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11 August 2026

REF: SHA/27003

APPEAL AGAINST NHS ENGLAND DECISION TO RECOVER AN OVERPAYMENT FROM DUNCANS CHEMIST (FML90) ("THE APPELLANT")

1 **Outcome**:

1.1 I dismiss the appeal and confirm the decision of NHS England to recover the overpayment of £1,176.00.

1.2 I note that neither party has submitted a claim for interest with regard to this dispute so I determine that no interest is payable on the sums to be paid from one party to another.

A copy of this decision is being sent to:

Duncans Chemist
NHS BSA on behalf of NHS England

8th Floor
10 South Colonnade
Canary Wharf
London
E14 4PU

Tel: 020 3928 2000
Email: nhsr.appeals@nhs.net

REF: SHA/27003

APPEAL AGAINST NHS ENGLAND DECISION TO RECOVER AN OVERPAYMENT FROM DUNCANS CHEMIST (FML90) ("THE APPELLANT")

1 INTRODUCTION

1.1 The Appellant appealed the decision of NHS England to recover an overpayment relating to the New Medicine Service as part of the Pharmacy Quality Scheme.

1.2 The Secretary of State for Health and Social Care, pursuant to the National Health Service Litigation Authority (Pharmaceutical Remuneration – Payment Disputes) (England) Directions 2022 (the "Payment Disputes Directions"), has directed that NHS Resolution determines this type of appeal on their behalf. I, as an authorised officer of NHS Resolution, have made this determination.

2 DECISION

The NHS Business Services Authority ("NHS BSA"), acting on behalf of NHS England, sent a decision to the Appellant on 17 April 2026 in respect of Duncans Chemist (ODS code FML90). The decision stated:

2.1 "**New Medicine Service - Post Payment Verification**

2.2 The Pharmacy Provider Assurance Team, part of NHS Business Services Authority (NHSBSA), have been requested by NHS England to undertake a Post Payment Verification (PPV) exercise to provide assurance that pharmacy contractors have claimed correctly for the New Medicines Service. As part of this verification exercise, your pharmacy was requested to provide New Medicines Service records for the period **October 2023 to March 2024.**

2.3 Our records show that your pharmacy claimed a total of **532** NMS during this time, however the evidence provided by the pharmacy means the Provider Assurance Team were not able to verify **42** of the claims made.

2.4 Attached is a timeline of correspondence with your pharmacy to date which was passed to the NHS England local Pharmaceutical Services Regulations Committee (PSRC) to consider whether further action was necessary.

2.5 The NHS England Pharmaceutical Services Regulations Committee has now reviewed this information and noted that:

2.6 Duncans Chemist was contacted on **18** separate occasions by the NHSBSA Provider Assurance Team to request evidence to substantiate the claim or agree to the recovery but did not receive sufficient evidence.

2.7 **Having reviewed the information provided by the NHSBSA PAT, the NHS England Pharmaceutical Services Regulations Committee has decided that an overpayment in relation to your NMS 2022/23 claims has occurred and has instructed recovery of this overpayment to be progressed in accordance with Regulation 94 (1) (a) of The National Health Service (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013.**

2.8 The below table outlines the recovery amount.

ODS code	Recovery amount
FML90	£1,176.00

2.9 **Action Required**

2.10 1. Please respond to this correspondence at pharmacysupport@nhsbsa.nhs.uk to confirm your agreement for the overpayment to be recovered pursuant to Regulation 94(1) (a) of The National Health Service (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013. **Please send this confirmation by 18th May 2026.** Where you agree an overpayment has been made the amount over paid will be recovered by deduction from a future NHSBSA payment to you.

2.11 If you have any concerns regarding the deduction or would like to discuss an alternative approach to recovering the overpayment, please contact us by **18th May 2026.**

2.12 Once the NHSBSA has received confirmation to recover the overpayment you will be notified of when this will take place. A record of this process will be kept on your NHS England contractor file.

2.13 2. **Please be aware that failing to contact us by 18th May 2026 to agree that there has been an overpayment DOES NOT mean that the overpayment cannot be recovered.** Instead, where you do not agree that an overpayment has been made you have a right of appeal to the Secretary of State against NHS England's decision. Should you choose to appeal then send a concise and reasoned statement of the grounds for your appeal **within 30 days of the date of this letter** to nhsr.appeals@nhs.net or:

2.14 NHS Resolution, Primary Care Appeals, 10 South Colonnade, Canary Wharf, London, E14 4PU

2.15 3. If there is no appeal within 30 days from the date of this letter, NHS England has requested that the NHSBSA Provider Assurance Team commence overpayment recoveries under Regulation 94(1) (b) of The National Health Service (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013, on the basis that the final outcome of our investigation is that there has been an overpayment.

2.16 The NHSBSA will notify you of when the overpayment recovery will take place.

2.17 A record of this process will be kept on your NHS England contractor file.

2.18 For more information or for clarification of any of the details in the letter, please contact by email at pharmacysupport@nhsbsa.nhs.uk

2.19 If you would prefer to speak to us via telephone/Microsoft Teams, please email pharmacysupport@nhsbsa.nhs.uk to provide your contact details and a member of the team will get in touch as soon as possible.

