policy applies to:

- All employees and Board Members of MDHB;
- All external personal; and
- Any other designated person or organisation dealing with the commissioning of Community Pharmacy Services for, or on behalf of, MDHB.

4. POLICY STATEMENT

In 2018, all community pharmacies within MidCentral signed the Integrated Community Pharmacy Services Agreement (ICPSA). The contract placed emphasis on clinical services and enabled local DHBs to purchase locally focused and targeted services. In 2019, the Community Pharmacies all signed Variation 1A which introduced clauses relating to location, equity and audit. In order to enforce the location provisions the DHB must have a policy relating to population access to community pharmacy services.

This policy provides the opportunity to configure and shape our pharmacy services to ensure greater emphasis on access, targeting inequities and generate better health outcomes for our community. The policy provides greater influence on where new pharmacist services are located, and ensure the providers demonstrate a collaborative partnership with primary care. It will ensure community pharmacy services that best address our vision for quality pharmacist services. Providers must be capable of complying with the ICPSA and support the Pharmacy Action Plan and Pharmacy in MidCentral Strategy.

MidCentral DHB will continue to investigate and develop opportunities to commission services through Community Pharmacies that support the following strategic imperatives:

- Achieve equity of outcomes across communities.
- Partner with people and whānau to support health and wellbeing through increased access to services.
- Achieve better health outcomes through quality and excellence by design.
- Implement the Pharmacy Action Plan and Pharmacy in MidCentral Strategy to connect and transform primary, community and specialist care.
- Deliver sustained high quality pharmacy services.

This approach will take a quality improvement approach, with a focus on:

- Delivery of services based on health need
- Equitable access to pharmacy services
- Fully informed patient self-care
- Integrated, multi-disciplinary co-ordination to patient services
- A focus on people centric collaboration between pharmacists – from Hospital to Community.
- Increasing primary care capacity

5. PROCESS

The process for assessing applications for a new pharmacy, amalgamation of pharmacies, sale and purchase of existing pharmacies, or new pharmacy services will be as follows:

- a. Applicants for new pharmacies, amalgamations, sale and purchase of existing pharmacies or new pharmacy services should complete the applications form and send it to: Advisor Commissioning and Contracts, Strategy, Planning and Performance, MidCentral DHB, Gate 2, Heretaunga St, Palmerston North 4414. An email acknowledging your application will be sent within five (5) working days of receipt.
- b. MidCentral DHB will convene the MidCentral DHB Community Pharmacy Commissioning Panel to consider the information provided in the application form, having regard to current access and quality of pharmacist services for the population in the proposed location.
- c. The panel will make a recommendation to the General Manager, Strategy, Planning and Performance.

1 Applications for new Pharmacy Contracts

The applicant will be advised of the outcome of the application within 20 business days of making the application, unless a request for additional information is made.

Where the application is for a new contract for a pharmacy, applications that are granted will be subject to the pharmacy subsequently obtaining and maintaining a pharmacy licence through the Ministry of Health.

2 Applications for Amalgamations or Sale and Purchase of existing pharmacies

The applicant will be advised of the outcome of the application within 20 working days of making the application, unless a request for additional information is made.

Amalgamations and Sale and Purchase of existing pharmacies will be considered against the same criteria as an application for a new pharmacy.

3 Applications for new Pharmacy Services within existing Pharmacy Contracts

The applicant will be advised of the outcome of the application within three months of making the application.

If approved, the service will be initially tested through short-term pilot programme with funding support (up to 12 months). Extensions after 12 months will be dependent on the performance of the pilot programme.

4 Applications not received

MidCentral DHB is not responsible for applications that are not received.

5 Requests for additional information

During the application process, the panel may require further information from an applicant additional to that contained in the application, for example in regard to:

- determining the nature of the interest held by any person in the pharmacy
- the requirement for a person to be a 'fit and proper' person or a body corporate to be of 'good repute'
- the ownership structure of the pharmacy

The applicant will be advised of the outcome of the application within 20 working days of providing the additional information.

If the applicant fails to supply the information within 30 days of the date of the request (or within any additional time given by the Panel) the application will lapse. This requires the applicant to submit a new application.

6 Once an application is approved

Applications for new Pharmacy Contracts and Amalgamations or Sale and Purchase of existing pharmacies

Subject to the application being approved, the applicant will have ninety (90) days to begin the process of purchasing/leasing the pharmacy building and submit the application for a Ministry of Health Medicines Licence. If the applicant fails to begin the process within 90 days, the approval will be deemed to be revoked and a new application will be required. New pharmacy operations must be completed within 12 months of approval. If the applicant fails to begin to complete the process within 12 months from approval, the approval will be deemed to be revoked and a new application will be required.

Applications for new Pharmacy Services within existing Pharmacy Contracts

Subject to the application being approved, the applicant will have ninety (90) days to begin the provision of service through a new pharmacy or existing pharmacy. If the applicant fails to begin providing the service within 90 days, the approval will be deemed to be revoked and a new application will be required.

7 If an application is declined

In the event of the application being declined, the applicant will have a single right of appeal to the General Manager, Strategy, Planning and Performance within 30 days by providing additional information to support the original application. The decision of the General Manager, Strategy, Planning and Performance will be final.

If information presented is found to be fraudulent, incorrect, frivolous or vexatious the application will be declined.

This right of appeal does not derogate from any rights the applicant might have at law or under statute.

6. APPLICATION CRITERIA AND DECISION MAKING

The criteria for decision making (approving applications) will be based on the applicant's ability to demonstrate the following:

- Alignment with national and local strategic priorities for pharmacy and pharmacy services.
- Good character and meets requirements to practice.
- Provision of accessible services to a population in need of pharmacy services.
- Sufficient qualified staff to deliver services.
- Achieving better health outcomes through a holistic approach.
- A focus on providing integrated patient care across Pharmacy in MidCentral and primary care.
- Suitable systems and processes to deliver quality, best practice services.
- Funding priorities as direct by the Board or the Ministry of Health

Each is explained in more detail below and the information requirements are set out.

6.1 New Contracts, Amalgamations and Sale and Purchase of existing pharmacies

Applications for new contracts, amalgamations, and sale and purchase of existing pharmacies, will be assessed against the following criteria. The associated information requirements are also set out:

| Criteria | Information requirement |
|---|---|
| <p>The applicant has demonstrated that the proposed services are consistent with relevant national and local strategic priorities for pharmacy and pharmacy services.</p> <p>The applicant will contribute to providing best practice advice and service so that the people of MidCentral achieve better health outcomes – People Centric, Best Practice, Better Health Outcomes.</p> | <ul style="list-style-type: none">• Explain how the proposed services will meet the relevant national and local strategic priorities for pharmacy and pharmacy services outlined in the Clause 4 Policy Statement and Pharmacy in MidCentral Strategy.• Provide details on how the proposed services will address inequity.• Provide details about how the applicant will contribute to providing best practice advice and service so that the people of MidCentral achieve better health outcomes – People Centric, Best Practice, Better Health Outcomes. |
| <p>The applicant has demonstrated it is of good character and there are no unresolved issues concerning the pharmacist/s current or past Annual Practicing Certificate/s (APC) or Ministry of Health licence/s or</p> | <ul style="list-style-type: none">• Provide the following Applicant information – APC (including any conditions), police check and good character information. |

