LETTER FROM WESTMINSTER

DHSS's "absolute" determination on a limited list

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The proposed limited list of prescribable National Health Service drugs may well have provoked the hostility of the medical profession (p 1468), but ministers are unrepentant. Mr John Patten, the junior health minister, said last week that their determination to introduce it was "absolute."

Ministers are well aware they will have to win this battle—deputising has not been forgotten—and Mr Patten's speech is merely a taste of what is to come. Speaking to a meeting of Conservative women in Swindon, he said that the new policy not only saved money, it made everyone stop and think about the numbers of drugs and medicines that we take. He also said there had been a warm welcome for the move to restrict National Health Service prescribing to the generic equivalent of drugs for minor conditions as well as sedatives and tranquillisers. Well, there are warm welcomes and warm welcomes, and a hot reception is not the same as a warm one as he well knows.

But he argued the case firmly. The number of prescriptions issued each year had increased by 100 million in the past 25 years, and the average cost of the drugs on each prescription had gone up 15 times, he said. We really had to ask ourselves whether the range of different drugs available to general practitioners for prescribing was necessary. The list had, after all, risen from 8500 to nearly 18 000 different sorts of drugs in the past 20 years.

"No other country in Western Europe makes the same unlimited range of products available within its health service," he said. "We often have Scandinavian countries quoted at us as paragons of good practice in health matters, yet there are only some 2500 drugs available for prescription at public expense in Sweden. In the United Kingdom we have nearly 18 000."

Mr Patten said that this was the only country of any importance that allowed doctors to prescribe any drug that they chose at public expense, and the only one that supplied 70% of drugs prescribed totally free of charge and the remainder at considerably less than half their true cost.

"The question we have to ask ourselves is whether there is anything unique about patients and their doctors in the United Kingdom that requires us to continue with a system that other countries, including some far richer than ours, have discovered they not only cannot afford but do not necessarily think are in the best interests of patients themselves."

Mr Patten promised that ministers would listen carefully during the consultation process on the new policy—they are particularly anxious that there will be no embarrassing gaps revealed in the eventual limited list that would provide ammunition to its opponents. But he also said that the need for the change was overwhelming. In other words, they will listen but they will not budge—if they can help it. So it looks like deaf ears at the Department of Health and Social Security.

Mr Fowler's nine lives

There are times, when I survey the ever upward ascent of Mr Norman Fowler, Social Services Secretary, that I am reminded of

those heroines in the old serial films who were always ending up tied to the rails with an express train hurtling in their direction. Of course, they were freed just before the train should have sliced them into little pieces. Mr Fowler's life is a bit like that.

Mr Nigel Lawson, Chancellor of the Exchequer, was, it was said, demanding cuts even harder than before from the spending departments in this year's public expenditure review. Yet come the disclosure of the autumn statement to the Commons and there is Mr Lawson announcing increased spending on the NHS. Simultaneously, Mr Fowler disclosed that he plans to spend £17 billion on the NHS in 1985-6, which is £200m more than the plan published earlier this year and represents an extra £700m. The extra spending not only showed the government's commitment to the NHS but provided additional resources needed for health authorities and the family practitioner services, he said.

Paying the price

But for every miracle escape a price has to be paid. That was revealed by the chancellor, who went on to say that individual health authorities would be expected to become more efficient and to absorb any pay and price increases within the money made available to them. As for Mr Fowler, he said that in England next year £9.58 billion would be spent on the hospital and community health services, a cash increase of 5½% over spending in 1984-5, which is 1% more than the 4½% forecast made by Mr Lawson for the inflation rate and £80m more than the White Paper plan. "Health authorities will also have available to them resources released by the growing programme of cost improvements, already running at over 1% a year," he added. "They will be expected to meet from their resources all pay and price increases throughout the year, and to develop and improve services."

This year health authorities have identified cost improvements totalling £100m, and ministers consider that this shows the potential for using existing resources more effectively and now expect them to build on what they have achieved and take it further.

The grey book which contains the autumn statement states that planned provision for the family practitioner services allows for estimated demand and takes account of the measures to curb the sharply rising drug bill. Mr Fowler, commenting on it, said that he was anxious to make sure that we got better value for money from spending on the family practitioner services, and that was why he had announced action on the limited list and the intention to tighten controls on drug company profits as part of the review of the pharmaceutical price regulation scheme now under way. But he said that the costs of the family practitioner services would be met by the government, which now expected to spend £100m more than planned, an increase of 2.5% over the current year.

So far as the pharmaceutical price regulation scheme is concerned, the profit allowed the drug companies was cut from 25% to 21% from July. Ministers, however, reckon that there is more slimming that can be done, and the example is cited of the recommended rate for government risk contracts, which is just over 16%. But a cut of that magnitude is not on, and what looks likely is that the new ceiling will be just under 20%. Ministers expect there to be screams of rage from the drug companies and threats to close down operations here, but they are determined to act and the industry will just have to grin and bear it.