

July 2021

PSNC Briefing 020/21: COVID-19 Costs – Background and NHSBSA claim form overview

This briefing builds on [PSNC Briefing 016/21: Funding for COVID-19 related costs – summary and FAQs](#) and covers:

- Insight from PSNC’s cost survey undertaken on behalf of contractors to evidence COVID costs.
- The NHS Business Services Authority’s (NHSBSA) COVID cost claim form.

This is part of a series of guides that PSNC will be issuing to support contractors in making their claims and separate guidance will follow on openings, change of ownership and permanent closures, and claim-related FAQs.

Insight from PSNC’s cost survey on COVID costs

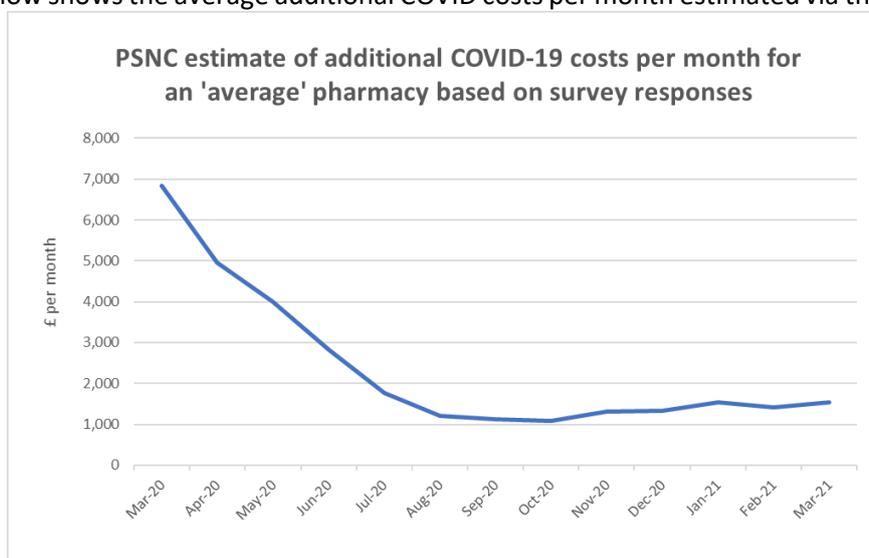
The survey was designed by PSNC at the start of the pandemic, with input from the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement (NHSE&I). The survey captured data on incremental staff and non-staff costs, along with the impact on OTC and local service income streams.

On average PSNC collected data covering over 4,900 pharmacies each month (typically a sample of AIM and CCA members, plus some independents and large distance-selling pharmacies (DSPs)).

The categories of data collected do not fully align with the current claim (e.g. it included costs for personal protective equipment (PPE) and bank holiday staff which have since been reimbursed separately).

Overall, the survey estimated that an average pharmacy would have seen overall additional COVID costs of just under £31k over the 13 month period. This included PPE costs and additional staffing for the bank holiday openings, and the cost of refocusing staff on NHS pharmaceutical activities due to the reduction in retail and locally commissioned services seen by many pharmacies.

The profile shown below shows the average additional COVID costs per month estimated via the PSNC survey process.



NHSBSA'S COVID cost claim form

The NHSBSA's COVID cost claim form was released on 5th July 2021, on the NHSBSA website ([Reimbursement for COVID-19 costs | NHSBSA](#)).

Who needs to make a claim?

Any contractor (with a current ODS code) that incurred additional COVID-19 related costs between 1st March 2020 and 31st March 2021 can make a claim by completing the NHSBSA's COVID cost claim form.

This is part of a two-stage process, with the claim amounts to be paid on 1st October 2021, and then the Advance Payments paid to the same ODS code between 1st April 2020 and 1st July 2020 being recovered from contractors.

The recovery of the Advanced Payments will occur regardless of whether a cost claim is submitted. Contractors are strongly recommended to complete the claim form to help defray the impact of this, and to recoup their genuine COVID related costs.

Claim form

There is only one type of claim form regardless of whether you are a singleton independent or operate more than one pharmacy. We are anticipating companies with more than one pharmacy will choose to submit one form for their company, but they may choose to submit individual ones for each of their pharmacies.

The claim form needs to detail amounts being claimed at individual ODS code level (as the claim will be paid at ODS code level, just as the Advance Payment was paid (and now needs to be recovered) at the same ODS code level).