2.20 The proposed and future actions detailed in this letter are stipulated without prejudice.

2.21 Your co-operation is very much appreciated."

3 THE DISPUTE

In an email dated 14 May 2026 addressed to the NHS BSA and copied to NHS Resolution, the Appellant appealed against NHS England's decision. The grounds of appeal are:

3.1 "Thank you for your correspondence regarding the New Medicine Service (NMS) Post Payment Verification outcome for Duncan's Chemist (ODS code: FML90).

3.2 Whilst we are disappointed with the outcome of the review, we acknowledge NHS England's decision in relation to the recovery amount outlined in your letter. We are willing to cooperate with the recovery process and would be grateful if consideration could be given to recovering the outstanding balance in **four instalments**, rather than as a single deduction, in order to minimise the operational and financial impact on the pharmacy.

3.3 We would also like to explain that we are unfortunately unable to provide any further supporting evidence beyond that already submitted, as the pharmacy changed PMR systems from ProScript to Titan PMR in February 2025. As a result of this system migration, we no longer have access to certain historical records held within the previous PMR system.

3.4 In addition, we have identified three patients included within the claims in question for whom we believe recovery should not apply. We hold supporting evidence in the form of screenshots demonstrating that the relevant services were completed appropriately and are attaching these within a supporting Word document for your review and reconsideration.

3.5 We would therefore kindly request that the evidence provided in relation to these three patients be reviewed before the final recovery amount is confirmed.

3.6 We appreciate your consideration and look forward to your response regarding both the proposed instalment arrangement and the additional evidence submitted."

4 SUMMARY OF REPRESENTATIONS

This is a summary of representations received on the appeal.

4.1 The NHS BSA on behalf of NHS England stated:

4.1.1 "Thank you for your letter dated 19th May 2026 and the opportunity to provide representations on the appeal.

Background to the New Medicines Service

4.1.2 The New Medicine Service (NMS) forms part of the Advanced Services within the Community Pharmacy Contractual Framework (CPCF). This service provides support to all patients, with the inclusion of carers who have appropriate consent and parents/guardians of younger children, who are taking a newly prescribed medicine to manage a long-term condition (LTC). Therefore, helping them to appropriately improve their medication adherence and self-manage their LTC.

4.1.3 The NMS helps to promote multidisciplinary working between the pharmacy, the patient's GP practice in addition to any other professionals involved in their care. The service intends to promote the early identification of any issues arising from newly prescribed medicines and therefore supports patients to discuss any issues with their prescriber or pharmacist who may refer them back to their prescriber.

4.1.4 Pharmacies who take part in the scheme, must ensure that they meet minimum requirements set out in the advanced service specification. The requirements of contractors wishing to provide the New Medicine Service are set out in the advanced service specification.

Post Payment Verification

4.1.5 NMS claims for the 2023/24 financial year were analysed for Post Payment Verification (PPV) and 445 contractors were identified for the PPV sample. Contractors were selected for one of the following reasons:

4.1.5.1 Outliers' ones with the largest NMS claims

4.1.5.2 Claimed for a large number of NMS in one month only

4.1.5.3 Claimed 100% of their 23/24 NMS claims in the last three months

4.1.6 There were also several other pharmacies who were not outliers but were selected at random to be included in the sample.

4.1.7 After being identified for the PPV process, contractors received an initial email requesting that they provide evidence for the NMS claims made between October 2023 and December 2023. Contractors were expected to provide evidence which substantiates all the claims made by the pharmacy during the claim period. If PAT were unable to verify the NMS claims for that period, a further 3 months of supporting evidence would be requested to complete the PPV process. Contractors were advised to ensure they kept a record of all relevant

NMS evidence. If evidence is missing or duplicate claims are made, the NHSBSA (NHS Business Services Authority) is unable to provide assurance to NHS England that the service is being conducted correctly and therefore is required to make a recovery of any overpayments which have been made to the contractor.

4.1.8 As part of the PPV process, Contractors were reminded that the evidence was being requested in accordance with Schedule 4 Part 4 paragraph 35 (4) of The National Health Service (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013. The NHSBSA Provider Assurance team have been authorised in writing by NHS England to request this information on their behalf.

