NHS England

Implementing the 2014/15 GP contract

NHS England changes to Personal Medical Services and Alternative Provider Medical Services contracts.

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NHS England changes to Personal Medical Services and Alternative Provider Medical Services contracts

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Description	This document sets out the approach to the funding changes that NHS England will apply to Personal Medical Services (PMS) and Alternative Provider Medical Services (APMS) contracts, following the changes agreed to the General Medical Services (GMS) contract for 2014/15.
Cross Reference	2014/15 GMS Contract Changes Gateway Reference 00698
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Action Required	Area teams to update local PMS and APMS contracts.
Timing / Deadlines (if applicable)	**From 1 April 2014**
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Document Status

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Introduction

1. NHS England is committed to an equitable and consistent approach to funding the core services expected of all GP practices.

2. Following the changes agreed to the General Medical Services (GMS) contract for 2014/15, this document sets out the approach to the funding changes that NHS England will apply to Personal Medical Services (PMS) and Alternative Provider Medical Services (APMS) contracts.

3. NHS England area teams will update local PMS and APMS contracts as soon as possible, applying the funding changes identified with effect from 1 April 2014.

4. The arrangements set out here are without prejudice to any potential changes to the premium element of PMS or APMS funding as a result of local reviews and renegotiations.

Delivering a common increase to core funding

Increases to GMS global sum

5. The GMS global sum price per weighted patient is increasing for 2014/15 due to the following factors[1]:

    a. The phasing out of the Minimum Practice Income Guarantee (MPIG) and reinvestment of this funding into GMS global sum.

    b. Changes to Enhanced Services (ES) and reinvestment of funding into GMS global sum.

    c. Retirement of 341 points from the Quality and Outcomes Framework (QOF), with the funding from 238 points reinvested into GMS global sum.

    d. Inflationary uplift of 0.28 per cent following the Government's decision to implement the recommendation of the Doctors and Dentists Review Body.

6. The overall impact will be an increase in the GMS global sum price per weighted patient from £66.25 in 2013/14 to £73.56 in 2014/15.

7. A ready reckoner has been developed between NHS England and the BMA General Practitioners Committee which GMS practices can use to estimate the change in their income as a result of the contractual changes.

Increase to PMS and APMS contracts

[1] Subject to Directions amending the GMS Statement of Financial Entitlements.

8. To deliver an equitable and consistent approach to uplifting PMS and APMS contracts NHS England has decided to apply, for those GMS changes that also impact on these arrangements, increases that are equivalent to the value of the increases in the GMS price per weighted patient.

9. In summary, GP practices will receive increases in core funding as set out in the table below.

	GMS	**PMS**	**APMS**
	£/weighted patient	**£/weighted patient**	**£/weighted patient**
MPIG reinvestment	A [£0.55]	**-**	**-**
ES reinvestment	B [£1.35]	b [£1.35]	b [£1.35]
QOF reinvestment	C [£5.15]	c [£5.15]	c [£5.15]
Less: PMS QOF deduction	-	(x) [£2.22[2]]	-
Balance of QOF reinvestment (c-x)	-	d [£2.93]	-
Inflation uplift	E [£0.27]	e [£0.27]	e [£0.27]
Total uplift	A+B+C+E [£7.31[3]]	b+d+e [£4.55]	b+c+e [£6.77]

10. NHS England area teams will apply the tariff(s) identified in the table above to calculate the increases due to individual PMS and APMS practices. To calculate the increase due will require the appropriate tariff(s) to be multiplied by the weighted list size of the practice (or raw list if the local contractual agreement requires). Where the associated ES and QOF funding is already included in PMS and APMS practices' core funding (e.g. PMS baseline funding), then those elements of the uplift should not be applied.

11. MPIG reinvestment (A) is a redistribution of existing GMS funds. The resulting increase in GMS global sum price per weighted patient does not therefore need to be reflected in any increase to PMS baseline funding or equivalent funding to APMS practices.

12. ES reinvestment (B) includes:

[2] PMS QOF deduction value is calculated as PMS QOF deduction of £13,050 divided by the average registered list size from when the QOF was introduced in 2004, of 5,891

[3] Does not sum due to rounding.

a. the GMS weighted patient share of the Improving Patient Online Access Scheme (£24m) and Remote Care Monitoring Scheme (£12m) that cease on 31 March 2014; and,

b. funding being released from the Patient Participation Scheme (£40m) which continues but reduced in value.

