

Pharmaceutical Services, 2 Franklin Street, Belfast BT2 8DQ
Telephone No. 028 9053 5613, Fax No. 028 9053 2963

To: All Community Pharmacists

Date: 26.06.13

Dear Colleague

RE: APP Late Submission Business Rules

We are writing to inform you that following discussions between the Pharmaceutical Committee, BSO and CPNI, a set of business rules have been agreed in relation to late submission of prescriptions to BSO. The business rules have been developed in order to support the implementation of the Accelerated Pharmacy Payment Project (APP).

An APP Contingency Sub-group consisting of contractors from the Pharmaceutical Committee was convened and this group have developed the business rules and will monitor and manage these rules on an ongoing basis. The business rules will be applied if;

- i) a contractor fails to submit their prescriptions by a set cut-off date in a particular month, whereby it is not possible for prescriptions to be processed,

or

- ii) an individual contractor repeatedly fails to meet submission dates i.e. has three consecutive red second submissions.

N.B. The Pharmaceutical Committee APP Contingency Sub-group will take into consideration any extenuating circumstances reported to them by individual contractors.

Appendix (i) outlines the business rules developed by this group and the process of invocation of the rules. Information on the business rules can also be found at the following web-link <http://www.hscbusiness.hscni.net/services/2156.htm>

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These business rules will be implemented from 1st July 2013. The business rules are based on a number of underlying principles;

1. The purpose of the Business Rules is to **deter** contractors from making late submissions rather than act as a punitive measure.
2. BSO will always make every effort to process prescriptions in the correct month if at all possible.
3. It is in the best interests of both parties that contractors inform BSO as soon as they become aware that they may have difficulty in submitting prescriptions on time. BSO will provide advice and assistance to individual contractors where possible.
4. If a contractor informs BSO of extenuating circumstances, as agreed by the Pharmaceutical Committee APP Contingency Sub-group, which result in submission of prescriptions beyond the cut-off date for processing, BSO will make a 100% estimated payment.
5. The application of the Business Rules will be the responsibility of the Pharmaceutical Committee APP Contingency Sub-group, who will take into account the individual contractor's circumstances in order to inform their decision-making.
6. The Pharmaceutical Committee APP Contingency Sub-group will consider any extenuating circumstances highlighted to them by individual contractors.
7. The Business Rules will be reviewed on a regular basis and at 3 monthly intervals in the first year.

We would like to highlight the importance of contractors informing BSO as soon as they become aware that they may have difficulty in submitting prescriptions on time. BSO will provide advice and assistance to individual contractors where possible. If this situation

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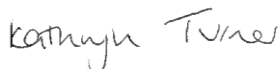
arises, contractors should contact Paul Loughran on Tel: 02890 535515 or Chris Boyle on Tel: 02890 535545.

Please also note that BSO will make every effort to process a payment in the correct month but if prescriptions are submitted after the cut-off date in a month, whereby there is not sufficient time for BSO to process the prescriptions, individual contractor discount may be affected and manual adjustments will be required to be made to payment and prescribing information. Due to the significant workload associated with correction of contractor discount, BSO cannot guarantee that this correction will be done in the month of request. BSO will guarantee that this correction will be made, however the timeframe within which this can be done will depend on the volume of late submissions.

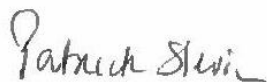
The Pharmaceutical Committee, BSO and CPNI recognise the amount of effort that contractors have made to ensure successful implementation of the APP project and we would like to thank you once again for your continued support.

If you have any queries regarding this letter, please do not hesitate to contact Helen Creighton or Mark Nelson Tel: 028 90 535661.