4.1.9 FML90, Duncan's Chemist, were initially approached with a request to provide evidence on 1st September 2025 with a deadline of 15th September 2025 provided. Duncan's Chemist had submitted 276 claims (between Oct-Dec 23) for payment via Manage Your Service (MYS) during the sample period for payment, therefore they were asked to validate the claims in question. The pharmacy was advised that the Pharmacy Provider Assurance Team (PAT) were able to accept paper consent forms which could either be scanned by the pharmacy, provided digitally, or the contractor could send these with their monthly prescription batch to be scanned by our office. If the NMS events were recorded digitally the PAT were also able to accept a report produced from the pharmacy's PMR system. As per Page 11 of the NMS service specification, section "Data and information management", the PAT requested that the evidence included the following information:

4.1.9.1 Dates of the NMS

4.1.9.2 Patient Name

4.1.9.3 Patient Address

4.1.9.4 Patient NHS Number

4.1.9.5 Patient Date of Birth

4.1.10 Duncan's chemist did engage with the PPV process and provided evidence on 2nd September 2025.

4.1.11 This evidence was then processed and upon completion of that review PAT found that:

4.1.11.1 276 pieces of individual claim evidence was submitted in support of the 276 NMS claims submitted by Duncans Chemist between October 2023 to December 2023

4.1.11.2 From the 276 individual pieces of evidence submitted, 30 could not be used to verify claims due to duplicate patient information. This is when multiple NMS claims are submitted for the same patient on the same day.

4.1.12 Below is an example of duplicate evidence found in Duncans Chemist evidence batch. [Screenshot provided]

4.1.13 The same patient information is included on both PMR records, along with the same "NMS completed" date. An opportunity was given to the contractor to clarify why some patients appear multiple times within the data, which have the same date of NMS. PAT can provide duplication evidence for the other examples should the Appeals Panel require it.

4.1.14 On 20th October 2025, PAT received an email from Duncans Chemist explaining some patients appear multiple times because their prescriptions were sent at different times of day for NMS eligible items and some prescriptions were sent on different days and not collected, so the patient would have collected several prescriptions for different NMS eligible items on the same day.

4.1.15 PAT responded to the contractor and explained that the NMS service specification states that "*7. If more than one medicine covered by the service is prescribed at the same time, that instance of the service will cover all those medicines*". Therefore, even if more than one New Medicine has been prescribed, all these medicines should be covered by the same NMS and counted as a single claim. PAT advised Duncan's Chemist that they would require further evidence to cover the time period of October – December 2023 and additionally, as PAT had been unable to verify these claims, it was requested that the contractor provides a further submission of evidence to support the 256 NMS claims made during the time period of January 2024 to March 2024, as per the process agreed with NHSE.

4.1.16 In an email dated 28th October 2025, Duncan's Chemist reiterated that the reason some patients appear multiple times is because prescriptions were sent at different times of day and not at the same time for NMS eligible items and some prescriptions were sent on different days and not collected so the patient would have collected several prescriptions for different NMS eligible items on the same day. They provided an example of "*if a prescription was sent on a Monday then another on a Wednesday and the patient doesn't collect until Thursday, the engagement date would be the same for both".* They also provided additional December 2023 evidence and their January – March 2024 evidence.

4.1.17 Following analysis and review of the additional evidence provided, PAT found that:

4.1.17.1 256 pieces of individual claim evidence was submitted in support of the 256 NMS claims submitted by Duncan's Chemist between January 2024 to March 2024

4.1.17.2 From the 256 individual pieces of evidence submitted, 24 could not be used to verify claims due to duplicate patient information.

4.1.18 As all of the evidence received to this point only included an "NMS Completed Date", the PAT sent an email on 11th December 2025 with

a spreadsheet attached containing all of the claims considered to be duplicated patient claims. PAT requested that Duncan's Chemist provide the engagement, intervention and follow up dates for these claims.

4.1.19 On 18th December 2025, Duncan's Chemist emailed the spreadsheet back with all of the engagement, intervention and follow up dates which were requested. In their email they explained when an NMS is opened for either an amendment, fix typographical errors, to add/amend counselling points or even just to access it, then the "NMS completion date" will change, however, the system does not alter any of the dates relating to when the service was provided. They highlighted again, the reason some patients appear multiple times is because the prescriptions were sent at different times of day and not at the same time for NMS eligible items. Also, that some prescriptions were sent on different days and not collected, so the patient would have collected several prescriptions for different NMS eligible items on the same day.

4.1.20 After reviewing the engagement, intervention and follow up dates provided on the spreadsheet, PAT were able to verify a few further claims. PAT returned the spreadsheet to Duncan's Chemist on 8th January 2026 with the remaining claims that were still considered to be duplicated. As the contractor had often stated that prescriptions were sent at different times/days, PAT requested whether the prescribed dates were available to then establish whether these items had the same engagement date – to reiterate, even if NMS eligible items are prescribed at different times, if the NMS engagement date is the same then all of these items should be covered in 1 NMS.

4.1.21 [T], from Duncan's Chemist telephoned PAT on 8th January 2026 explaining this was becoming very time consuming and it would take too long to try and collect all of the prescribed dates. He invited PAT to the pharmacy so he could show their system and demonstrate how the claims PAT consider to be duplicated were sent to the pharmacy at different times of day and therefore were claimed separately.

