

Payment Factsheet 5: Prescription Pricing Accuracy

1. How are Your Prescriptions Processed?

The Pricing Authority CIP

To improve the efficiency of prescription pricing, The NHS Business Services Authority (NHSBSA), NHS Prescription Services, introduced an automated pricing system, known as the Capacity Improvement Programme (CIP) in 2007.

Since the introduction of CIP, PSNC's auditing function has helped to identify some processing issues which had caused errors in payment for some prescription items. Error correction and system improvement work is ongoing, and both PSNC and the NHSBSA are continuing to scrutinise the system closely.

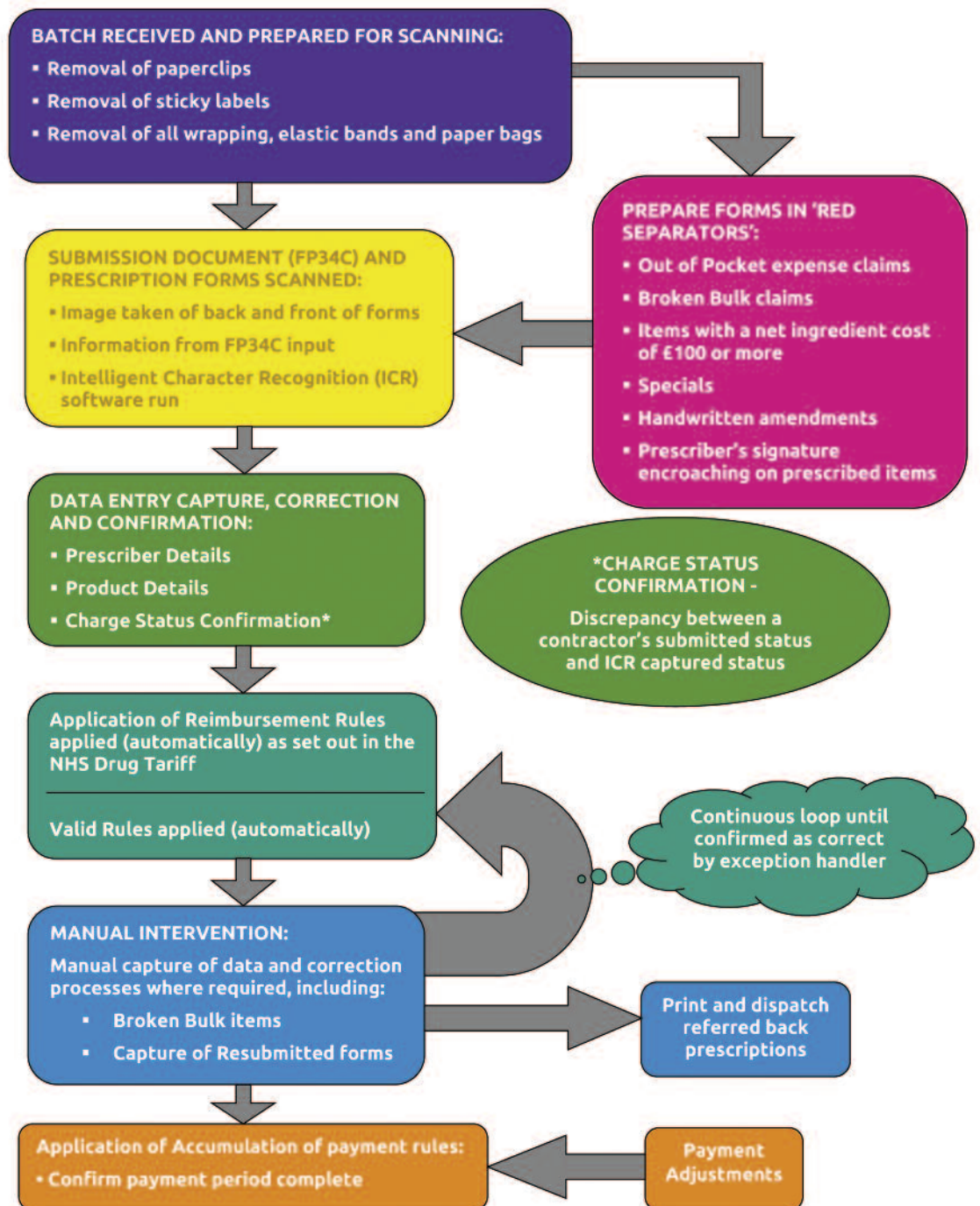
Pricing Overview

The NHSBSA Pricing system uses high-speed scanning equipment and intelligent character recognition software to support the capture of printed information from prescription forms. This is supplemented by the information input manually by the NHSBSA operators. Once information is captured it is processed by an automated 'rules engine' to determine the payment due to contractors.

Opposite is a diagram of the key steps in the pricing process.

Further details about each of the key steps in the pricing process are available at psnc.org.uk/processing.

The Route of a Contractor's Submission



2. PSNC Prescription Pricing Audits

PSNC's Pricing Audit Centre

The Pricing Audit Centre (PAC) team are based in Enfield, North London. The team conducts independent checks to verify the accuracy of the pricing of prescriptions by the NHS Business Services Authority (NHSBSA)

a) Monitoring Accuracy

PSNC independently audits the pricing of individual monthly prescription batches (bundles) processed by the NHSBSA, on behalf of Local Pharmaceutical Committees (LPCs). Where errors are identified during the auditing process, these are corrected and notified to the NHSBSA who makes the appropriate adjustment to the contractor's account. Where potential processing issues are identified, PSNC raise these with the NHSBSA directly, not only ensuring that the issue is corrected for the affected contractor but also to ensure that the NHSBSA takes the necessary steps to prevent reoccurrence for other contractors.

