

Implementing the 2019/20 GP Contract Changes to Personal Medical Services and Alternative Provider Medical Services contracts

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Implementing the 2019/20 GP contract

Changes to Personal Medical Services and Alternative Provider Medical Services contracts

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Promoting equality and addressing health inequalities are at the heart of NHS England's values. Throughout the development of the policies and processes cited in this document, we have:

- Given due regard to the need to eliminate discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a relevant protected characteristic (as cited under the Equality Act 2010) and those who do not share it;
- Given regard to the need to reduce inequalities between patients in access to, and outcomes from, healthcare services and in securing that services are provided in an integrated way where this might reduce health inequalities.

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1 Introduction

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

Following the changes agreed to the General Medical Services (GMS) contract for 2019/20, 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.

NHS England teams will update local PMS and APMS contracts as soon as possible, applying the funding changes identified with effect from 1 April 2019.

Clinical Commissioning Groups (CCGs) working under delegation agreements will also apply the changes to local PMS and APMS contracts in line with this guidance. For the avoidance of doubt, CCGs must comply with this guidance and implement under the provisions of Part 1 of Schedule 2 (Delegated Functions) of the Delegation Agreement made between NHS England and the CCG.

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.

For completeness, several items of correspondence containing specific pieces of guidance were issued prior to this document being prepared, as below:

- a) 31 January 2019 letter: This announced the publication of Investment and evolution: A five-year framework for GP contract reform to implement The NHS Long Term Plan jointly with the BMA's General Practitioners Committee England.

<https://www.england.nhs.uk/publication/gp-contract-reform-letter-from-ed-waller/>

- b) 19 February 2019 letter: Set out further details, including the 2019/20 values of the Global Sum price per weighted patient and Quality & Outcome Framework point.

<https://www.england.nhs.uk/wp-content/uploads/2019/02/EW-Letter--GMS-Contracts.pdf>

- c) 7th March 2019 letter: Provided more information, including on the payments to cover indemnity inflation, NHS Pension Scheme employer superannuation changes.

<https://www.england.nhs.uk/wp-content/uploads/2019/03/gp-contract-reform-letter-07-03-19.pdf>

- d) 20 March letter: Provided details of changes to allocations resulting from the GP contract settlement.

<https://www.england.nhs.uk/publication/gms-contract-settlement-and-allocation-changes-2019-20-to-2023-24-letter-from-ed-waller/>

2 Delivering a common increase to core funding

2.1 Increases to GMS global sum

2.1.1 Global sum funding and uplift

New investment for 2019/20 totals a net £109m and includes:

- £105m for the new Practice Network Participation financial entitlement, which is payable each year, equating to around £14k per average practice of 8,000 patients;
- the changes to GP indemnity costs for 2019/20 arising as a result of the new Clinical Negligence Scheme for General Practice (CNSGP) which comes into force from 1 April 2019. The scheme is funded through a one-off permanent reduction to core funding as the future costs of NHS practices under the scheme will be funded centrally, not met individually by practices;
- the transfer of £66m of funding from 1 July 2019 from the Extended Hours Access DES to the Network Contract DES, equating to £87m recurrently per annum;
- £30m of additional annual recurrent funding for access and also reflecting the introduction of 111 direct booking;
- £20m additional funding per annum for GDPR Subject Access Requests for the next three years;
- an uplift to allow an increase to the Item of Service (IoS) fee for certain vaccination and immunisations (V&I) from £9.80 to £10.06, in line with consumer price index inflation. These are:
 - childhood seasonal influenza;
 - pertussis; and
 - seasonal influenza and pneumococcal polysaccharide;
- other increased business expenses.

The GMS global sum funding will also increase in 2019/20 as a number of other funding streams are transferred:

- the phasing out of the Minimum Practice Income Guarantee (MPIG) - correction factor - payments began in 2014/15 and will continue through to 2020/21. MPIG payments are being reduced by one seventh of the 2013/14 payment and the aggregate funds reinvested into GMS global sum with no out-of-hours (OOH) deduction applied; and
- the implementation of phasing out of seniority payments¹ began in October 2015 and will continue through to March 2020, with a reduction in payments and simultaneous reinvestment into core funding each year.