4.1.22 After discussing the matter with a manager who confirmed a pharmacy visit was not possible, PAT telephoned Duncans Chemist on 2nd February 2026 to confirm this and to discuss the remaining 42 unverified claims. PAT explained the two options would be for the pharmacy to either confirm whether they agree an overpayment had been made for these 42 claims, totalling £1,176.00 for the period of October 2023 to March 2024, or have the case passed over to PSRC for them to make a final decision. [T] requested if a meeting over Microsoft Teams would be possible so he could show the evidence regarding the prescriptions being received at different times of the same day.

4.1.23 A Teams meeting between PAT and Duncan's Chemist took place on 18th February 2026, where the 42 NMS claims PAT were unable to verify due to the same patient and same date of NMS were discussed. [T] explained the date the medicine is dispensed is automatically populated on to their pharmacy system and cannot be changed. He

explained that when a medicine is dispensed, they automatically generate a consent form for the patient and store it until the patient then collects the items. When the patient collects their medicine(s), everything is gathered together and the patient is then engaged at the same time for the NMS for all medicines involved.

4.1.24 [T] also showed PAT some examples on their pharmacy system from the list of unverified NMS entries and PAT could see that the dispensed date was different for the 2 different new medicines prescribed for that patient, however on both, the date of patient engagement to NMS was the same, as the medicines were collected on the same day. [T] reiterated that the service specification states - [*If more than one medicine covered by the service is prescribed at the same time, that instance of the service will cover all those medicines.] " (Section 5.12). Therefore, in the pharmacy's view, although the medicines had been dispensed at different times, the engagement dates would be the same if the patient then collects multiple medicines on the same day and subsequently these would be separate NMS claims. However, PAT and NHSE disagree with this, as if the date of NMS engagement is the same for multiple medicines, then this should be carried out as 1 instance of the service and therefore counted as 1 claim.

4.1.25 PAT confirmed they may provide further screen shots showing dispensed dates so that they can be reviewed by their NHS England Local Pharmaceutical Services Regulations Committee (PSRC). PAT strongly recommended that any further evidence / supporting information they needed from their current system be retained as [T] explained they were due to change system supplier from Pro-script to Titan over the next week.

4.1.26 It was explained to [T], the next stage of the process would be for all communication and evidence provided to date would be sent to him to review and add any further representations they wish to provide. The same information would then be referred to PSRC for them to review and make a decision. Where PSRC decide an overpayment has been made and should be recovered, PAT would inform Duncan's Chemist of this by email and they would have the right to appeal to NHS Resolution within 30 days of the email.

4.1.27 On 19th February 2026, an email was sent to Duncan's Chemist detailing the discussion of the meeting and providing them with a deadline of 26th February 2026 to provide any further evidence or add any further information from our discussion. PAT received nothing further from Duncan's Chemist and so, on 9th March 2026, a PSRC escalation email was sent to the contractor with a deadline provided of 23rd March 2026. A timeline of correspondence was also attached, including all events that occurred during the PPV process and all emails exchanged between Duncan's Chemist and PAT.

4.1.28 A full breakdown of communication between the PAT and Duncan's chemist can be found on the Timeline of correspondence, which has been provided as part of these representations PAT escalated the case

to PSRC on 31st March 2026 for an unbiased review to ensure a fair and impartial resolution.

Pharmaceutical Services Regulations Committee (PSRC) Decision

4.1.29 To assist with their review, the PSRC was provided with the NMS service specification, a summary of PAT's PPV procedure, along with the timeline of correspondence showing all contact the Provider Assurance team had with the pharmacy for review. This timeline has been provided to you in addition to this information.

4.1.30 The engagement showed that despite multiple explanations of the reasoning behind the proposed adjustment as to why the NMS claims could not be verified, the contractor insisted that they had claimed correctly for multiple NMS for the same patient on the same date as the medicines were sent over at different times.

4.1.31 Consequently, the PSRC concluded that the NHSBSA had not received sufficient evidence to verify all the claims made. As a result, on 16th April 2026, the PSRC issued their decision, determining that the pharmacy was not entitled to the full payment previously received, and instructed that the amount owed be recovered.

4.1.32 Having made this decision, the PSRC then directed that as Duncan's Chemist was not entitled to the full payment, that the overpayment should be reclaimed pursuant to Regulation (1) (a) of The National Health Service (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013.

4.1.33 In making this decision, the PSRC relied on the information that it had before it, following the extensive investigation undertaken by the PAT and the repeated requests to the contractor for evidence of how the New Medicine Service claims made for October 2023 to March 2024 met the requirements set out in the service specification.

Response to the contractor's appeal

4.1.34 The PAT conducts assurance activities on behalf of NHSE to verify that pharmacy contractors are delivering services correctly and maintaining appropriate evidence to support their claims. Our aim is to ensure contractors comply with service specifications and provide services appropriately. For example, in the case of the NMS, certain claims may be deemed incorrect or unsuitable if they do not align with the service specification. To facilitate this process, PAT requests evidence from contractors, as outlined in the service specification, which also requires this evidence to be shared as part of any Post Payment Verification exercise.