PSNC holds bi-monthly liaison meetings with the NHSBSA where patterns and trends of errors identified during auditing are discussed to try and improve overall pricing accuracy. PSNC's auditing work has helped to improve pricing accuracy by introducing such initiatives as the red separator, where prescriptions are priced by a specialist team of handlers and it also feeds into the work completed by the NHSBSA's Pricing Accuracy Team whose primary focus is to ensure that contractor accounts are priced as accurately as possible.

b) PSNC's Auditing

The NHSBSA audits its own pricing on a monthly basis by selecting and re-pricing a random sample of 50,000 items from all priced items within that month. Results of these internal audits can be found from psnc.org.uk/pricingaudits.

PSNC undertakes retrospective pricing audits by examining the scanned images of full prescription bundles usually covering an average of 21 accounts per dispensing month. These bundles are selected on a random basis with the inclusion of set criteria to ensure that the sample is geographically representative and includes a mix of contractor size and types.

All identified errors are notified to the NHSBSA and any resulting adjustment to the contractor's account (which can be an under or over payment) will appear on their next payment schedule. Information regarding the auditing of the account as well as useful advice which may assist with endorsing, sorting and submission of prescription bundles in future is sent to the individual contractor concerned. An anonymous copy of the audit results is also sent to the LPC.

Opposite is a diagram of the key steps in the auditing process.

c) PRISM

PSNC's electronic auditing system, PRISM (Pricing/Reimbursement Information & Systems Management) has been developed to enable automated auditing through the ability to view scanned prescription images and electronic prescription data and make amendments to the original pricing on the same screen. The system also contains product and pricing information previously only obtainable in NHSBSA publications.

The prescription image with GP and patient name and address details redacted and line by line payment details are shown side by side on the PRISM system which enables the auditor to compare what has been prescribed and endorsed against what has been priced by the NHSBSA. An example of the PRISM screen is shown on the following page.

