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| **Chief Executive’s****Report** | 2014/02Mar/April 2014  | Logo |

**GP Contractual Issues**

**i. MPIG Transition:** a seven year transitional process during which the approximately two-thirds of nGMS practices that continue to receive MPIG will see this phased out was part of the 2013/14 Imposed Contract. Practices will lose 1/7, in absolute terms of their MPIG, each year.

NHS England has identified 98 so-called outlier practices, approximately 40% of whom are in London, which are forecast to lose over £3/head per year during this transition. Area Teams have been asked to contact these practices and liaise with local LMCs to discuss mitigatory arrangements, although in the context of a national contract it is difficult to envisage what these may be. There are, of course, also practices which will lose significant sums but are below the “outlier” threshold and NHS England has not indicated the spread of the effect or why the cut-off price was chosen.

Both Londonwide LMCs and ourselves have met with the London Area Team about this issue. NHS London has produced an internal spreadsheet indicating losses (from MPIG transition) and compensatory gains (from QOF point transition to Global Sum, seniority and ceasing DESs) which although using some uncertain predictors (e.g. list size inflation) does indicate the majority of practices Global Sum will increase despite the loss of MPIG.

All GMS practices should have received a letter from Neil Roberts about this issue identifying practices’ likely financial changes as a result of this transition. Practices should also have received a link to the BMA’s ready reckoner which is designed to give practices indicative figures for this period, although this does not take into account unpredictable elements such as list size inflation and possible future DDRB Awards and the as yet unknown funding for the ‘Unplanned Admissions’ DES.

**ii. PMS Review:** It is likely NHS England will request Area Teams to undertake PMS Reviews and this will probably commence with PMS Practices which have not had a Review nor hold generic contracts. In South London this means Kingston and Richmond, where there are approximately 14 PMS Contractors.

**iii. 2014/15 Contract Uplift** NHS England has confirmed that PMS Contractors will be treated in the same as GMS Contractors in terms of the movement of QOF points, ceasing DESs, and, ultimately, Seniority, into Global Sum/PMS Baselines. Discussions about rebasing the PMS QOF deduction are continuing.

**iv. GPSoC:**  a new GPSoC Agreement is being negotiated; the indications are that a wider range of ‘kit’ will be considered core and therefore funded by NHS England.

**iv. Over 75 yr old patients named GP:** I have written to all practices outlining the GPCs advice in terms of implementing this amendment to the Contract.

Unfortunately GPC has indicated other contractual guidance is unlikely to be forthcoming from NHS England until the last week in March.

**DDRB Report 2014**

The DDRB has now reported for 2014; unfortunately their recommendations, designed to achieve a 1% increase in overall NHS GP Contract remuneration, have resulted in a 0.28% increase which has been accepted by the Government.

This is the result of the uplift formula below:

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| **UPLIFT FORMULA FOR GENERAL MEDICAL PRACTITIONERS 2014 – 15** |
| **Formula****element** | **Weight****(A)** | **Pay and price data and source****(B)** | **Contribution to uplift (A\*B)** |
| Income | 43.0% | 1%DRB recommendation | 0.43% |
| Staff costs | 41.2% | -1.4%ASHE 2013 (general medical practice activities) | -0.58% |
| Other costs | 15.8% | 2.7%RPIX for Q4 2014 | 0.43% |
| **0.28%** |

Salaried GPs (under the Model BMA Contract) will receive a 1% increase, and the trainers grant – after many years’ prevarication in discussions – is to rise by 1%.

The DH has also announced that the DDRB will not be asked to make recommendations on a pay award for employed doctors (or dentists) for 2015/16, but will report for independent contractor GPs.

**QOF Extraction Arrangements**

The HSCIC has written to all practices setting out details of the GPES data-extraction process for the 2013/14 QOF, and I have noted this to all practices.

<http://www.hscic.gov.uk/media/13647/GPES-QOF-13-14-Letter-to-Practice-Managers/pdf/GPES_QOF_13-14_Letter_to_Practice_Managers_Feb_2014.pdf>

The HSCIC has admitted drawing up contingency plans to pay GPs should the GPES or CQRS systems not work appropriately, although it is not clear how extensive or significant the ‘technical issues’ noted in the HSCIC’s February Board Meeting are.

**Care.data (Update)**

Since the deferment of the programme was announced I have written to practices advising that any opt-out requests received should continue to be coded, in the patients’ notes, but no other action e.g. distributing leaflets to newly registered patients, should be taken as it is likely the programme will have a ‘new start’ in the Autumn and this may involve amended publicity and a different mailing to households.

**Appraisers Contract**

There have been some significant concerns about the new, generic, Appraisers Contract, imposed by NHS England. Obviously the Area Team does not have the discretion to vary this contract or offer a different one, and so most of the concerns have been referred back to a national setting and further information is awaited. The problem of locum Appraisers being unable to NHS superannuate their Appraiser income has been resolved, positively, from April 2014, and it is unlikely indemnity rates will rise for GPs who become Appraisers as the Indemnity Organisations see the role as low risk, although GPs should note to their IOs they are undertaking this work.

**Drug Tariff News**

The Government has announced the Category M tariff prices which will apply from April 2014. This is available at: <http://www.nhsbsa.nhs.uk/4459.aspx>

Approximately 88% products will fall in reimbursement price, producing an average cost pressure of £7,300 for dispensing practices according to the Dispensing Doctors Association.

Dr Julius Parker

Chief Executive