4.1.35 As discussed already in this response, PAT identified 42 examples of incorrect NMS claims. PAT received no further evidence to demonstrate how these claims met the requirements of the service specification and were therefore unable to verify these claims, despite multiple engagement attempts.

4.1.36 In their appeal, Duncan's Chemist appears that they are willing to cooperate with the recovery process for 39 of the unverified claims and have offered no further information to dispute the PSRC and PAT's findings

4.1.36.1"*Whilst we are disappointed with the outcome of the review, we acknowledge NHS England's decision in relation to the recovery amount outlined in your letter. We are willing to cooperate with the recovery process*"

4.1.37 The contractor goes on to state that they "*would be grateful if consideration could be given to recovering the outstanding balance in four instalments, rather than as a single deduction, in order to minimise the operational and financial impact on the pharmacy*." This indicates that the pharmacy is willing to accept the recovery of overpayment and PAT can work with the pharmacy to agree an appropriate re-payment plan to minimise the impact of the potential recovery on day to day operations.

4.1.38 However, Duncan's Chemist go on to highlight 3 claims which they would like to appeal:-

4.1.38.1*"In addition, we have identified three patients included within the claims in question for whom we believe recovery should not apply*".

4.1.39 It is therefore PAT's understanding that the remaining parts of this appeal are applicable to these 3 claims only.

4.1.40 As part of their appeal, Duncan's Chemist stated "*We hold supporting evidence in the form of screenshots demonstrating that the relevant services were completed appropriately*"

4.1.41 As part of the appeal, the contractor has provided screenshots of their PMR system, which shows the Dispensed date, Engagement date, Intervention date and Follow up date. The patient information has been redacted, and PAT is therefore unable to say with certainty if these are for separate patients.

4.1.42 However, in a previous email dated 14th May 2026, the contractor has provided 9 unredacted screen shots for 3 individual patients (3 screenshots per patient) to evidence 3 NMS claims and these match the dates provided on the screenshots sent as part of the appeal.

4.1.43 In the first set of screen shots the dispensed date shows dispensed dates of 27/10/23 and 14/11/23 for 2 separate drugs, presumably for the same patient. However, the NMS engagement date for both these items is 02/12/23 therefore as the patient had been engaged on the same date, both items would be covered in a single NMS claim.

4.1.44 The second set of screen shots show a further 2 drugs both with dispensed dates of 21/11/23, at 2 different times of day, 10:06 and 12:19. Again, both NMS engagement dates are the same - 21/11/23.

4.1.45 The third set of screen shots show further 2 drugs both with dispensed dates of 24/10/23, at 2 different times of day, 16:49 and 13:22. As with the previous examples, both NMS engagement dates are the same - 24/10/23.

4.1.46 For the three claims under appeal, the contractor's own PMR screenshots show that while medicines were dispensed at different times or on different days, the NMS engagement, intervention and follow-up dates are identical, evidencing a single patient interaction. No supporting evidence (anecdotal or otherwise) has been provided by Duncan's chemist to explain why any patient would have attended the pharmacy on multiple occasions for different prescriptions, rather than collecting the medicines at the same time.

4.1.47 Additionally, the contractor has not provided any further information within their appeal as to how the 39 examples of duplicated NMS claims, which they appear willing to accept a recovery of overpayments for, differ from the 3 they are disputing in their appeal.

4.1.48 As shown in the example below, the evidence the contractor has submitted with their appeal does show the prescriptions were dispensed on either different days or at different times of the same day, however, also show the Patient Engagement, Intervention and Follow Up appointments all took place on the same date and therefore both PAT and NHSE consider that this does not align with the requirements set out in the NMS Service Specification. [Screenshot provided]

4.1.49 PAT sought confirmation from NHSE stakeholders, who agreed that the NMS service specification requires that where more than one medicine is included within the same episode of care, this constitutes a single NMS instance and therefore only one claim is permitted. The contractor's argument that different dispensing times or dates justify separate claims is not supported by the specification, which is based on the timing of patient engagement rather than supply events. While no supporting evidence has been provided by Duncan's chemist to justify this approach, PAT's experience is that such scenarios are not observed in practice among other pharmacy contractors.

4.1.50 PAT have advised the contractor on multiple occasions, if the Patient Engagement took place on the same day, regardless of how many medicines are covered and when they were prescribed, they should be counted as a single NMS claim. The service specification states - "*7. If more than one medicine covered by the service is prescribed at the same time, that instance of the service will cover all those medicines*".

4.1.51 The contractor highlighted in their appeal "*the pharmacy changed PMR systems from ProScript to Titan PMR in February 2025. As a result of this system migration, we no longer have access to certain historical records held within the previous PMR system".* However, during the Microsoft Teams meeting between PAT and Duncan's Chemist on 18th February 2026, the contractor mentioned they were due to change system suppliers the following week and so were able to show claim information and take screenshots during the meeting to provide as

evidence. PAT strongly recommended during the meeting that any further evidence / supporting information they may need from their current system be retained before the change took place. The guidance in the NMS Service Specification states "*6.5 Records of service delivery relating to consultations where claims for payment have been made should be retained at the pharmacy premises and be available for PPV purposes for 3 years from the closure of the NMS episode".* The initial letter sent to the contractor on 1st September 2026 also states, *"Pharmacists providing the service must also retain these records, to support ongoing provision of the service to patients, their future care and audit of the service".*

4.1.52 The contractor was given multiple opportunities to provide further evidence and clarification, including submission of additional data and a detailed review meeting, but no evidence was provided to demonstrate compliance with the specification.