Yours sincerely,



Ms. Kathryn Turner
Head of Professional
Pharmacy Services



Mr. Patrick Slevin
Chair Pharmaceutical
Committee



Mr. Lindsay Gracey
Chair CPNI

Appendix (i)

Late Payment Submission Business Rules

1. Length of Delay (outside cut-off day for payment)

a) Extenuating Circumstances

If a contractor submits prescriptions after the agreed cut-off date for a particular month and has contacted BSO to inform of extenuating circumstances, BSO will make a 100% estimated payment based on the previous month's cost per form (excluding adhoc payments e.g. Pre-registration grants, annual levy payment) multiplied by the number of forms that they have submitted for the current month. If data are not available on the number of forms submitted then an estimated payment will be calculated, based on the average of the last 3 months payment (excluding adhoc payments e.g. Pre-registration grants, annual levy payment). This payment will then be adjusted the following month.

b) Non-Extenuating Circumstances or BSO Not Informed

If a contractor submits prescriptions after the agreed cut-off date for a particular month and has contacted BSO to inform that the submission will be late but there are **no** extenuating circumstances or if they fail to contact BSO at all, BSO will inform the Pharmaceutical Committee Sub-group and the following process will be applied:

- a 100% **estimated** payment will be calculated, however, there will be a reduction in the payment made of 5% of net ingredient cost (based on the previous month's payment information.) This amount will be held by BSO and refunded once **two** consecutive prescription months achieve green status for all of the submissions.

If a contractor **repeatedly** makes second submissions beyond the agreed cut-off date, a reduction in estimated payment will be made each month that the contractor submits prescriptions after the agreed cut-off date, for up to a maximum of three months. The total amount will be held over until the contractor has achieved **two** consecutive prescription months with green status for all of the submissions.

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BSO will provide advice and support to contractors each time that a reduction in payment is made, in order to assist the contractor to make subsequent submissions on time and prevent further reductions in payment.

2. Number of Late Second Submissions (three consecutive red second submissions)

a) Extenuating Circumstances

If a contractor is allocated red status for late second submissions but which are within the month cut-off dates, for **three** consecutive months, and has contacted BSO to inform of extenuating circumstances, BSO will make a 100% payment.

b) Non-Extenuating Circumstances or BSO Not Informed

If a contractor is allocated red status for late second submissions but which are within the month cut-off dates, for **three** consecutive months, without informing BSO or without extenuating circumstances, the following process will be applied:

- BSO will make a 100% payment. The contractor will be visited by BSO staff who will attempt to ascertain the reason for the late submissions and provide advice and support as appropriate.

A non-refundable Administration Fee of £75.00 will be charged to the contractor.

If a contractor continues to make late submissions after a visit from BSO staff, the Pharmaceutical Committee APP Contingency Sub-group will be informed and further action may be taken.

Process for Invocation of Business Rules

The Business Rules will be invoked for an individual contractor if BSO have not been informed of extenuating circumstances and either;

- a) the contractor makes a submission beyond the respective month payment cut-off date
or
- b) the contractor submits red 2nd submissions, which are not beyond the month cut-off date, for 3 consecutive months.

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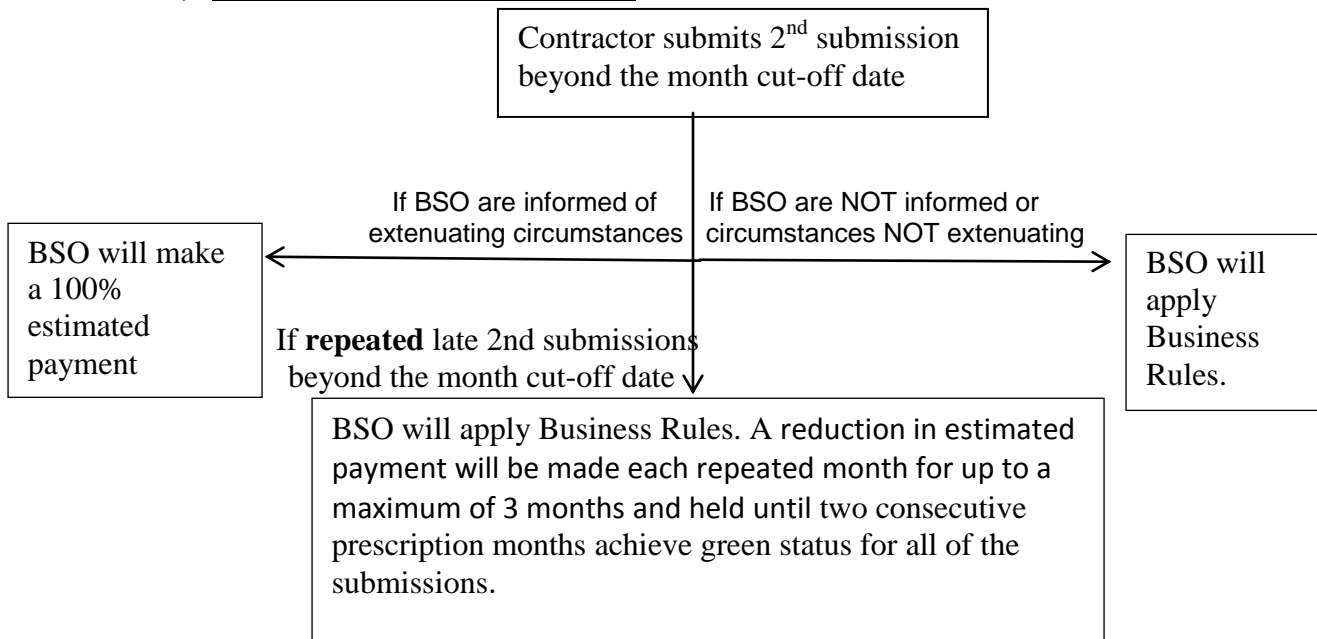
BSO will inform the members of the Pharmaceutical Committee APP Contingency Sub-group. The Pharmaceutical Committee APP Contingency Sub-group will convene, if necessary, to consider individual cases and will make a decision on how the Business Rules should be applied. A quorum of 3 members will be required before decisions can be made. The contractor will be informed in writing of the decision.

