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medical business consulting



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Expert advisers to the healthcare sector



Case Study

Increasing Prescribing Drugs Income for Stanmore Medical Centre.



BW Medical accountants spotted a shortfall in the practice's Prescribing Drugs income and brought in specialists, Ash Lane Consulting to find the missing money. Ash Lane turned around the claims performance and dramatically increased the annual income.

The Practice

The Stanmore Medical Centre operates across two sites in Stanmore, Middlesex. They are a non-dispensing practice with 14,000 patients and two GP partners.

The Challenge

When the partners met with their specialist medical accountants, BW Medical, they learned that their 2017-18 'Prescribing Drugs income' had fallen significantly. This is a notoriously complex line of revenue to track and so the underlying reasons for the drop were not clear. BW advised that the issues would likely lead to continued missed income going forward, and so they recommended that the practice engage the services of Ash Lane Consulting.



'Prescribing Drugs' income is based on the FP34 claim for the Personally Administered Items (PAIs) that are purchased and then administered to patients in-practice. The FP34 claims are processed by NHS Prescription Services (formally the PPA) and the amount of income is included on the monthly Open Exeter statement.

Ash Lane Consulting

Ash Lane Consulting are the recognised experts in all aspects of managing and claiming for Personally Administered Items. They have found that many practices are under-claiming due to the inherent complexity of the processes involved and lack of knowledge about what is claimable.

"It was a great experience and I'd have no hesitation to recommend Ash Lane"
Vikki Young, Deputy Practice Manager



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PAI Reimbursement Review

Tracy Hole visited the practice and met with Deputy Practice Manager, Vikki Young. Vikki was aware that the management of PAIs was an area that needed some improvement and so welcomed the opportunity for a complete overhaul. Tracy conducted an in-depth review that took into account a range of data along with an assessment of the processes being followed by both clinical and administrative teams for the management, use of, and claims for PAIs.

The findings of the review were:

- No list of the practice-specific PAIs that should all be claimed
- Whilst clinical system searches were used to identify PAIs, not all items were covered
- Also, searches that were used were unwieldy and difficult to interpret
- No forecast of expected income, and then checks with actual payments received via Open Exeter
- Lack of understanding by clinicians of the importance of Read coding in the clinical system for the processing of claims
- Inconsistent approach taken to the management of PAIs
- Inefficient process for raising and checking of prescriptions resulting in increased opportunities for errors
- Clinical system (Emis) searches not optimal, so unwieldy and time consuming

Improvements implemented by Ash Lane

Tracy then returned to the practice to implement a range of improvements:

- Practice-specific list of all PAIs produced and communicated to all relevant staff
- Comprehensive methodology implemented to ensure everything claimed each month
- Checks implemented to ensure the process remains under control, and any future errors are quickly spotted
- Improved searches implemented within the clinical system
- Historic missed income recovered

The results

Ash Lane identified missed income of £20,000 per annum. The improvements implemented will ensure this is claimed going forward. In addition, they prepared a one-off claim for £45,000 for PAIs missed going back over recent years which was approved.

Lessons for other practices

Prescribing Drugs income is an important revenue stream that is not well understood. If you don't have checks in place to know whether everything is being claimed, it probably isn't. A good indicator is the profit margin: if everything bought is successfully claimed, the profit margin on these items will be 30%-40%.

A practice-specific list of claimable items should be prepared, and then communicated to all. An end-end process is required to then ensure all items bought are tracked through the practice to the point that they are claimed, and the money received.

It is important to have a monthly and annual forecast on Prescribing Drugs income, and to check actual income against this monthly.

The income received by practices is highly complex and the role of the practice manager is far reaching and ever-changing. With increasing demand and financial pressure on general practice, it is unrealistic to expect practice managers to have specialist knowledge in all areas. It requires specialist medical accountancy, such as BW Medical Accountants, to know how to maximise practice income. Take advantage of the support available and work with advisers who can support you to ensure maximum performance and sustainability.

Further help

PAI Claims - contact Ash Lane Consulting. T: **07980 800 615**
E: info@ashlane.co.uk www.ashlane.co.uk

To compare your existing accountant to specialist's BW Medical Accountants, T: **0191 500 6930**
E: enquiry@bw-medical.co.uk www.bw-medical.co.uk
BW Medical Accountants act for over 100 GP Practices and over 1,200 NHS Professionals across England. Changing your accountant is a simple, straight-forward process.



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