| Criteria | Information requirement |
|---|---|
| conditions. | <ul style="list-style-type: none"> • Details of any conditions imposed on an APC • Details if an APC has ever been cancelled • If the applicant has been a pharmacy owner previously, provide details if a Ministry of Health licence has had conditions applied or cancelled. |
| <p>The applicant has demonstrated that it will provide services required by MDHB in an area or for a population in need of pharmacy services. Assessment of this criterion will include:</p> <ul style="list-style-type: none"> • location • population served • proposed services • opening days/hours | <ul style="list-style-type: none"> • Pharmacy Information – location, proposed services, opening hours. • Confirmation that the applicant will provide all PHARMAC Schedule non-section H medications to patients if requested and required; including high cost medications (exemptions may apply as directed by MidCentral DHB or PHARMAC). • Provide information about existing pharmacy services in the proposed location and the different services that will be supplied from the existing services. • Distance to nearest existing pharmacies. • Proximity to primary care services and populations with special needs. • Explanation of what the population needs are of the proposed pharmacy location, how are they currently being met and how the services provided by the applicant will meet the unmet population health needs. |
| The applicant has demonstrated that it has sufficient staff with relevant qualifications and accreditations to deliver the proposed services. | <ul style="list-style-type: none"> • Information on staffing FTE and their qualifications. • Information on contingency planning to ensure maintenance of acceptable minimum staffing levels. |
| The applicant will demonstrate how it will increase the impact of co-located and nearby services and facilities with positive health outcomes and how it will minimise and mitigate the impact of those with negative health outcomes. | <ul style="list-style-type: none"> • Information on where the proposed pharmacy will be located, including information on co-located and nearby services and facilities relating to better population health outcomes, such as healthy eating, healthy exercise, social inclusion, etc. and how the pharmacy will leverage these to improve health outcomes. • Information on any co-located and nearby services and facilities relating to alcohol and tobacco sales, gambling facilities, or other services that contribute to poorer population health outcomes and how the pharmacy will reduce or eliminate their adverse impact on health outcomes. |
| The applicant has demonstrated that it will work in an integrated manner with primary care providers to ensure continuity of care to patients resulting in better health outcomes. | <ul style="list-style-type: none"> • Explanation of how the applicant will work with primary care providers to support better health outcomes. • Evidence of engagement plan with primary care providers in the proposed location. • Information on how the applicant will engage with population groups with greater needs, including the elderly and those receiving mental health and addiction services. |

| Criteria | Information requirement |
|---|---|
| The applicant has demonstrated it has suitable systems and processes in place to meet the Pharmacy in MidCentral Strategy and the Community Pharmacy Quality Standards. | <ul style="list-style-type: none"> Provide evidence of systems and processes relevant to meeting the Pharmacy in MidCentral Strategy and the Community Pharmacy Quality Standards. |

5.1 New Pharmacy Services within existing Pharmacy Contracts

Applications for new pharmacy services will be assessed against the criteria set out in 5.1 above plus the following additional criterion. The associated information requirements are also set out:

| Criteria | Information requirement |
|---|---|
| The applicant has demonstrated the new services will ensure consistency in pricing through its financial modelling and market analysis. A full business case including financial modelling of costings for the proposed service and evidence of market analysis to ensure consistency in pricing is provided. | A full business case including financial modelling of costings for the proposed service and evidence of market analysis to ensure consistency in pricing. A clearly identified unmet need must be demonstrated. |

6 MIDCENTRAL DHB COMMUNITY PHARMACY COMMISSIONING PANEL

The MidCentral DHB Community Pharmacy Commissioning Panel will include the following roles:

- Community Pharmacy Lead
- Pae Ora Maori Health Directorate
- Primary Care Representative
- Consumer
- Chief Pharmacist
- Population Health Pharmacist (or delegate PCSP)
- Business Accountant

The Panel may seek additional information or advice, and/or co-opt additional members as required.

Panel members will be required to declare any conflicts of interest in respect to each application considered.

Whilst the panel will strive for consistency in its approach to all applications, this policy relates to the provision of pharmacy services in the MidCentral Health District. MDHB will not be held accountable for the consistency of its decisions compared to those made in other DHBs.

7 POLICY REVIEW

This policy will be subject to review when required.

8 REFERENCES

This policy acknowledges MDHB's responsibilities under the following legislation:

- Public Health and Disability Act 2000;
- Commerce Act 1986;
- Employment Relations Act 2000;
- Fair Trading Act 1986;
- Health and Safety at Work Act 2015;
- Human Rights Act 1993;
- Medicines (Database of Medical Devices) Regulations 2003;
- Official Information Act 1982;
- Privacy Act 1993;
- Sale of Goods Act 1908 as amended by the Contractual Remedies Act 1979;
- Treaty of Waitangi Act 1975;
- Resource Management Act 1991;
- Ministry of Health, Health and Disability Services, Pharmacy Service Standards 2010.

9 APPENDICES

Appendix 1 - Application Form – New Pharmacy, Amalgamations or Sale and Purchase of existing Pharmacy

Appendix 2 - Application Form – New Pharmacy Services within existing Pharmacy Contracts

Appendix 3 - MidCentral DHB Community Pharmacy Quality Standards

Appendix 4 - Frequently Asked Questions

10 DEFINITIONS

APC

The principal purpose of the Health Practitioners Competence Assurance (HPCA) Act 2003 is to protect the health and safety of members of the public by providing for mechanisms to ensure that pharmacists are competent and fit to practise. It requires pharmacists to be registered and hold a current Annual Practising Certificate (APC) to be able to practice, even if practising under supervision.

Consultant or Contractor

A person who provides services for a particular project or specified service, and is contracted to MidCentral DHB as an individual or through another entity (e.g. a company). Such persons usually manage themselves independently.

Contract

An agreement between two or more persons or legal entities which is intended to be enforceable. Both parties must have capacity to contract. The essential elements of a contract are:

- agreement between the parties as to the essential terms of their bargain;
- an intention by the parties to create a legally binding relationship; and
- the existence of consideration which means that each party gives the other something and each party gets something in return.

External Personnel

Means:

- authorised paid individuals or individuals from paid companies or other entities (non-employees) working within MidCentral DHB to meet staffing/service/project needs, e.g. external agency staff, locums,