Extenuating Circumstances

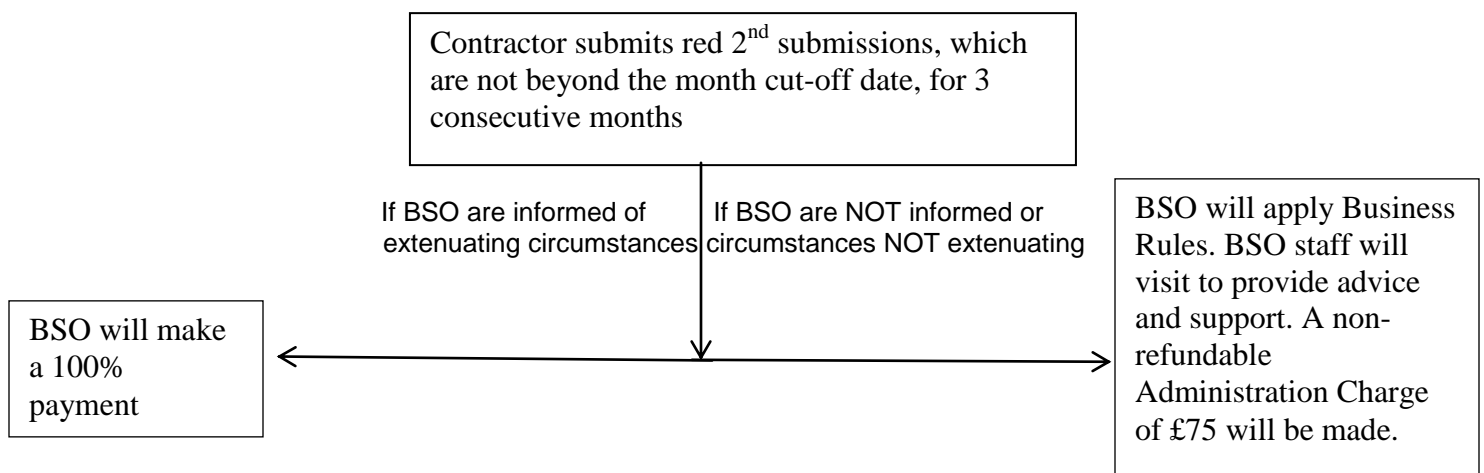
Extenuating circumstances would include unforeseen situations such as a fire or a flood or a sudden illness etc. Holidays will not be considered to be extenuating circumstances. The Pharmaceutical Committee APP Contingency Sub-group will consider any extenuating circumstances highlighted to them by individual contractors. Meetings will be convened on a monthly basis as required.

Process of Application of Business Rules

a) Submission After Cut-off Date



b) Repeated Red 2nd Submissions



N.B. – the Pharmaceutical Committee sub-group will consider any extenuating circumstances highlighted by individual contractors