The net effect is that:

- Global sum payment per weighted patient increases from £88.96 to £89.88;

¹ NHS Employers: <http://www.nhsemployers.org/your-workforce/primary-care-contacts/general-medical-services/gms-finance/seniority-factor>

- GMS OOH deduction changes from 4.87 percent in 2017/18 to 4.82 percent in 2019/20.

In addition, there has been an increase in the value of a Quality and Outcomes Framework (QOF) point to £187.74, resulting from the updated Contractor Population Index (CPI).

These revised values take effect from 1 April 2019 as detailed in the Statement of Financial Entitlements (SFE).

The first payment of the new Practice Network Participation payment will be made to practices by or on 31 July 2019 – backdated to cover April, May and June. It equates to £1.761 per weighted patient per year – i.e. £0.147 per month – and, following the July payment, will be paid monthly in arrears. For example, the payment relating to July will be made by or on 31 August.

A ready-reckoner will be developed which GMS practices can use as a rough guide to estimate the change in their funding as a result of the contractual changes in 2019/20. It will be available on the [GP contract](#) pages of the NHS England website in early April. The ready-reckoner is **indicative only** and does not constitute financial advice to practices. Nor does it reflect any national modelling for assessing practice-level impacts of contract changes.

2.2 Increase to PMS and APMS contracts

To deliver an equitable and consistent approach to uplifting PMS and APMS contracts commissioners (CCGs under delegation agreement, or NHS England teams where delegation is not yet in place) increases will apply for those GMS changes that also impact on these arrangements that are equivalent to the value of the increases in the GMS price per weighted patient. (Except where local agreements with contractors set out a different approach to secure equitable funding).

In summary, GP practices will see changes in core funding as set out in table 1.

Table 1

	GMS	PMS	APMS
	£/weighted patient	£/weighted patient	£/weighted patient
MPIG reinvestment	A [£0.39]	-	-
Seniority reinvestment	B [£0.44]	c [£0.44]	-
Inflation and other changes - net uplift	C [£0.09]	c [£0.09]	c [£0.09]
Total uplift (D)	A+B+C [£0.92]	b+c [£0.53]	c [£0.09]

Commissioners will need to apply the tariff(s) identified in table 1 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). Typically, this will be the list size at the beginning of the quarter prior to

the commencement of the financial year e.g. 1 January 2019 (unless the contractual agreement specifies otherwise).

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.

Seniority reinvestment (B) is a redistribution of existing GMS and PMS funds. The resulting increase in GMS global sum price per weighted patient does therefore need to be reflected in any increase to PMS baseline funding but must not be reflected in the equivalent funding to APMS practices as no reduction of APMS seniority payments has been applied.

However, any new APMS contracts negotiated must exclude any payments in relation to seniority.

Inflationary and other changes – net uplift (C) is the GMS price increase per weighted patient resulting from the uplift on pay, along with an appropriate uplift to expenses – plus funding changes associated with indemnity and increases associated with extended hours access and GDPR Subject Access Requests. That leads to a GMS contract uplift of 1 per cent. Commissioners will apply the corresponding appropriate uplift to PMS and APMS practices as shown in the total uplift row (D) in table 1 above.

Seniority reinvestment

As identified earlier – and as in recent years – there will be an increase from April 2019 to reinvest seniority payments into core funding.

As many PMS arrangements have separately identified levels of funding equivalent to GMS seniority payments, commissioners will apply an increase based on the PMS weighted patient share. Where PMS practices have separately identified levels of funding for seniority payments these will also need to be reduced in accordance with the reductions applied to the GMS seniority scale from 1 April 2019.

2.3 Out of Hours (OOH) ‘opt out’ deduction

Under the five-year framework for GP contract reform, where MPIG and seniority funds are reinvested in GMS global sum, this will be done without any OOH deduction.

NHS England will achieve this by reducing the percentage value of the OOH deduction for opted-out GMS practices to a level that discounts the reinvestment of funding.

As the recycling of MPIG with no OOH deduction is a redistribution of existing GMS funds, the resulting decrease in the OOH deduction does not need to be reflected in the equivalent OOH deduction made to PMS or APMS practices.

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.

The cash value of the PMS OOH deduction per weighted patient for 2019/20 is therefore also £4.33. The PMS percentage reduction is determined by applying the GMS OOH cash deduction to the PMS price per weighted patient (which is

GMS global sum price per weighted patient less cumulative MPIG reinvestment = £89.88 minus £2.88, giving £87.00). So, £4.33 gives a reduction of 4.98% from £87.00.