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| | <ul style="list-style-type: none"> • consultants and contractors; and • authorised unpaid individuals or groups to observe (including clinical observers), gain experience, teach or provide support within agreed boundaries. |
| FTE | An FTE is the hours worked by one employee on a full-time basis – full time equivalent. Full time is considered as 40hours per week. |
| Major Incident and Emergency Plan | A major incident and emergency plan is a plan that is appropriate to the Services being agreed and provided under the ICPSA. This is to ensure essential health services are able to continue to be delivered in times of Civil Defence <u>events</u> or <u>other major incidents</u> . |
| PHARMAC | The Pharmaceutical Management Agency (PHARMAC) is the New Zealand Crown agency that decides, on behalf of District Health Boards, which medicines and related products are subsidised for use. More recently, PHARMAC been appointed by Cabinet to be the future national shared procurement service for Medical Devices and will gradually begin to work on national contracts. The national contracts are optional for DHBs to use, but may offer significant benefits to the DHBs and where appropriate should be applied. |
| Priority Populations | Māori, Pasifika, LTC, Mental health, ARC and people living in the most deprived neighbourhoods. |
| Procurement Authority / Delegation | Refers to those persons given the authority to commit MidCentral DHB to procure an item/service of supply within a specified financial limit. Refer to the Delegations of Authority policy. |
| Procurement and Purchasing Procedures and Templates | Various subordinate documents to this policy. Procedures prescribe various operational processes and specific functional roles in accordance with this policy. Templates are procurement-related documents with an approved format and content that must be used in DHB procurement. |
| Procurement | All of the business processes associated with acquisition of goods and services, spanning the whole cycle from the identification of needs to the end of a service contract or the end of the useful life and subsequent disposal of an asset. |
| Purchase | A transaction in which goods or services are acquired in exchange for payment. |
| Staff | Means generally all people to whom this policy applies and who are involved in some capacity during a procurement process; and also Means the person nominated to directly manage and be accountable for a particular procurement. Responsibilities include: <ul style="list-style-type: none"> • planning and documenting the procurement activity adequately; • engaging key stakeholders (including Procurement Services, Contract Services, Infection Control, Local and Regional Information Services, Health and Safety Services, where necessary); • development of requirements and specifications; • obtaining necessary approvals and authorisation; • providing originals of signed contracts to Contract Services; and • complying with regulatory requirements and relevant MidCentral DHB policies. |

MDHB Policies:

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|-----------|------------------------------------|
| MDHB-1892 | Health and Safety [Policy] [HR H3] |
| MDHB-1963 | Contracts Policy |
| MDHB-2018 | Conflict of Interest Policy |
| MDHB-2022 | Delegations Policy |
| MDHB-5705 | Procurement Policy |

MDHB Guides:

- Panel Assessment Template – New Pharmacy, Amalgamations or Sale and Purchase of existing Pharmacy
- Panel Assessment Template – New Pharmacy Services within existing Pharmacy Contracts

MDHB Manuals:

- Board Policies Manual
- Health and Safety Manual
- Procurement Manual

MDHB Strategy Documents:

- MidCentral DHB Strategy
- Pharmacy in MidCentral Strategy

12 Keywords

- Contracts
- Government Rules of Sourcing
- Pricing / price reviews
- Procurement
- Community Pharmacy

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APPENDIX 1

APPLICATION FORM

Community Pharmacy Services Application

New Pharmacies, Amalgamations or Sale and Purchase of existing Pharmacies

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Community Pharmacy Services Application

New Pharmacies, Amalgamations or Sale and Purchase of existing Pharmacies

The application should be viewed in conjunction with Pharmacy in MidCentral Strategy, MidCentral DHB Community Pharmacy Quality Standards and Pharmacy in MidCentral Services Overview.

| Application Summary | |
|--|-----------------|
| Contract Applied for (New, amalgamation or sale and purchase of existing pharmacy) | <i>Response</i> |
| Name or proposed name of Pharmacy | <i>Response</i> |
| Location (suburb, street, co-location with medical centre/ surrounding medical practices etc.) | <i>Response</i> |
| Contact phone number and email address | Ph: Email: |
| Responsible Person under Medicines Act 1981 | <i>Response</i> |
| Shareholding pharmacist(s) | <i>Response</i> |

The following grading grid should be used as guidance when assessing whether the application meets Ministry of Health - Health and Disability Services Pharmacy Service Standards 2010, Pharmacy in MidCentral Strategy, Pharmacy in MidCentral Services Overview, MidCentral DHB Community Pharmacy Quality Standards and Community Pharmacy Service requirements. For a contract to be granted, an applicant must have a green grade for all areas – this is the minimum expected standard. If there is an amber grade, further information will be sought from the applicant. A red grade will result in an immediate decline

| Evidence Provided | Grade |
|--|--------------|
| No or inadequate evidence provided with significant issues outstanding | RED |
| Inadequate evidence provided – only minor issues remain | AMBER |
| Substantial evidence provided | GREEN |

| 1. Applicant Details | |
|---|-----------------|
| Has the responsible person or any of the shareholders ever had conditions imposed on their Annual Practicing Certificate (APC) or had an APC cancelled. If answering yes, please provide details. | <i>Response</i> |
| Has the responsible person or any of the shareholders ever had conditions imposed on their Ministry of Health Pharmacy Licence or had it cancelled. If answering yes, please provide details. | <i>Response</i> |
| Confirmation that you will provide all PHARMAC Schedule non-section H medications to patients if requested and required, including high cost medications (exemptions may apply as directed by MidCentral DHB or PHARMAC). | <i>Response</i> |
| Confirmation that the proposed pharmacy will employ local staff and maintain an agreed footprint within MidCentral DHB. | <i>Response</i> |
| Confirmation that the proposed pharmacy will not engage in any activity that results in adverse health outcomes. | <i>Response</i> |
| Confirmation that the proposed pharmacy hours of operations or services will not be decreased without written agreement of MidCentral DHB. | <i>Response</i> |
| Confirmation that the proposed pharmacy location will not be moved without written agreement of MidCentral DHB. This will be an agreed variation to the ICPSA agreement (specifically clause B.20(1)). | <i>Response</i> |

Please attach to this application:

- Completed Police Check form for the Responsible Person (and evidence of ID).
- Completed Vulnerable Children Act questionnaire for Responsible Person.
- Copy of current APC for the Responsible Person.
- Evidence of support from primary care providers for the proposed location.

2. People Powered

- Enabling individuals to make choices about the care or support they receive.
- Understanding people's needs and preferences and partnering with them to design services to meet these.

Relationship to strategies:

MidCentral DHB Strategy: Partner with people and whānau to support health and wellbeing.

Pharmacy in MidCentral Strategy: Workforce; Services.

| Question | Commentary on Response | Grade |
|---|------------------------|-------|
| Q1. Describe your service philosophy and how your pharmacy supports the Pharmacy in MidCentral Strategy – providing best practice advice and service so that the people of MidCentral achieve better health outcomes – People Centric, Best Practice, Better Health Outcomes. | | |
| Q2. Describe how you will provide people-centric care as per the Pharmacy in MidCentral Strategy and MidCentral DHB Community Pharmacy Quality Standards. | | |
| Q3. Describe how your pharmacy will focus on wellness, preserving mana, and build on existing strengths of whānau, communities, and population groups. <ul style="list-style-type: none">• Pharmacy services will be delivered with recognition of the importance of Māori values and beliefs thus ensuring the rights of Māori consumers and whānau are respected.• Pharmacy services will maximise opportunities to meet needs of higher need population groups that include the elderly and those receiving mental health and addiction services. | | |

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| <p>Q4. Provide a copy of your Equity Plan (<i>ensure Equity Plan meets MDHB and Pharmacy in MidCentral Strategic outcomes</i>).</p> <ul style="list-style-type: none"> The Pharmacy service supports, rather than undermines, the provision of equitable pharmacy services across the total MidCentral district. | | |
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3. Closer to home

- Providing care closer to where people live, learn, work and play, especially for managing long-term conditions.
- Integrating health services and making better connections with wider public services.
- Promoting wellness and preventing long-term conditions through population-based and targeted initiatives.
- Investing in health and wellbeing early in life and focussing on children, young people, families and whānau.

Relationship to strategies:

MidCentral DHB Strategy: Achieve equity of outcomes across communities; Connect and transform primary, community and specialist care.