Select/Order Accounts for Auditing

- Receive the FP34c submission document, prescription images, electronic prescription data and payment information for the account

Complete Pre-Audit Checks

- Check accuracy of processing of FP34c submission
- Vet potential errors automatically identified by our system
- Make final selection of accounts to be checked
- Allocate accounts to Pricing Auditor

Account Audit

- Check pricing of each item and exemption status of each form
- Correct pricing where errors are identified
- Prepare feedback to contractors
- Complete 2nd check on errors and feedback

Post Audit

- Prepare post audit reports
- Submit information to the Pricing Authority
- Agreement received from the Pricing Authority
- Pricing Authority makes adjustment to contractors' next account
- Audit result letters sent to contractors & LPCs

d) Benefits of PRISM

Analysis of the data established during auditing enables detection of trends in pricing errors and this information is used in discussions with the Department of Health and the NHSBSA to drive improvements in pricing accuracy. PRISM has also allowed PSNC to collate data for more specific analysis work relating to policy issues such as NCSO claims and instalment dispensing.

e) Common Issues That Can Lead to Pricing Errors

Common sorting issues identified at the PAC that can lead to pricing errors are where items have not been included within the red separators provided with the submission documentation from the NHSBSA.

PSNC Payment Factsheet 1: Prescription Submission contains guidance on how to sort your prescription bundle.

Image of prescription showing prescribed and endorsed information.

Pricing information is shown in the same order as the prescription.
 For each item, Pricing Auditors check that the correct product, quantity and pack size has been priced.
 Professional and additional fees are also checked.
 Once the Auditor is satisfied that the pricing is correct they will then verify the item.
 If there is an error in the pricing the auditor is able to edit the item. This information will then be 2nd checked and confirmed.

Auditors can also turn over the prescription image to check the charge status.
 If a change is made this information will also then be 2nd checked and confirmed.

Common endorsement issues leading to pricing errors/missed payments are:

Area	Reason why it is an issue
<i>Endorsing Area</i>	pharmacy has made endorsements on the main body of the prescription
<i>Flavours</i>	incorrect endorsing of multiple flavours when they have not been prescribed
<i>Not Dispensed</i>	incomplete endorsing can lead to incorrect pricing of products, fees and patient charges
<i>Specials & Imports – Sourcing Fee</i>	SP has not been endorsed/ SP endorsed on an ineligible product

For further information on sorting and endorsements please see the relevant guidance documents available at psnc.org.uk/endorsing.

For more information on prescription pricing accuracy, visit psnc.org.uk/accuracy.

3. Prescription Rechecks at the Pricing Authority

PSNC strongly recommends that pharmacy contractors review every FP34 Schedule of Payment and check for possible problems – whether they are due to pharmacy staff or Pricing Authority error. **Payment Factsheet 4 - Using Your Schedule of Payment to Monitor Performance** can help you identify what to look out for. If pricing concerns are identified, contractors should contact the Pricing Authority Help Desk on 0300 330 1349 to discuss their payments or consider requesting a recheck.

a) How to request rechecks

To request a recheck from the Pricing Authority, contractors are required to:

- Use the appropriate form (see opposite) which you can find from psnc.org.uk/rechecks.
- Submit their request within 18 months from the end of the dispensing month being requested (e.g. for prescriptions dispensed in January 2014, a contractor must submit their request for a check by 31 July 2015).*
- Complete a separate form for each month being requested for a recheck. Contractors with more than one pharmacy need to complete separate request forms for each pharmacy and month they wish to have checked.
- Indicate the type of recheck they require (e.g. number of items, expensive items, switching) – see tick boxes in picture opposite.

Pharmacy contractors should be aware that where they have requested rechecks of one or more complete monthly bundles, the Pricing Authority has advised that it will select an equivalent number of additional months to check to ensure that adjustments made fairly reflect both underpayments and overpayments.

- Where a net underpayment is revealed, the contractor will be paid the value of the underpayment;
- Where a net overpayment is revealed, the NHSBSA will recover the value of the overpayment.