This reinvestment supports the additional workload associated with new contractual responsibilities (e.g. patient online access, Friends and Family test). As PMS and APMS practices also provide the relevant enhanced services and will be subject to the same contractual requirements, the increase will also apply (using the tariff identified (b) in the table above).

13. QOF reinvestment (C) arises from the GMS contract agreement retiring 341 points from the QOF and reinvesting 238 points (based on 2012/13 achievement levels) in GMS global sum. All GMS practices will therefore see a rise in the global sum price per weighted patient, reflecting the reinvested funds. The remaining points are reinvested in existing or new enhanced services. The reduction in national QOF funding will therefore impact on PMS and APMS practices participating in the QOF and following the principle of reinvestment in core funding means an equivalent uplift should apply.

14. To calculate an equivalent uplift for PMS practices, account must first be taken of the PMS Points Deduction[4]. As the funding to be reinvested from QOF significantly outweighs the value of PMS Points Deduction, this long standing adjustment can be removed from the QOF from 2014/15 onwards. This will simplify the financial management of QOF for PMS practices and will enable a more direct comparison of QOF expenditure across practices in the future. The national QOF funding to be reinvested in PMS is the balance after the PMS Points Deduction. The increase that area teams will need to apply to PMS practices is therefore the tariff (d) identified in the table above.

15. Where the PMS baseline of a PMS practice has already been adjusted to reflect the PMS Points Deduction i.e. the practice has a zero value for the PMS Points Deduction from QOF achievement, the full value of the QOF reinvestment (figure c in the above table) should be applied. These should be exceptional cases given the data collection exercise highlighted only 152 PMS practices with a zero value for the PMS Points Deduction.

16. For APMS practices participating in the QOF, area teams will need to calculate the increase due on an equivalent basis to the GMS price per

[4] This deduction is approximately 100 QOF points which is equivalent to a deduction of £13,050 for a practice with a patient list size of 5,891. This adjustment is applied because many PMS practices already received this funding in their baselines when the QOF was introduced in 2004 (funding covering Chronic Disease Management, Sustained Quality Allowance and half of monies paid for Cervical Cytology Screening) and therefore avoids double payment

weighted patient. The full value of the QOF reinvestment should be applied (again, figure c in the above table).

17. Inflationary uplift (E) is GMS price increase per weighted patient resulting from the Government's decision to implement the Doctors and Dentists Review Body (DDRB) recommended uplift of 0.28 per cent. NHS England area teams will apply the equivalent uplift to PMS and APMS practices: tariff (e) in the table above.

Out of Hours (OOH) 'opt out' deduction

18. Under the 2014/15 GMS contract agreement, where QOF and enhanced service funds are reinvested in GMS global sum, this will be done without any OOH deduction.

19. NHS England will achieve this by reducing the percentage value of the OOH deduction for opted-out GMS practices from 6 per cent to 5.46 per cent. This reduces the OOH deduction to a level that discounts the reinvestment of this funding.

20. Where no OOH deduction is made in PMS or APMS contracts (i.e. OOH opt out never featured in the contract or was permanently removed) no further action is required. Where there is an agreed deduction, this should be consistent with the revised GMS OOH deduction.

21. The cash value of the GMS OOH deduction per weighted patient for 2014/15 is £4.02. This is determined by applying the OOH deduction to the GMS global sum price per weighted patient (5.46 per cent x £73.56). NHS England area teams will apply the OOH deduction of £4.02 per weighted patient to the weighted list size (unless contractual agreement provides for raw list size) of the PMS or APMS practice to calculate the value of the opt out deduction.

Other funding changes

22. The following funding changes will apply in 2014/15 to the existing enhanced services offered to PMS and APMS practices in line with the GMS agreement:

    a. Patient participation – funding reduced to £0.36 per registered patient for achievement.

    b. Learning disabilities – funding increased to £116 per health check (increase due to reinvestment of 3 points reinvested from QOF).

    c. Influenza and pneumococcal immunisation– a new national price of £7.64 per dose is being introduced through a revised enhanced service specification.

23. The item-of-service fees in the GMS Statement of Financial Entitlements (SFE) for shingles and rotavirus vaccination are increasing from £7.63 to £7.64. Two new item-of-service fees are also being introduced: MMR (aged 16 and over) vaccination and Hepatitis B (newborn babies) vaccination, both at £7.64 per dose. NHS England area teams will replicate the terms set out in the SFE in PMS and APMS contracts providing vaccination and immunisation services.

24. PMS and APMS practices will receive the same funding as GMS practices for the new enhanced services that will be introduced in 2014/15 for avoiding unplanned admissions and for the Meningitis C vaccination programme for university freshers).