Pharmacy in MidCentral Strategy: Services.

| Question | Commentary on Response | Grade |
|---|------------------------|-------|
| Q5. Describe the population you are intending to service. Outline the unmet needs you have identified or improvements/innovations your services will make for patients. | | |
| <p>Q6. List the services that you intend to provide to meet the needs and unmet needs of the population you intend to serve.</p> <ul style="list-style-type: none"> Pharmacy services describe opportunities for improving access The community has free and timely access to pharmacist advice as a function of the provision of funded services. A dispensing pharmacy service provides all medicines as required per contract, supported by appropriate stock and procedures. | | |

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| Q7. Provide a simple plan of your facility describing the purpose of each area in relation to the services identified above. The plan should identify the private consulting room and how this is accessed (where other clients in the pharmacy cannot overhear service-related conversations, disability access etc). | | |
| Q8. List the other pharmacies within 5km of the proposed location and an explanation of how the proposed pharmacy will add value to the existing services being provided. | | |

4. Value and high performance

- Delivering better outcomes relating to people's experience of care, health status and best-value use of resources.
- Striving for equitable health outcomes for all New Zealand population groups.
- Building a culture of performance and quality improvement that values the different contributions the public and health workforce can make to improving services and systems.
- Using investment approaches to address complex health and social issues.

Relationship to strategies:

MidCentral DHB Strategy: Achieve quality and excellence by design; Achieve equity of outcomes across communities.

Pharmacy in MidCentral Strategy: Workforce; Services; Systems.

| Question | Commentary on Response | Grade |
|---|------------------------|-------|
| Q9. Describe any collaboration you have had in previous community pharmacies (or that you have now) which you may have owned/managed and what engagement you have already had with primary care providers, PHOs or other community providers in the area. | | |
| Q10. Describe the nature of the relationships your pharmacy will have with Integrated Family Health Centres and GP Teams. | | |
| Q11. How will your pharmacy participate in local/national health promotion initiatives and/or other pharmacy initiatives? | | |

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| Q12. Describe the measures you will take to mitigate or eliminate the adverse health outcomes attributable to any co-located services. | | |
| Q13. Provide a copy of your quality plan. Quality Plan demonstrates processes for continuous quality improvement (CQI) of services and ensures compliance with all legislative and professional requirements. | | |
| Q14. Provide a copy of your health and safety, adverse clinical event management process and infection control policies and procedures. | | |
| Q15. Provide a copy of your major incident and emergency plan. | | |
| Q16. Provide YTD Financial Statements for the last two years, and a projected Cashflow Summary for the next three years. • Financial assessment provided supports a sustainable business. | | |

5. One Team

- Using our health and disability workforce in the most effective and most flexible way.
- Strengthening the roles of people, families, whānau and communities as carers.

Relationship to strategies:

MidCentral DHB Strategy: Connect and transform primary, community and specialist care; Partner with people and whānau to support health and wellbeing.

Pharmacy in MidCentral Strategy: Workforce; Services.

| Question | Commentary on Response | Grade |
|---|------------------------|-------|
| Q17. Provide a copy of your workforce development plan and how you will ensure that all staff are provided with on-going training. | | |
| Q18. Outline the strategies you will use to ensure that you are engaging with consumers with respect to their health care requirements. | | |

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| Q19. What are your proposed days and hours of operation? | | |
| Q20. How many pharmacists, interns, technicians do you propose to employ based on your business plan? What is the FTE allocation across the day (covering breaks, absences etc). Proposed staffing levels are realistic for the services offered and projected demand / growth. When enhanced services are provided in the pharmacy, there will be more than one pharmacist on duty to ensure timely access and safe service delivery. | | |
| Q21. Describe the credentials of the pharmacist who will be responsible for day to day delivery of professional services (Include years since graduation, previous experience managing a pharmacy, hours of attendance at the pharmacy). Staff qualifications align with the outlined service delivery. | | |

6. Smart System

- Discovering, developing and sharing effective innovations across the system.
- Taking advantage of opportunities offered by new and emerging technologies.
- Having reliable, accurate information that is available at the point of care.
- Using standardised technology that allows us to make changes easily and efficiently.

Relationship to strategies:

MidCentral DHB Strategy: Achieve quality and excellence by design; Connect and transform primary, community and specialist care.

Pharmacy in MidCentral Strategy: Systems

| Question | Commentary on Response | Grade |
|---|------------------------|-------|
| Q22. Outline the proposed IT setup and intended approach to ensuring communication with key providers in the primary care team. | | |

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| Q23. Describe how you plan to use technology/online services to support integrated care. | | |
| Q24. Describe how you plan to use Pharmacy dispensary software for patient care and safety – such as your commitment to utilise fully national databases to obtain and update patient information e.g. National Immunisation Register, NHI look up system for prescription subsidy scheme, and to provide this at no charge to consumers. | | |

| 7. Other Supporting Information | |
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| Additional Information Provided | Commentary on Response |
| <i>List information provided</i> | <i>Make any comments on additional information provided</i> |

APPENDIX 2

APPLICATION FORM

Community Pharmacy Services Application
New Pharmacy Services within existing Pharmacy Contracts



Community Pharmacy Services Application

New Pharmacy Services within existing Pharmacy Contracts

The application should be viewed in conjunction with Pharmacy in MidCentral Strategy, MidCentral DHB Community Pharmacy Quality Standards and Pharmacy in MidCentral Services Overview.

| Application Summary | |
|--|-----------------|
| New Services title | <i>Response</i> |
| Name of Pharmacy to provide the services | <i>Response</i> |
| Location (suburb, street, co-location with medical centre/ surrounding medical practices etc.) | <i>Response</i> |
| Contact phone number and email address | Ph: Email: |
| Responsible Person under Medicines Act 1981 | <i>Response</i> |
| Shareholding pharmacist(s) | <i>Response</i> |

The following grading grid should be used as guidance when assessing whether the application meets Ministry of Health - Health and Disability Services Pharmacy Service Standards 2010, Pharmacy in MidCentral Strategy, Pharmacy in MidCentral Services Overview, MidCentral DHB Community Pharmacy Quality Standards and Community Pharmacy Service requirements. For a contract to be granted, an applicant must have a green grade for all areas – this is the minimum expected standard. If there is an amber grade, further information will be sought from the applicant. A red grade will result in an immediate decline.

| Evidence Provided | Grade |
|--|--------------|
| No or inadequate evidence provided with significant issues outstanding | RED |
| Inadequate evidence provided – only minor issues remain | AMBER |
| Substantial evidence provided | GREEN |

| 1. Applicant Details | |
|---|-----------------|
| Has the responsible person or any of the shareholders ever had conditions imposed on their Annual Practicing Certificate (APC) or had an APC cancelled. If answering yes, please provide details. | <i>Response</i> |
| Has the responsible person or any of the shareholders ever had conditions imposed on their Ministry of Health Pharmacy Licence or had it cancelled. If answering yes, please provide details. | <i>Response</i> |
| Confirmation that the proposed pharmacy services will employ local staff and maintain a footprint within MidCentral DHB. | <i>Response</i> |
| Confirmation that the proposed pharmacy will not engage in any activity that results in adverse health outcomes. | <i>Response</i> |
| Confirmation that the pharmacy hours of operations for the proposed services will not be decreased without written agreement of MidCentral DHB. | <i>Response</i> |
| Confirmation that the proposed pharmacy services location will not be moved without written agreement of MidCentral DHB. This will be an agreed variation to the ICPSA agreement (specifically clause B.20(1)). | <i>Response</i> |

If not previously completed within the last 12 months, please attach to this application:

- Completed Police Check form for the Responsible Person (and evidence of ID).
- Completed Vulnerable Children Act questionnaire for Responsible Person.
- Copy of current APC for the Responsible Person.
- Evidence of support from primary care providers for the proposed services.