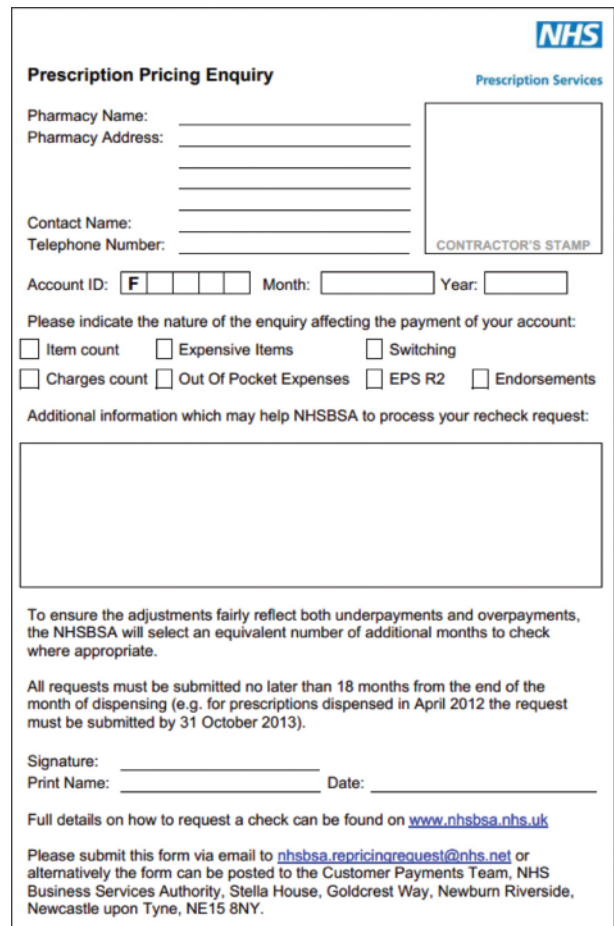
***Please note: Once the 18-month deadline for requesting a check has passed, no further requests can be made for that particular dispensing month.**

b) Guidance on interpreting letters received following rechecks

The letters sent from the NHSBSA following a request for a recheck currently document the number of forms and items counted during the recheck, but only limited details regarding errors and adjustments. The NHSBSA staff will talk through further details on checks by telephone if they are contacted. The NHSBSA has reviewed the level of feedback which they give to contractors following their checks and are now providing details on the most common errors found in the batch so that the contractor can adjust their processes to prevent them from occurring.

The following may assist in clarifying the details on the breakdown of errors and amounts provided by the NHSBSA in their letters to contractors. When accounts are checked and as a result, there are adjustments to be made to the account, these can be broadly split into the following categories:

- **Drugs credit/debit:** This is the net adjustment taking into account drug costs and payments for containers ('split pack fees') for items wrongly priced, missed (i.e. not priced at all initially) or priced in error.
- **Fees credit/debit:** This is a net adjustment in relation to professional fees, expensive item fees and prescription charges. Again, such adjustments may be necessary in the case of accounts where there have been items wrongly priced, missed (i.e. not priced at all initially) or ND items priced in error as well as for prescriptions that have been 'switched' in error or conversely not switched during the initial pricing but should have been.
- **Practice payment credit/debit:** This is a net adjustment that needs to be made if, as a result of the re-check, there are more or less items paid than during the initial pricing process.



Prescription Pricing Enquiry NHS Prescription Services

Pharmacy Name: _____
 Pharmacy Address: _____

Contact Name: _____
 Telephone Number: _____

Account ID: **F** _____ Month: _____ Year: _____

Please indicate the nature of the enquiry affecting the payment of your account:

Item count Expensive Items Switching
 Charges count Out Of Pocket Expenses EPS R2 Endorsements

Additional information which may help NHSBSA to process your recheck request:

To ensure the adjustments fairly reflect both underpayments and overpayments, the NHSBSA will select an equivalent number of additional months to check where appropriate.

All requests must be submitted no later than 18 months from the end of the month of dispensing (e.g. for prescriptions dispensed in April 2012 the request must be submitted by 31 October 2013).

Signature: _____ Date: _____

Print Name: _____

Full details on how to request a check can be found on www.nhsbsa.nhs.uk

Please submit this form via email to nhsbsa.repricingrequest@nhs.net or alternatively the form can be posted to the Customer Payments Team, NHS Business Services Authority, Stella House, Goldcrest Way, Newburn Riverside, Newcastle upon Tyne, NE15 8NY.