4.1.53 The available evidence demonstrates that the disputed claims relate to single NMS episodes that were inappropriately claimed multiple times. In the absence of evidence to verify separate and compliant service delivery, the claims do not meet the requirements of the NMS service specification. The overpayment was therefore correctly identified, and recovery action was lawfully and reasonably applied. It is recommended that NHS Resolution uphold the PSRC decision and refuse the appeal in full.

4.1.54 **Key points for consideration**

4.1.55 We respectfully ask that NHS Resolution considers the following key points when making its determination on the appeal:

4.1.55.1 The contractor has requested that the 3 claims they are disputing be re-considered due to being prescribed / sent to the pharmacy on different days or different times of the same day. The PAT and NHSE do not agree that these claims can be substantiated as the evidence provided indicates the engagement dates for these claims on the same day and therefore do not align with the NMS Service Specification.

4.1.55.2 The remaining 39 claims are not being disputed by the contractor as part of their appeal, and they have stated in the appeal that they are willing to re-pay the associated overpayment. The contractor has not provided any further information within their appeal as to how these 39 examples of duplicated NMS claims differ from the 3 they are disputing in their appeal.

4.1.55.3 It is a contractor's responsibility to retain records and be able to provide them for PPV purposes for services including NMS. Without appropriate evidence the PAT have been unable to verify that the NMS had been carried out in accordance with the service specification. As there was a lack of sufficient evidence provided by the pharmacy, the PAT had no choice but to refer

the case to PSRC, who subsequently decided that an overpayment had been made and should be recovered.

4.1.55.4 PAT demonstrated multiple examples of co-operation by giving the contractor numerous opportunities to provide an explanation or additional evidence to support the NMS considered to be duplicate claims.

4.1.55.5 The PSRC was presented with timelines of correspondence, showing all contact between the Provider Assurance team and the pharmacy.

4.1.55.6 The PSRC fully considered all information that it had before it when making its determination for the overpayment under regulation 94.

4.1.56 Please let me know if you need anything further to help in these deliberations."

4.1.57 [Timeline and service specification provided]

5 OBSERVATIONS

No observations were received by NHS Resolution in response to the representations received on appeal.

6 CONSIDERATION

6.1 Direction 2 of the Payment Disputes Directions directs me to determine a dispute in respect of the recovery of an overpayment from an NHS pharmacist under Regulation 94(1) of the NHS (Pharmaceutical and Local Pharmaceutical Services Regulations) 2013 (the "Regulations") which is in the nature of an appeal against a decision of NHS England that there has been an overpayment.

6.2 Direction 4 of the Payment Disputes Directions requires me to determine the appeal by dismissing it if:

6.2.1 NHS England has advised that an appeal must be brought within 30 days of the date the Appellant was notified of NHS England's decision and the appeal was not brought within that timescale; or

6.2.2 I am of the opinion that notification of the appeal contains no valid grounds of appeal (for example because it amounts to a challenge to the legality or reasonableness of the Payment Disputes Directions, the Regulations or the Drug Tariff).

6.3 I consider that I am not required to dismiss the appeal pursuant to Direction 4 as:

6.3.1 the NHS BSA advised the Appellant of a 30 days' timescale for appeal and the appeal was received within that timescale; and

6.3.2 the grounds of the appeal are valid.

6.4 Direction 6 of the Payment Disputes Directions states that I may determine the appeal without hearing any oral representations but if an appellant asks to make oral representations a hearing must be arranged unless I am satisfied that:

6.4.1 a hearing is unnecessary; or

6.4.2 I must dismiss the appeal by virtue of Direction 4.

6.5 The Appellant has not requested a hearing. On the basis of the information before me I have considered that it is unnecessary to hold an oral hearing.

6.6 I have before me the papers considered by the NHS BSA. I also have before me the responses to NHS Resolution's own statutory consultations.

6.7 I note the NHS BSA's representations on appeal include the following undisputed background points to the New Medicines Service:

"*The New Medicine Service (NMS) forms part of the Advanced Services within the Community Pharmacy Contractual Framework (CPCF). This service provides support to all patients, with the inclusion of carers who have appropriate consent and parents/guardians of younger children, who are taking a newly prescribed medicine to manage a long-term condition (LTC). Therefore, helping them to appropriately improve their medication adherence and self-manage their LTC.*

The NMS helps to promote multidisciplinary working between the pharmacy, the patient's GP practice in addition to any other professionals involved in their care. The service intends to promote the early identification of any issues arising from newly prescribed medicines and therefore supports patients to discuss any issues with their prescriber or pharmacist who may refer them back to their prescriber.