2. People Powered

- Enabling individuals to make choices about the care or support they receive.
- Understanding people's needs and preferences and partnering with them to design services to meet these.

Relationship to strategies:

MidCentral DHB Strategy: Partner with people and whānau to support health and wellbeing.

Pharmacy in MidCentral Strategy: Workforce; Services.

| Question | Commentary on Response | Grade |
|---|------------------------|-------|
| Q1. Describe your service philosophy and how the pharmacy service supports the Pharmacy in MidCentral Strategy – providing best practice advice and service so that the people of MidCentral achieve better health outcomes – People Centric, Best Practice, Better Health Outcomes | | |
| Q2. Describe how your service will provide people-centric care as per the Pharmacy in MidCentral Strategy and MidCentral DHB Community Pharmacy Quality Standards. | | |
| Q3. Describe how your pharmacy will focus on wellness, preserving mana, and build on existing strengths of whānau, communities, and population groups. <ul style="list-style-type: none">• Pharmacy services will be delivered with recognition of the importance of Māori values and beliefs thus ensuring the rights of Māori consumers and whānau are respected.• Pharmacy services will maximise opportunities to meet needs of higher need population groups that include the elderly and those receiving mental health and addiction services. | | |

| | | |
|--|--|--|
| <p>Q4. Provide a copy of your Equity Plan (<i>ensure Equity Plan meets MDHB and Pharmacy in MidCentral Strategic outcomes</i>).</p> <ul style="list-style-type: none"> The Pharmacy service supports, rather than undermines, the provision of equitable pharmacy services across the total | | |
|--|--|--|

3. Closer to home

- Providing care closer to where people live, learn, work and play, especially for managing long-term conditions.
- Integrating health services and making better connections with wider public services.
- Promoting wellness and preventing long-term conditions through population-based and targeted initiatives.
- Investing in health and wellbeing early in life and focussing on children, young people, families and whānau.

Relationship to strategies:

MidCentral DHB Strategy: Achieve equity of outcomes across communities; Connect and transform primary, community and specialist care.

Pharmacy in MidCentral Strategy: Services.

| Question | Commentary on Response | Grade |
|---|------------------------|-------|
| Q5. Describe the population you are intending to service. Outline the unmet needs you have identified or improvements/innovations your services will make for patients. | | |
| Q6. Provide a simple plan of your facility describing where the service will be operated. | | |
| Q7. List the other pharmacies within 5km of the proposed location and an explanation of how the proposed pharmacy service will add value to the existing services being provided. | | |

4. Value and high performance

- Delivering better outcomes relating to people's experience of care, health status and best-value use of resources.
- Striving for equitable health outcomes for all New Zealand population groups.
- Building a culture of performance and quality improvement that values the different contributions the public and health workforce can make to improving services and systems.
- Using investment approaches to address complex health and social issues.

Relationship to strategies:

MidCentral DHB Strategy: Achieve quality and excellence by design; Achieve equity of outcomes across communities.

Pharmacy in MidCentral Strategy: Workforce; Services; Systems.

| Question | Commentary on Response | Grade |
|--|------------------------|-------|
| Q8. Provide a copy of your quality plan. | | |
| Q9. Provide a copy of your health and safety and infection control policies and procedures. Clearly identify the proposed service. | | |
| Q10. Provide a copy of your major incident and emergency plan clearly outlining the implications for the proposed service. | | |
| Q11. Provide a full business case for the service including a cost breakdown and supporting market analysis to ensure consistency in the financial information. <ul style="list-style-type: none">• Identification of need and how the service will meet the needs of the population.• Service Specification• Workforce Plan• Financial Analysis• 12 Month cash flow forecast for the service. | | |

5. One Team

- Using our health and disability workforce in the most effective and most flexible way.
- Strengthening the roles of people, families, whānau and communities as carers.

Relationship to strategies:

MidCentral DHB Strategy: Connect and transform primary, community and specialist care; Partner with people and whānau to support health and wellbeing.

Pharmacy in MidCentral Strategy: Workforce; Services.

| Question | Commentary on Response | Grade |
|--|------------------------|-------|
| Q12. Describe any collaboration the new service will have with primary care providers, PHOs or other community providers in the area. | | |
| Q13. How many pharmacists, interns, technicians do you propose to employ based on your business plan? What is the FTE allocation across the day (covering breaks, absences etc). Proposed staffing levels are realistic for the services offered and projected demand / growth. When enhanced services are provided in the pharmacy, there will be more than one pharmacist on duty to ensure timely access and safe service delivery. | | |
| Q14. Describe the credentials of the pharmacist who will be responsible for day to day delivery of professional services (Include years since graduation, previous experience managing a pharmacy, hours of attendance at the pharmacy). Staff qualifications align with the outlined service delivery. | | |

| | | |
|---|--|--|
| Q15. Outline the strategies you will use to ensure that you are engaging with consumers with respect to their health care requirements. | | |
| Q16. What are your proposed days and hours of operation of the service? | | |

| 6. Smart System | | |
|---|-------------------------------|--------------|
| Question | Commentary on Response | Grade |
| Q17. Outline the proposed IT setup and intended approach to ensuring communication with key providers in the primary care team. | | |
| Q18. Describe how you plan to use technology/online services to support integrated care. | | |
| Q19. Describe how you plan to use Pharmacy software for patient care and safety. | | |

7. Other Supporting Information

Please provide any other information that you wish to be considered as part of your application

| Additional Information Provided | Commentary on Response |
|--|---|
| <i>List information provided</i> | <i>Make any comments on additional information provided</i> |

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APPENDIX 3

PHARMACY QUALITY STANDARDS

MidCentral DHB Community Pharmacy Quality Standards

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What is quality?

Quality in health care is when the health system seeks to deliver care to a standard, commonly described by the six domains stated below^{1,2,3,4}:

1. Haumaru - Safe: Delivering health care which minimises risks and harm to service users;
2. Wā tōtika - Timely: Delivering health care that is timely, geographically reasonable and provided in a setting where skills and resources are appropriate to medical need;
3. Whaihua - Effective: Delivering health care that is adherent to a philosophy of evidence-based therapy and aims to achieve improved health outcomes or access for individuals and communities, based on need;
4. Māia - Efficient: Delivering health care in a manner which maximises resource use and reduces and avoids waste (supplies, equipment, space, capital, ideas, time and opportunities);
5. Kia tōkeke ai - Equitable: Delivering health care that does not result in a variation in health outcomes because of gender, race, ethnicity, religion, geographical location or socioeconomic status; and
6. Arotahi kit e kiritaki – Person and whānau Centred (consumer): Delivering health care which takes into account the preferences and aspirations of individual service users and the cultures of their communities.



