

CMA advisory note

Rights and obligations created by the Supply of Relevant Veterinary Medicinal Products Order 2005 and the Royal College of Veterinary Surgeons' code of conduct

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 2003.² 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. The report went on to make a number of recommendations to address this issue and other issues it had identified.
3. The Royal College of Veterinary Surgeons (RCVS) agreed to implement most of the recommendations made by the CC through changes to its Code of Professional Conduct.
4. The purpose of 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.

What the Order requires of vets

5. The Order requires that vets must not discriminate between those who are given a prescription and those who are not in:

¹ CMA (2005), *Supply of Veterinary Medicinal Products Order 2005*.

² CC (2003), *Veterinary Medicines: A report on the supply within the United Kingdom of prescription-only veterinary medicines*.

- the charges for prescription-only veterinary medicines; or
- the fees charged for supplying veterinary services other than giving a prescription (including, for example, consultation and medicine determination fees).

Changes to RCVS guidance

6. RCVS's guidance contained in its guide to professional conduct,³ which was amended to apply remedies recommended by the CC's report, requires vets to have on display a notice on their surgeries which, among other things, says:

Prescriptions are available from this practice. 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 inpatient or if immediate treatment is necessary.

7. If consumers are not satisfied with levels of any charges made by, or the service provided by, a vet they should ask the vet to clarify the service being provided (eg the reason for a particular frequency of prescriptions or consultations), and/or seek clarification of fees. RCVS guidance requires vets to be clear about what clients are being charged for (for example, bills should be itemised).
8. It should be noted that vets are required to see animals in their care 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 prescriptions – and vets are entitled to charge a reasonable fee for these too.
9. If consumers are unhappy with level of charges made by, or service provided by, their vet they can consider changing to a new one. There is a search facility on the RCVS's website at www.findavet.org.uk to help find a vet in any particular area. Consumers may also seek advice from, or complain to, the RCVS if they consider that they have been charged unreasonable levels of

³ RCVS, *Code of Professional Conduct for Veterinary Surgeons*.

fees or have been given a service which did not meet their expectations or requirements.

Warning about agreeing fees

10. 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 on indictment) to imprisonment, a fine or both.