Pharmacies who take part in the scheme, must ensure that they meet minimum requirements set out in the advanced service specification."

6.8 Further, regarding the scheme, the NHS BSA's representations include: "*After being identified for the PPV process, contractors received an initial email requesting that they provide evidence for the NMS claims made between October 2023 and December 2023. Contractors were expected to provide evidence which substantiates all the claims made by the pharmacy during the claim period. If PAT were unable to verify the NMS claims for that period, a further 3 months of supporting evidence would be requested to complete the PPV process. Contractors were advised to ensure they kept a record of all relevant NMS evidence. If evidence is missing or duplicate claims are made, the NHSBSA (NHS Business Services Authority) is unable to provide assurance to NHS England that the service is being conducted correctly and therefore is required to make a recovery of any overpayments which have been made to the contractor.*"

6.9 The NHS BSA has provided a copy of the timeline showing a number of communications between the parties between 1 September 2025 and 18 May 2026. The timeline includes copy emails and reminders that were sent to the Appellant as well as confirmation of the email addresses that were used. There is no dispute between the parties that these were sent electronically and to the premises specific email account as set out in the Regulations. In addition, I note that some emails were also sent to alternative email addresses.

6.10 Given the detailed timeline, I am satisfied that the parties had engaged with each other regarding the matter in dispute although no agreement was reached.

6.11 I note that the decision dated 17 April 2026 states that the NHS BSA was unable to verify 42 of the Appellant's 532 claims for the provision of the New Medicine Service ("NMS") for the period October 2023 to March 2024. The decision goes on to state that an overpayment has occurred and that the amount to be recovered is £1,176.00.

6.12 I note that the NHS BSA has provided a copy of the service specification, version 2.0 which is dated October 2025 and is titled "Community pharmacy advanced service specification: NHS new medicine service" ("the Specification"). I note that there is no dispute between the parties that the Specification applies and that the Appellant signed up to the service as set out in the Specification.

6.13 Point 6 "Data and information management" at pages 11 to 12 of the Specification states:

"6.1 The pharmacy contractor must maintain appropriate clinical records to ensure effective ongoing service delivery in line with ***Annex A: Record keeping requirements****.*

6.2 Pharmacy contractors may opt to use an IT system, some of which automatically collect data via an application programming interface (API) for this service (see ***Annex B: NHSBSA API dataset for monitoring and evaluation****).*

6.3 Pharmacy contractors must adhere to defined standards of record keeping, ensuring that the clinical record is made on the same day that it occurs unless exceptional circumstances apply. If a pharmacy contractor opts to use an IT system and this is unavailable due to exceptional circumstances beyond the control of the pharmacy contractor, then the clinical record must be added to the system as soon as possible after it becomes available again. If the problem persists for a period greater than 3 working days, then the contractor must revert to an alternate means of maintaining the clinical record.

6.4 Where an IT system which integrates with the NHSBSA API is used, the data which is submitted via the API will be used by the NHSBSA for PPV purposes. Some of this data, which has been anonymised, will be shared with NHS England for service evaluation and research purposes.

6.5 Records of service delivery relating to consultations where claims for payment have been made should be retained at the pharmacy premises and

be available for PPV purposes for 3 years from the closure of the NMS episode."

6.14 It is clear therefore that the NHS BSA, for its calculation of payments for the NMS service, relies on data provided by pharmacies.

6.15 Page 12 of the Specification states:

"7.1 Pharmacy contractors providing this service will be eligible to claim for payment as detailed in the Drug Tariff determination.

7.2 Payment will be made on the condition that the pharmacy contractor has provided the service in accordance with the service specification.

7.3 Claims for payment should be submitted by no later than the 5th day of the following month in which the Intervention and/or Follow-up consultation was undertaken."

6.16 Claims made by the Appellant in line with the above, are subject to 'Post Payment Verification Process.' The NHS BSA made the following comments in their representations on appeal outlining the 'triggers' for the process and reasons why the Appellant's pharmacy (amongst others) met that criteria:

"NMS claims for the 2023/24 financial year were analysed for Post Payment Verification (PPV) and 445 contractors were identified for the PPV sample. Contractors were selected for one of the following reasons:

- *Outliers' ones with the largest NMS claims*
- *Claimed for a large number of NMS in one month only*
- *Claimed 100% of their 23/24 NMS claims in the last three months*

There were also several other pharmacies who were not outliers but were selected at random to be included in the sample."

6.17 The NHS BSA states that it initially approached the Appellant on 1 September 2025 with a request to validate the 276 claims it had made between October and December 2023 via the Manage Your Service portal, with a deadline of 15 September 2025 to respond. I note the NHS BSA's confirmation that the Appellant "*…did engage with the PPV process and provided evidence on 2nd September 2025.*"

6.18 A breakdown of the subsequent communications between the parties has been provided by the NHS BSA in the timeline, which has not been disputed by the Appellant. I note that the NHS BSA escalated the matter to the Pharmaceutical Services Regulations Committee (PSRC) on 31 March 2026. I note the NHS BSA's comment that:

"The engagement showed that despite multiple explanations of the reasoning behind the proposed adjustment as to why the NMS claims could not be verified, the contractor insisted that they had claimed correctly for multiple NMS for the same patient on the same date as the medicines were sent over at different times.