¹ World Health Organisation. *Quality of Care A process for making strategic choices in health systems*. 2006. Available from: https://www.who.int/management/quality/assurance/QualityCare_B.Def.pdf

² Agency for Healthcare Research and Quality. *Six Domains of Health Care Quality*. U.S. Department of Health & Human Services. Available from <https://www.ahrq.gov/talkingquality/measures/six-domains.html>

³ Health Quality and Safety Commission. *Window on Quality of NZ Health Care*. November 2015. Available from: <https://www.hqsc.govt.nz/assets/Health-Quality-Evaluation/PR/window-on-quality-of-NZ-health-care-Nov-2015.pdf>

⁴ MidCentral DHB. *The Quality Agenda – shared clinical governance is everyone's business*. May 2019.

MidCentral Pharmacists have said quality:

- Is essential – as a factor in development of all future services.
- Is about relationships – having time to get to know your consumers' needs and wants in healthcare, having time to give them good advice and advocate on their behalf. This acknowledges that all consumers (clinicians and patients) are different and various approaches may be required.
- Requires skills – provides an environment that enables well-trained and appropriate staffing levels to provide good advice and quality education. The workforce is empowered, people-focused, motivated, well lead and co-ordinated to provide a quality service to its consumers.
- Relies on integration – having pharmacist services genuinely integrated with primary and secondary care to improve inter-professional collaboration for the health benefits of the community. Working within multi-disciplinary teams to improve safety of medicine administration and delivery to consumers. Genuine collaboration between health providers.
- Ensures services are accessible – being community responsive with services (delivering only those valuable to your community, and not all) and opening hours (that suit the community, but are balanced with business needs).
- Requires consumer voice and input – being able to easily hear what customers think about the service, and improving it.
- Requires fit-for-purpose business systems: Access and utilisation of information platforms to promote medicines safety, and that funding, billing and reporting systems are transparent and electronic.

MidCentral Consumers have said quality:

To be completed as part of consultation

Role of MidCentral District Health Board

MidCentral District Health Board (MDHB) has a statutory objective cited in section 22 (1) (ba) of the Public Health and Disability Act 2000:

'..to seek the optimum arrangement for the most effective and efficient delivery of health services in order to meet local,..... needs.'

MidCentral DHB's strategic purpose⁵ is summarised as 'Better health outcomes, better health care for all' that will be achieved through its strategic imperatives of:

- Partner with people to support health and wellbeing
- Connect and transform primary, community and specialist care
- Achieve quality and excellence by design
- Achieve equity of outcomes across communities

We want to shift our system so that it has a stronger focus on a more inclusive, integrated health and social system. This means working together as one team, both within health and with our community partners. This also means partnering with individuals, accepting them as experts in their own health and in their own lives. Only then will we be able to achieve *Quality Living, Healthy Lives and Well Communities*.⁶

⁵ MidCentral DHB. *Together, we choose excellence – our strategy for success*. April 2017. Available at: <http://www.midcentraldhb.govt.nz/Publications/AllPublications/Documents/MDHB%20Strategy%20final.pdf>

⁶ MidCentral DHB. *Kia Rite Tahi Te Hauora Hei Whakaaro 2018*. July 2018. Available at: <http://www.midcentraldhb.govt.nz/Publications/AllPublications/Documents/Equity%20Brochure.pdf> and MidCentral DHB. *Ka Ao, Ka Awatea: Maori Health Strategi Framework 2017-2022*. October 2017. Available at:

The Pharmacy in MidCentral Strategy⁷ aims to make a positive contribution to the health outcomes of the MidCentral District. It will be used to make changes necessary to continuously improve our health system, as part of the wider heath sector and social service network. The Strategy places MidCentral District residents and their families/whānau at the centre of planning decisions and system design to best meet the needs of our communities.' This will be achieved by fully utilising the unique and complementary skillset of pharmacists (and support staff), as medicines management experts, focusing on the delivery of high quality care, supported by smart IT systems, that is responsive to the changing health needs of the people of MidCentral and empowers them to manage their own health and well-being better.

The Pharmacy in MidCentral developed the **WHY**⁸ of 'To provide best practice advice & service so the people of MidCentral achieve better health outcomes'. In order to enable this, three strategic imperatives were identified to move us from an illness model to a wellness model:

- *Everything we do is for the benefit of our people in MidCentral.*
- *We maintain best practice in everything we do.*
- *The services we provide must address inequities to ensure our people achieve better health outcomes.*

From these strategic imperatives, three guiding objectives have been identified to ensure that Pharmacy in MidCentral can achieve its **WHY**, these are:

- People Centric
- Best Practice
- Better Health Outcomes

Furthermore, the Health and Disability Services Pharmacy Services Standard NZS 8134.7:2010 is the foundation for describing good practice and fostering continuous improvement in the quality of pharmacy services. This Framework was developed from research and evidence based resources, pharmacy sector feedback provided at a Pharmacy Forum meeting in November 2018 and April 2019, followed by wider community consultation in May 2019.

<http://www.midcentraldhb.govt.nz/Publications/AllPublications/Documents/Maori%20Health%20Strategic%20Framework%202017-2022.pdf> and

MidCentral DHB. *Together, we choose excellence – our strategy for success*. April 2017. Available at:
<http://www.midcentraldhb.govt.nz/Publications/AllPublications/Documents/MDHB%20Strategy%20final.pdf>

⁷ MidCentral DHB. *Pharmacy in MidCentral Strategy - Pū Rongoā Te Pae Hauora o Ruahine o Tararua Ngā Rautaki*. June 2019. Available at: <http://www.midcentraldhb.govt.nz/Publications/AllPublications/Pages/default.aspx>

⁸ MidCentral DHB. *Pharmacy in MidCentral Strategy - Pū Rongoā Te Pae Hauora o Ruahine o Tararua Ngā Rautaki*. June 2019. Available at: <http://www.midcentraldhb.govt.nz/Publications/AllPublications/Pages/default.aspx>

1. Haumaru - Safe Pharmacy Service

| Haumaru - Safe | |
|--|---|
| Delivering health care which minimised risks and harm to service users. Avoiding harm to patients that is intended to help them. | |
| Key Performance Indicator | Rationale |
| Documentation and record keeping ensures care is patient-centric and safe <ul style="list-style-type: none"> • Maintains patients medicine profiles • Documentation of pharmacist interventions • Use of national database information e.g. NIR, Exemption card records • Maintains incident/near miss reporting management system | To ensure continuity of care, safe care, and avoids consumers paying more than they need to for medicines. |
| # The pharmacy service is managed by a responsible pharmacist of good character, with no unresolved issues concerning their current or past Annual Practicing Certificate/s (APC) or Ministry of Health licence/s or conditions. | The pharmaceutical services are managed by a pharmacist who has authority, accountability, competency, and responsibility for service provision. |
| Services during operating hours are provided by appropriate number of regular staff, with suitable and documented qualifications and skills as per the contract application documents. When advanced or enhanced services are provided in the pharmacy, there will be more than one pharmacist on duty ⁹ | To ensure community access to pharmacist skills and advice. To ensure service is provided by those with necessary skills and resource to do this safely, and to ensure all services are provided in a timely fashion. |
| Staff development is ongoing to ensure they remain at the forefront of best practice. Staff are appropriately accredited to deliver specialist pharmacy care. | To ensure service is provided by competent staff with current knowledge and skills so the community has confidence that they are getting the best care available. |
| Pharmacy demonstrates an active quality management system for all pharmacy-related activities, Health and Safety practices, and ensuring compliance with all legislative and professional requirements. | As required by National Standards. Good quality practice around policy and procedure management is a basis for applying all aspects of quality consistently, any time, by any staff. |
| Pharmacy has policies and procedures, and fully engages with Regulators and the DHB, to support managing risks, including, but not limited to, clinical event monitoring, consumer complaints management, and staff-safety risks and management. | To ensure all adverse, unplanned, or untoward events are managed systematically in an open manner with a focus on improved service (internal and sector) via shared learnings. |
| # Pharmacy provides fully subsidised service, in partnership with MDHB, for the community to return unused medicines, including cytotoxic medicines, and sharps used for medical purpose through the SEDUM programme. | Safe disposal of medicines is important for the community and the environment; as medicine experts pharmacists are best placed to provide this leadership and guidance. Activity supports objectives and actions of a Whanau Ora outcomes framework; Ko Ao, Ko Awatea; the MDHB Strategy and Pharmacy in MidCentral Strategy by contributing to the local community to create healthy, safe, nurturing, and |