Main claim data tab ("Covid Claim data Categories 1-3")

This covers the first three types of allowable expenditure, namely:

- Additional staff costs due to COVID;
- Costs for making premises COVID safe; and
- IT and communication costs to support remote working and virtual patient contact due to COVID.

There are five different columns of data required.

The first two detail the **pharmacy ODS code** you are claiming for, and then **which of the three allowed categories is being claimed**. Therefore, there should be three rows of data for each pharmacy (assuming there are incremental Covid-19 costs in each category).

The third column (**amount claimed**) details the value of the additional COVID costs. Please note, as part of the process, NHSBSA will carry out some verification on claims. It is likely you will need to collate your evidence separately before inputting the amount into the claim form – any workings should be retained to help you submit Pre or Post Payment Verification (PPV) should this be required.

Please note you need to exclude the first £300 for adjusting premises within the 'Costs for making premises secure' category, as that was funded directly, and adjust down your staff cost figure to exclude any incremental cost incurred for the three Bank Holiday openings (over Easter 2020 and May Day 2020), as these were also paid for directly (if your pharmacy received those payments).

The fourth column (evidence types) should be used to detail briefly how you have determined the amount to be claimed. Please ensure you have used a reasonable methodology to determine the amount of incremental COVID related cost you have incurred for each category. For example, if you claim an increase in spending run-rate for a category it would be good to specify the baseline period you have benchmarked against. Given DHSC are keen to ensure evidence is grounded in detail, you should be prepared for the possibility that the underlying information

behind any run rate analysis could be requested. It may be that different approaches need to be taken for different types of cost within each category (e.g. one-off capital expenditure for COVID adjustments may be more likely to be related to specific invoices in isolation).

The fifth column needs to be filled in for '**IT and communication costs**', as the Drug Tariff determination states "additional evidence is required to demonstrate that the costs are Covid-19 related, e.g. evidence of spend in previous years, justification that these are additional costs as a result of Covid-19". Please put a brief description to set out how you have determined these are incremental COVID related costs and highlight the major examples of cost. An itemised list of the actual expenditure is not required here, and would not be practical in most circumstances. Please note this fifth column is optional for the '**additional staff costs**' and '**costs for making premises COVID-secure**'. Please add any summary information you feel may be useful.

For obvious reasons, PSNC has not been informed of how NHSBSA will identify contractors for PPV, but it seems reasonable to assume that this will be based on the relative value of individual claims, or if the information provided in columns four and five is not complete or causes concern.

Second claim data tab ("Claim data Category 4(Closures)")

The closures tab ("Claim data Category 4(Closures)") allows contractors to input the dates of closures for which the Drug Tariff Determination provides funding. NHSBSA will calculate the amount payable as part of the claim, with contractors only needing to provide the base information to allow this to occur.

These closures must have been notified to NHSE&I, and have been for the purpose of infection control purposes.

A pharmacy could have been closed for infection control purposes on more than one occasion, and in this instance the closure costs would be paid per period.

As with the first three categories of cost in the main claim tab, the information must be provided at ODS code level in the first column. The second and third columns detail the start and end date of the closure, with the fourth column being the number of closed days.

In the fifth column, please identify which NHS authority you notified about the closure. Although NHSBSA may check these with the relevant NHS authority, it is recommended for your own purposes that you identify how the communication took place and any evidence you have of this (as it could help if you are selected for the PPV process).

Finally, the sixth column requires the reason for closure. There are only two covered reasons for the purposes of the claim, i) all staff had to isolate as a result of infection control or ii) notified closures for infection control purposes of pharmacies in health centres (e.g. the pharmacy had to close due to an infection control closure of a wider health centre). Please state in this column which circumstance you are claiming under.

Declaration

Please read through the 'Declaration' tab, and (assuming you are able to make the declaration) tick the box highlighted on that tab, and input your first name, surname and contact email address.

Submission

Completed claims forms should be emailed to nhsbsa.covidclaims@nhs.net by the submission deadline, which is **11.59pm on 15th August 2021**. Details, plus the NHSBSA support address (which is the same as the submission address), are published by NHSBSA at [Reimbursement for COVID-19 costs | NHSBSA](#).

If you have queries on this PSNC Briefing or you require more information, please contact info@psnc.org.uk.