Consequently, the PSRC concluded that the NHSBSA had not received sufficient evidence to verify all the claims made."

6.19 The Appellant comments that it is *"…unfortunately unable to provide any further supporting evidence beyond that already submitted, as the pharmacy changed PMR systems from ProScript to Titan PMR in February 2025. As a result of this system migration, we no longer have access to certain historical records held within the previous PMR system."* I note the NHS BSA in response states *"…during the Microsoft Teams meeting between PAT and Duncan's Chemist on 18th February 2026, the contractor mentioned they were due to change system suppliers the following week and so were able to show claim information and take screenshots during the meeting to provide as evidence. PAT strongly recommended during the meeting that any further evidence / supporting information they may need from their current system be retained before the change took place"* and further highlights the specifications which state *"6.5 Records of service delivery relating to consultations where claims for payment have been made should be retained at the pharmacy premises and be available for PPV purposes for 3 years from the closure of the NMS episode"*.

6.20 Whilst the Appellant states that it is willing to co-operate with the recovery process outlined in the decision, I note that it seeks to appeal against the decision with regard to three of the claims identified, stating *"…we have identified three patients included within the claims in question for whom we believe recovery should not apply. We hold supporting evidence in the form of screenshots demonstrating that the relevant services were completed appropriately and are attaching these within a supporting Word document for your review and reconsideration."*

6.21 I will therefore consider only the three claims identified by the Appellant.

6.22 The Appellant has provided records for three patients. The first set of records shows an engagement date of 2 December 2023 with dispensed dates of 27 October 2023 and 14 November 2023 for two separate items. I note that the engagement, intervention and follow up dates are the same for both dispensed items.

6.23 The second set of records shows an engagement date of 21 November 2023 with dispensed dates of 21 November 2023 at different times for two separate items. I note that the engagement, intervention and follow up dates are the same for both dispensed items.

6.24 The third set of records shows an engagement date of 24 October 2023 with dispensed dates of 24 October 2023 at different times for two separate items. I note that the engagement, intervention and follow up dates are the same for both dispensed items.

6.25 In response the NHS BSA states *"…the contractor's own PMR screenshots show that while medicines were dispensed at different times or on different days, the NMS engagement, intervention and follow-up dates are identical, evidencing a single patient interaction. No supporting evidence (anecdotal or otherwise) has been provided by Duncan's chemist to explain why any patient would have attended the pharmacy on multiple occasions for different*

prescriptions, rather than collecting the medicines at the same time" and further *"The contractor's argument that different dispensing times or dates justify separate claims is not supported by the specification, which is based on the timing of patient engagement rather than supply events. While no supporting evidence has been provided by Duncan's chemist to justify this approach, PAT's experience is that such scenarios are not observed in practice among other pharmacy contractors."*

6.26 I note that the Specification states:

"Patient engagement stage

5.12 Following the prescribing and dispensing of a new medicine for the management of an eligible condition, patients can be recruited to the service in several ways, …*

*[*If more than one medicine covered by the service is prescribed at the same time, that instance of the service will cover all those medicines.]"*

6.27 I note that the Appellant has not responded to dispute the NHS BSA's reasoning in this regard or to provide any reasoning for its view that the examples provided should be considered as separate claims despite having the same patient engagement date for each instance. I concur with the NHS BSA's view that the wording of the Specification does not intend that a single instance of patient engagement may be claimed for more than once, regardless of the number of items dispensed.

6.28 In these circumstances, I am of the view that the Appellant does not qualify for payment in line with the Specification for the three patients identified.

6.29 I note that the Appellant has requested a repayment plan over four instalments in order to minimise the impact on the pharmacy. In its representations, the NHS BSA has confirmed that *"…PAT can work with the pharmacy to agree an appropriate re-payment plan to minimise the impact of the potential recovery on day to day operations."* Therefore, I consider it appropriate for the NHS BSA and the Appellant to engage further to discuss any repayment plans.

7 DECISION

7.1 I have had regard to the Payment Disputes Directions which provide me with three options:

7.1.1 dismiss the appeal and confirm the decision of NHS England; or

7.1.2 substitute for the decision any decision that NHS England could have taken when it took the decision; or

7.1.3 quash the decision, with or without remitting the matter to NHS England for it to take the decision again subject to such directions as NHS Resolution considers appropriate.

7.2 I dismiss the appeal and confirm the decision of NHS England to recover the overpayment of £1,176.00.

7.3 I note that neither party has submitted a claim for interest with regard to this dispute so I determine that no interest is payable on the sums to be paid from one party to another.

Head of Appeals
NHS Resolution