⁹ MidCentral DHB. Pharmacy in MidCentral Services Overview 2019. May 2019. Available at: <http://www.midcentraldhb.govt.nz/Publications/AllPublications/Documents/Pharmacy%20in%20MDHB%20Overview%202019.pdf>

| | |
|--|--------------------------|
| | sustainable environment. |
|--|--------------------------|

Key: # Essential criteria for contract application

2. Wā tōtika - Timely Pharmacy Service

| Wā tōtika - Timely | |
|---|--|
| Delivering health care that is timely, geographically reasonable and provided in a setting where skills and resources are appropriate to the medical need. Reducing waits and sometimes harmful delays for both those who receive and those who give care. | |
| Key Performance Indicator | Rationale |
| Offers all core ¹⁰ pharmacy services, unless exemption authorised. | To facilitate community access to a full range of pharmacy services close to home and easily accessible. To provide a level of fair expectation for the majority of the community for what a pharmacy should be, noting that certain areas may find a reduced service appropriate, hence the option for exemption. |
| Offers extended opening hours, in an equitable manner that services the community's needs, and/or other opportunities for improving access. | To provide patient with opportunities to obtain medicines, services, and seek advice outside of standard business operating hours |
| The community has fully subsidised and timely access to pharmacist advice as a function of the provision of funded services. | Pharmacist funded services based in the community are an important part of primary health care and pharmacists are recognised as one of the most accessible health professions, which is an important feature of the MidCentral's health system. |
| A dispensing pharmacy service provides all the PHARMAC non-section H medicines as required per ICPSA, supported by appropriate stock and procedures. | To facilitate community access to a full range of medicines in a timely manner that does not compromise their health and safety. |
| The range of additional services offered meets the needs of the community e.g. medicines, medicine management services, screening, diagnostic tests, and/or advanced clinical skills. | To ensure patients have choices and can access the pharmacy services they need. To enable patient-centric care. To support self-management and/or recommend referral to another health care provider when needed To encourage early diagnosis and appropriate early intervention. |
| # Pharmacy services, especially new services, resolve identified unmet need in our community as we work to ensure equitable and sustainable health outcomes for all in our community. | MDHB will commission services that explicitly deliver on addressing equity and sustainably resourcing services designed to meet the needs of whānau, under-served consumers and other priority populations. |

Key: # Essential criteria for contract application

¹⁰ MidCentral DHB. Pharmacy in MidCentral Services Overview 2019. May 2019. Available at:

<http://www.midcentraldhb.govt.nz/Publications/AllPublications/Documents/Pharmacy%20in%20MDHB%20Overview%202019.pdf>

3. Whaihua - Effective Pharmacy Service

| Whaihua - Effective | |
|--|--|
| Delivering health care that is adherent to a philosophy of evidence-based therapy and aims to achieve improved health outcomes for individuals and communities, based on need. | |
| Key Performance Indicator | Rationale |
| # Demonstrated that provided services are consistent with relevant national and local strategic priorities for pharmacy and pharmacy services. | Ensure services support strategic direction. |
| Business planning, and financial documents can demonstrate a long-term sustainable business. | To support our community developing long-term relationships with health providers whom they trust and respect. |
| Demonstrable process and commitment to hearing, sharing, and responding to the whānau voice about the pharmacy services. | To ensure pharmacy services in MidCentral meet the needs of the community and are provided in an acceptable and suitable mana-enhancing manner. |
| Can demonstrate a good understanding of the health needs of the community they are serving, and how the services provided support delivering on these needs. | To contribute to the achievement of local goals, health targets and service priorities. |
| Commitment to working in an integrated and inter-professionally collaborative manner with other health services. | To ensure that pharmacy contributes to the system of care made up of multi-disciplinary teams providing integrated health and care services in primary health centres and the community, co-ordinating with a range of other services. |
| As a health profession focused on medicine management, actively support your community to achieve medicine literacy and medicine adherence. | Pharmacy is an essential part of the healthcare system in New Zealand, with the ultimate concern of ensuring that people receives the appropriate medicines and benefits from the proper use of these. ¹¹ |
| # Supports health promotion plans/activities. Complies with the National policy that supports well-being and good health e.g. National Food and Drink Policy. | To support harm reduction / prevention and contributes to community overall improved health and well-being. |

Key: # Essential criteria for contract application

¹¹ Pharmaceutical Society of New Zealand

4. Māia - Efficient Pharmacy Service

| Māia - Efficient | |
|--|--|
| Delivering health care in a manner which maximises resource use and reduces and avoids waste. Avoiding waste, including waste of equipment, supplies, ideas, and energy. | |
| Key Performance Indicator | Rationale |
| # The pharmacy has commitment to utilise information technology fully including the implementation of all national eHealth initiatives relevant to pharmacy as they develop. | Increased patient safety in dispensing / prescribing processes, while supporting efficiencies for both prescribers and pharmacists. To maximise resource use, avoid waste, and enhance patient health outcomes by increase access to information and services. |
| Pharmacy is committed to supporting local labour workforce, prioritisation to use locally provided goods and services. | Applicant has commitment to the objectives and actions of a Whanau Ora outcomes framework; Ko Ao, Ko Awatea; the MDHB Strategy and Pharmacy in MidCentral Strategy by contributing to the local community to create healthy, safe, nurturing, and sustainable environment. |
| Has a workforce policy to employ MidCentral people with focus on those with greatest need, who will benefit socially and economically, and incorporates older people into economic activity. | |
| Participates activity in training programmes to develop MidCentral's skilled workforce, including participating in local career development activities. | |
| The pharmacy has a business continuity plan in place (implementable major incident and emergency plan) | To ensure provision of essential pharmacy services. |

