

July 2022

PSNC Briefing 020/22: Understanding prescription returns and disallowed items

Background

This briefing, prepared by PSNC's Dispensing and Supply Team, describes the process by which prescriptions are returned or 'referred back' to pharmacies for further information to assist with pricing. This briefing also explains what disallowed items are and the reasons why certain items may be disallowed by the NHS Business Services Authority (NHSBSA).

What is a referred back or prescription return?

Where the NHSBSA cannot process a prescription item for payment due to insufficient endorsed information, it is returned to the pharmacy for the missing information to be added so that it can be correctly reimbursed.

Part II Clause 9F of the Drug Tariff states '*where insufficient information is available to enable the Pricing Authority to process the prescription, including where it was submitted for a SSP payment, the form (or a copy of the original form) shall be returned to the contractor who shall endorse the prescription form (or copy) with the information requested. Returned prescriptions shall be priced using the Drug Tariff relevant to the month in which the prescription form (or copy) is returned to the Pricing Authority.*'

Why are prescription items referred back?

The most common reason why an item is returned is due to an incomplete endorsement, where one or more of the following is missing:

- manufacturer / brand name (if not in Drug Tariff and listed by more than one supplier)
- pack size (if more than one pack size is available)
- price (if NHSBSA does not hold a price for it)
- formulation (commonly seen with handwritten prescriptions for products which are available in multiple presentations).

An item could also be returned if too much information is included in the endorsement, for example more than one manufacturer endorsed.

The NHSBSA apply a coding system to identify up to 19 possible reasons for items being referred back to the pharmacy for further information. Each returned item is assigned a referred back code to indicate the referred back reason. A table of referred back reason codes and what each code means can be found on the [PSNC website](https://www.psnco.org.uk), or [NHSBSA website](https://www.nhs.uk).

The NHSBSA Prescription Services helpline can be contacted for further advice if pharmacy staff are unsure as to why an item has been returned or if it is unclear as to what needs to be endorsed. Telephone: 0300 330 1349 or 0191 279 0568; email: nhsbsa.prescriptionservices@nhsbsa.nhs.uk

Missing or incorrect patient exempt, or paid declarations are not referred back to contractors – if patient declarations are missing this can lead to switching and potentially inappropriate charge deductions. To avoid getting referred back items, ensure all endorsements are clearly and correctly applied to prescriptions. See PSNC [Endorsement guidance](#) page for more information on endorsements.

How many prescription items are referred back each month?

In 2021, just under 800,000 items were referred back to pharmacy contractors by the NHSBSA for further clarification. This works out to a monthly average of 66,458 items (0.07% of all prescriptions items processed) or ~6 items per pharmacy contractor per month.

Year	Items	Total items referred back
2021	1.139bn	798k

How do contractors receive their prescription returns?

A. Digital referred backs via Manage Your Service (MYS)

From [July 2022](#) (for the dispensing month of June 2022), all new prescription returns/referred back items and disallowed items will be received through the MYS portal and MYS will be the only route available to view and submit required information for all these items.

NHSBSA sends out a notification email to the pharmacy NHSmail account if any new referred back or disallowed items have been generated for the contractor to complete on their MYS account. Contractors can view any referred back items for completion by checking the 'Unpaid items' tab on MYS landing page. Using MYS for receiving digital referred back and disallowed items allows contractor to:

- receive these items sooner and removes the risk of paper returns getting lost in transit;
- provide information required to processes referred back items faster;
- submit a challenge for any disallowed items electronically;
- track the progress of any referred back items throughout until the point they are processed;
- generate monthly reports showing the status of any referred back items.

When the required additional information has been added to the relevant sections within MYS, contractors can submit referred back items electronically to the NHSBSA for processing.

It is important to note that prescription returns via MYS are only held in the system for a period of 18 months from the date they are first sent to the pharmacy for action; if contractors have not completed and returned any outstanding referred backs before this deadline has passed, the referred back items will be deleted from system. Contractors already using MYS for referred backs should check if any items are awaiting completion before they expire.

B. Paper referred backs received via post

The last paper referred back and disallowed items that were sent in the post to those contractors still using the paper-

based route related to prescriptions dispensed in May 2022. The NHSBSA will continue to process any paper referred back items that were sent out before the switchover.

Contractors with paper referred back items from previous months should aim to complete the required information and return these to the NHSBSA together with their monthly prescription bundle as soon as possible to avoid any delays to payment.

End of month submission process for completed referred back items

The number of completed referred back items should be declared on the MYS FP34C submission form each month. Any completed outstanding paper referred backs forms should be sorted and placed securely at the top of the appropriate, 'exempt' or 'charge paid' groups.

How are re-submitted items processed by the NHSBSA?

Referred back items submitted for payment are priced using the Drug Tariff relevant to the dispensing month in which the prescription return is received by the NHSBSA. Delays in the completion of missing information for referred back can affect the timing of payments. This can create potential cash-flow risks for contractors if very expensive items are referred back, or a large number of items are returned to the pharmacy to complete the missing information. If the submitted information is still insufficient to allow NHSBSA to process the prescription for payment, the item will be re-sent to the contractor.

How can I track the status of any referred back items?

Contractors who access their referred back items using MYS can view reports on the portal that show how many returns were received from the NHSBSA, how many have been re-submitted, how many are awaiting action by the NHSBSA and how many have been successfully processed. The reports help to keep track of returns and can be used as a learning tool for pharmacy staff to help reduce the number of referred back items by endorsing prescriptions correctly.

Contractors can also check whether an item was referred back by checking their monthly Prescription Item (Px) reports. The product will be marked in column AP (column heading 'RB') if an item has been referred back. Column AQ (column heading 'RB value') displays the RB code for which the item was referred back. To access item reports, contractors should register for the [Information Services Portal](#) on the NHSBSA's website.

Disallowed prescription items

A disallowed item is one that has NOT been passed for payment by the NHSBSA.

Items issued on NHS prescription forms are disallowed by the NHSBSA for many reasons including:

- Where the item is not permitted for prescribing on the NHS.
- Items ordered by dentists or community nurse prescribers which are not listed in their respective drug formularies; or
- An appliance or chemical reagent that is not listed in Part IX of the Drug Tariff.

The pricing systems flag such items to NHSBSA staff, who then re-check affected prescriptions and mark relevant items as disallowed following Drug Tariff and prescription processing rules.

The NHSBSA apply a coding system to identify up to 19 possible reasons for disallowing items that are ordered on the NHS of which 7 are applicable to community pharmacies. Each prescription item disallowed by the NHSBSA is

assigned a DA code followed by a number to indicate the reason for the disallowed item. Further information can be found on PSNC's [Disallowed Items](#) webpage.

What if I disagree with the reason(s) given by the NHSBSA for disallowing an item?

If it is believed that an item has been incorrectly disallowed, contractors may submit a challenge to the NHSBSA, who will investigate the issue and rectify any missing payments if a processing error is identified.

To challenge disallowed items returned via MYS, contractors can click on a link available under the disallowed item displayed on the portal. A free-text box is provided for a contractor to provide a reason as to why they believe the item has been disallowed in error, and to provide a contact email address. Once a challenge is successfully submitted, the information is sent directly to the NHSBSA Helpdesk to action, removing the need for contractors to send a separate email or make a telephone call.

Contractors wishing to challenge any disallowed items that are received through the post, can contact the NHSBSA Helpdesk (0300 330 1349) or email nhsbsa.prescriptionservices@nhsbsa.nhs.uk for further advice.

If you have any queries on this PSNC Briefing or you require more information, please contact PSNC's Dispensing and Supply Team (info@psnc.org.uk) or call 0203 1220 810