

Rights and obligations created by the Supply of Relevant Veterinary Medicinal Products Order 2005 and changes to Royal College of Veterinary Surgeons guidance

Background to the Order:

1. The Order¹ implemented recommendations in the Competition Commission's (CC) Report "*Veterinary Medicines: A report on the supply within the United Kingdom of prescription-only veterinary medicines*", published in April 2003². This report followed complaints by animal owners and farmers about what they perceived as the high price of prescription-only veterinary medicines (POMs).
2. One of the findings in the CC's report was that the veterinary profession tended to understate the true cost of their professional services and offset this in their medicines pricing. This practice was found to allow two detrimental effects:
 - veterinary surgeons can hide excess profits in drug prices
 - inadequate pressure on manufacturers to maintain competitive drug prices.
3. The Royal College of Veterinary Surgeons (RCVS) agreed to implement the majority of recommendations made by the CC through changes to its Guide to Professional Conduct. The Order implements the remaining provisions - those aimed at manufacturers of POMs and the recommendation that veterinary surgeons be prohibited from charging for prescriptions for three years.

What the Order does in relation to vets:

4. The Order referred to above imposed two main rules on vets. First, until 30 October 2008, vets were not charge clients for providing any prescriptions (whether they are for prescription only veterinary

¹ See <http://www.opsi.gov.uk/si/si2005/20052751.htm>

² See <http://www.competition-commission.org.uk/inquiries/completed/2003/veterinary/index.htm>

medicines or for any other prescription products – including human medicines). However, vets were able to spread the cost of this over their other services. At this point it should be noted that vets are required to see animals in their care³ regularly which may trigger a consultation fee. In addition, vets may charge a fee for deciding what medicine an animal should have. These are not fees for providing a prescription.

5. Secondly, vets must not discriminate between those who are given a prescription and those who are not in:
 - the charges for prescription-only veterinary medicines
 - the fees charged for supplying veterinary services other than giving a prescription (including, for example, consultation and medicine determination fees)
6. This second rule continues indefinitely beyond 30 October 2008.

Changes to RCVS guidance:

7. RCVS's guidance contained in its guide to professional conduct⁴, which were amended to apply remedies recommended by the CC's report, require vets to have on display in their surgeries the price of their top ten selling POMs.
8. Vets must also have on display a notice on their surgeries which, among other things, says:

'Prescriptions are available from this practice.'

³ Paragraph 4 of Schedule 3 of the Veterinary Medicines Regulations 2007 – see http://www.opsi.gov.uk/si/si2007/pdf/uksi_20072539_en.pdf - states that 'A veterinary surgeon who prescribes a veterinary medicinal product classified as POM-V must first carry out a clinical assessment of the animal, and the animal must be under his care, and failure to do so is an offence.'

⁴ See <http://www.rcvs.org.uk/Templates/Internal.asp?NodeID=89642> and especially see <http://www.rcvs.org.uk/Templates/PreviousNext.asp?NodeID=89721&int2ndParentNodeID=89717&int1stParentNodeID=89642>

You may obtain relevant veterinary medicinal products from your veterinary surgeon OR ask for a prescription and obtain these medicines from another veterinary surgeon or a pharmacy.

Your veterinary surgeon may prescribe relevant veterinary medicinal products only following a clinical assessment of an animal under his or her care.

A prescription may not be appropriate if your animal is an in-patient or if immediate treatment is necessary.'

9. The purpose of the rules in the Order and the RCVS guidance is to make it easier for consumers to shop around for veterinary medicines and, by encouraging pharmacists and other outlets to enter the market, to aid the development of a more competitive market.

The position after 30 October 2008:

10. Now that veterinary surgeons are again able to charge for providing prescriptions, we are monitoring developments and will take whatever action we can in the light of our other priorities and our duty under the Enterprise Act 2002 to monitor, enforce and keep under review the effectiveness of the Order.
11. If consumers are not satisfied with levels of any charges made for providing prescriptions they should, where possible, shop around to find vets who are charging lower or no such fees. If a consumer is unsure what a fee is for, they should ask their vet to clarify. RCVS guidance⁵ requires vets to be clear about what clients are being charged for (for example, bills should be itemised).
12. If consumers are not happy with level of charges made by their vet they should consider changing to a new one. There is a search facility on the RCVS's web site at www.findavet.org.uk to help find a vet in any particular area.

⁵ See

<http://www.rcvs.org.uk/Templates/Internal.asp?NodeID=89741&int2ndParentNodeID=89737&int1stParentNodeID=89642>

Warning about agreeing fees:

13. **Vets must not agree between themselves what suitable fees should be.** This is strictly prohibited under competition law. An individual, such as a vet, may be guilty of a criminal offence if he/she dishonestly agrees with one or more other individuals to fix prices. A person guilty of such an offence is liable (on conviction or indictment) to imprisonment, a fine or both.

RJM
Office of Fair Trading
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