Key: # Essential criteria for contract application

5. Kia tōkeke ai - Equitable Pharmacy Service

| Kia tōkeke ai - Equitable | |
|--|---|
| Delivering health care that does not result in a variation in health outcomes because of gender, race, ethnicity, religion, geographical location or socioeconomic status. | |
| Key Performance Indicator | Rationale |
| # Pharmacy services will be delivered with recognition of the importance of Māori values and beliefs thus ensuring the rights of Māori consumers and whānau are respected. | This will be achieved by a commitment to listening to our communities, particularly Māori, most impacted by health inequities and act to change services. We, the DHB and service providers, will do this with partnering with Māori and Pacific leaders to deliver on the commitments made in the strategic plans that are focused on eliminating health inequities. |
| # Pharmacy services focus on achieving equity and improving outcomes and access for priority populations. | To build long-term relationships with community and an understanding of health need. Aligning with national strategy and direction to reduce health outcome inequities. |
| # Supports achieving equity of health outcomes through the co-design and implementation of services. | To reduce inequitable health outcomes for the population of MidCentral through targeted services. |
| Demonstrable service delivery (staff competencies and behaviours) that supports health literacy and health service navigation. | Making health easy to understand and navigate is critical to ensure people stay well at home and in their communities, and know when and how to access services. |
| # The Pharmacy service supports, rather than undermines, the provision of equitable pharmacy services across the total MidCentral district. | MidCentral District Health Board (MDHB) statutory objective to ensure sustainable pharmacy service within the district. |

Key: # Essential criteria for contract application

6. Arotahi kit e kiritaki - Person and whānau centred Pharmacy Service

| Arotahi kit e kiritaki - Person and whānau centred | |
|--|---|
| Delivering health care which takes into account the preferences and aspirations of individual service users and the cultures of their communities. | |
| Key Performance Indicator | Rationale |
| # Demonstrates recognition of Māori values and beliefs and how services will be delivered to ensure rights of Māori consumers and whānau. | MidCentral DHB has committed to a rights-based approach to health to meet the responsibilities under Te Tiriti o Waitangi. |
| Understands and engages with the cultures of the community in which the pharmacy service is provided, and provides culturally appropriate care and support as a result. | With understanding and engagement comes ability to deliver services in respectful and responsive manner. |
| Is focused on the individual, their needs, and their health care experience. | People have access to advocates, interpreters and other support when required. As a health provider, pharmacists are well placed to refer to health services beyond their pharmacy service to ensure positive health outcomes. |
| People wishing to do so, can talk to the pharmacist in a private area, without the risk of being over heard. Signage informs of right to private consultation. | To provide a suitable consulting environment to meet the privacy needs of the individual. |
| The facility within which the pharmacy service is delivered is consumer-friendly, disability accessible, and supports clear access to pharmacist and pharmacy services. Signage informs consumers of the HDC Code of Health and Disability Services Consumers' Rights. | To ensure all in the community have equity of access to the services provided in a suitable environment reflective of the professional services being delivered. MidCentral DHB has a growing refugee community and an ageing population. Pharmacy services will need to be refugee-friendly, mental health-friendly, and responsive to needs of specific groups. |

Key: # Essential criteria for contract application

APPENDIX 4

FREQUENTLY ASKED QUESTIONS

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Frequently Asked Questions

Is MidCentral DHB able to adopt a more selective approach to contracting with pharmacies?

Yes. This policy, and the DHB's decision to adopt a more selective approach when making decisions about pharmacy services, is consistent with the DHB's legal obligations, including those under the Commerce Act 1986 and general administrative law requirements. We have a clear focus on achieving sustainable, equitable health outcomes for the population of MidCentral and have signalled that we will commission with the focus on addressing inequities.

Where can an applicant obtain advice about national and local strategic priorities for pharmacy services?

National pharmacy strategic priorities can be found on the Ministry of Health and TAS websites. The current key documents include:

- [Pharmacy Action Plan](#)
- [New Zealand Health Strategy](#)
- [Integrated Pharmacist Services in the Community](#)

MidCentral DHB strategic priorities, including pharmacy can be found on the MidCentral DHB's website.

Will the policy apply to existing pharmacies?

MidCentral DHB intends to allow an evolutionary approach to existing pharmacies and expects that over time the existing pharmacy configuration will change to reflect the policy direction. The DHB will consider in its periodic reviews of the policy whether evolutionary change is sufficient.

If an existing pharmacy owner wants to sell a pharmacy, can the existing owner apply to have the contract transferred or assigned to a new owner?

This policy applies when a person wants to assign, or be assigned, an existing pharmacy contract, meaning that the DHB will apply the criteria in this policy to an application to assign an existing contract as it would apply those criteria to an application for a new pharmacy.

All usual processes when purchasing a pharmacy should also be followed as per the Community Pharmacy Services Transfer Guide (<https://tas.health.nz>) and Regulator (Medsafe) requirements. Please refer to the application process for details required.

What if an existing pharmacy wants to provide services from more than one premises (eg, by opening a satellite pharmacy)?

The ICPSA provides that a provider may only provide services from more than one premises if it is permitted to do so under a service schedule of the ICPSA, or if the DHB agrees in writing (which may be subject to conditions) (see clause B.20).

This policy applies to anyone wanting to provide services from more than one premises, meaning that the DHB will apply the criteria in this policy to an application to provide services from more than one premises as it would apply those criteria to an application for a new pharmacy. Please refer to the application process for details required.

What if an existing pharmacy wants to move locations?

The Community Pharmacy Services Commissioning Policy applies when an existing ICPSA holder wants to relocate the pharmacy and/or seeks to provide services from an additional premises (including through a satellite pharmacy) or location. In order to be provided with an ICPSA agreement within MidCentral DHB, a voluntary variation, which outlines that you will not relocate without the permission of the DHB must be signed. This is to ensure adequate pharmacy service coverage to the population of MidCentral.

All usual processes when relocating a pharmacy should also be followed as per the Regulator (Medsafe) licencing requirements. Please refer to the application process for details required.

What will happen to a pharmacy that is not providing a good quality service to its patients?

MidCentral DHB will work with providers, and regulators, to support the provision of high quality pharmacy services. We will do this according to our values¹ and our **WHY**² using a range of quality measures to assist in that process. If quality does not improve, the DHB reserves it right to terminate the contract following the process outlined in the ICPSA agreement.

How will applications be assessed?

Applications will be processed according to the Community Pharmacy Services Commissioning Policy.

Applications will be assessed according to:

1. Community Pharmacy Services Application;
2. Quality Framework;
3. Other matters that the DHB considers relevant to the application assessment.

What supporting documents should I submit with my application?

The following documentation will support your application:

- Equity Plan
- Site plan
- Quality plan
- Health and Safety, Adverse clinical event management process and infection control policies.
- Major Incident and emergency Plan
- Workforce plan
- Business Plan including YTD Financial Statements for last two years and projected for next 3 years.

My business plan is very number-focussed and wouldn't make sense to someone not closely involved with my business?

It is helpful if the business plan is written in a way that very clearly articulates a viable long-term business. A management accountant will be part of the assessment panel; however, it should be expected that an assessor from a non-business background can make sense of the business plan and come to the conclusion that the document supports that of a viable business.

¹ MidCentral DHB. Together, we choose excellence – our strategy for success. April 2017. Available at: <http://www.midcentraldhb.govt.nz/Publications/AllPublications/Documents/MDHB%20Strategy%20final.pdf>

² MidCentral DHB. *Pharmacy in MidCentral Strategy - Pū Rongoā Te Pae Hauora o Ruahine o Tararua Ngā Rautaki*. June 2019. Available at: <http://www.midcentraldhb.govt.nz/Publications/AllPublications/Pages/default.aspx>