Commissioners will apply the OOH deduction of £4.33 per weighted patient to the weighted list size (unless the contractual agreement provides for raw list size) of the PMS or APMS practice to calculate the value of the OOH opt out deduction.

2.4 Other funding changes

The funding/payment changes below also apply in 2019/20 following changes to the GMS SFE and commissioners will need to replicate the terms set out in the SFE in PMS and APMS contracts as appropriate:

- a. **Quality and Outcomes Framework** – as set out above, the pound per point value increases from £179.26 to £187.74 as a result of the Contractor Population Index (CPI) adjustment; and
- b. Selected V&I uplift – the item of service fee has been increased from £9.80 to £10.06 for the following three programmes:
 - childhood seasonal influenza
 - pertussis
 - seasonal influenza and pneumococcal polysaccharide

Commissioners should refer to the main implementation guidance for details on changes to enhanced services and other services in 2019/20 and will be available on the [GP contract](#) pages of the NHS England website by the end of March.

2.5 The Network Contract DES

By 2023/24, £1.799 billion would flow nationally through the Network Contract DES - or £1.47 million per typical network covering 50,000 people. The Network Contract DES specification provides full details and will begin on 1 April 2019, go live from 1 July 2019 and run until at least March 2024. The table below sets out the payments that will relate to this DES for 2019/20. These payments will only fall due following sign-up to the DES.

Payment Details	Amount	Contract types	Allocations	Payment made to	Payment timings
1. Core PCN funding	£1.50 per registered patient* per year (equating to £0.125 per patient per month)	GMS, PMS and APMS	CCG core allocations	Network's nominated account	<ul style="list-style-type: none"> • Monthly in arrears** from July 2019 • The first payment (to be made on or by end July 2019) will cover the period 1 April to 31 July. • Subsequent payments will be made monthly in arrears** so the August 2019 payment to be made on or by the end of August 2019.
2. Clinical Director contribution (population-based payments)	£0.514 per registered patient* to cover July 2019 to March 2020 (equating to £0.057 per patient per month)	GMS, PMS and APMS	Primary Care Medical allocations	Network's nominated account	<ul style="list-style-type: none"> • Monthly in arrears** from July 2019. • First payment to be paid on or by end July 2019 and thereafter on or by the last day of each month.
3. Staff reimbursements <ul style="list-style-type: none"> • Clinical pharmacist • Social prescribing link worker 	Actual costs to the maximum amounts per the Five-Year Framework Agreement, paid from July 2019 following employment.	GMS, PMS and APMS	Primary Care Medical allocations	Network's nominated account	<ul style="list-style-type: none"> • Monthly in arrears the following month** • Payment claimable following start of employment. • Reimbursement payable on or by the last day of the <u>following</u> month (for example, July 2019 payment to be made on or by end August 2019)
4. Extended hours access	£1.099 per registered patient* to cover period July 2019 to March 2020 (i.e. equating to £0.122 per patient per month).	GMS, PMS and APMS	Primary Care Medical allocations	Network's nominated account	<ul style="list-style-type: none"> • Monthly in arrears**. • First payment made for July to be made on or by end of July 2019. • Subsequent payments made on or by the end of the relevant months. For example, the August 2019 payment to be made on or by end August 2019.

*based on patient numbers at 1st January immediately preceding the financial year. For example, the 1st January 2019 patient figures are used for the 2019/20 financial year.

**as per local payment arrangements (to account for where CCGs/Regions do not have a payment run on the last day of the month)

Note

All costs – for practices including the Network Contract DES (apart from the £1.50 per head Core PCN funding) will be payable from CCG Primary Care Medical allocations². The £1.50 per head is from CCG core allocations³. This payment is a recurrent extension of the existing support scheme for 2017/18 and 2018/19 and was set out in the December 2018 NHS planning guidance.

² These were revised on 20th March 2019, available at the following link, along with a letter providing commentary: <https://www.england.nhs.uk/publication/gms-contract-settlement-and-allocation-changes-2019-20-to-2023-24-letter-from-ed-waller/>

³ Details available at the following link: <https://www.england.nhs.uk/publication/ccg-allocations-2019-20-to-2023-24-core-services/>