



August



September



NEW CONTRACT NEWS UPDATE

Next Steps for the LMCs.

Liaison with PCOs

- ♣ Agree arrangements that will be put in place to fund all 'non-core' work undertaken by GPs since 1st April 2004.
- ♣ Agree whether payment will be on the basis of a basket of services or actual activity.
- ♣ Where 'non-core' work is to be commissioned outside general practice, agree the support to be given to practices, and action to be taken by PCOs, in informing patients of the change in arrangements.
- ♣ By the end of September 2004, agree Enhanced Services Expenditure Floors with PCOs or alternatively formally indicate that a dispute exists.
- ♣ Agree the timetable for 2005/06 Enhanced Services negotiations.

Liaison with Practices

- ♣ Continue to provide regular Contract updates to practices and to work closely with practices on issues arising from the Enhanced Services agenda.
- ♣ Arrange meetings of GPs as and when necessary. Build on the lead taken by Colchester GPs in identifying areas of concern for general practice.
- ♣ Ascertain from the remaining practices whether they wish the LMCs to negotiate on their behalf. The LMCs have mandates from the majority of practices in nine of the thirteen PCOs.
- ♣ Support practices, either individually or collectively in discussions with PCOs about resource allocation and/or decisions made to cease providing services.
- ♣ Agree a process with practices for dealing with any adverse publicity arising from the new commissioning arrangements.

NORTH AND SOUTH ESSEX LMCS

Volume 1, Issue 10 & 11

August & September 2004

Special points of interest:

- ☉ Quality
- ☉ Global Sum—PGEA
- ☉ Funding Arrangements
- ☉ IM&T
- ☉ Premises
- ☉ Enhanced Services

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IMPORTANT - PLEASE CIRCULATE TO ALL DRs IN THE PRACTICE

Enhanced Services

LMC List of Local Enhanced Services

- * Specialised Care of Residential Home Patients
- * Specialised Care of Nursing Home Patients
- * Specialised Care of Patients with Learning Difficulties
- * Therapeutics e.g. Zoladex, Ritalin, Managing Anti-psychotics (decision making process re shared care - agreed via Pan Essex Agreement)
- * Vasectomy
- * Advanced surgical work – outside NES
- * Removal of Skin lesions (normally referred to hospital)
- * BCC and skin grafting
- * Emergency suturing and trauma care
- * Sigmoidoscopy Service
- * Release of carpal tunnel syndrome
- * Removal of Sutures
- * Planned care of secondary care wounds*
- * Complex leg ulcer management*
- * Pre-op Assessments*
- * Investigations at hospital request*
- * Certificates for patients under hospital care*
- * Non urgent patient transport*
- * Phlebotomy Service*
- * Insulin Initiation
- * Audiology Screening
- * Neo Natal Check
- * Travel Health Clinic
- * 24 hours BP Monitoring
- * Cardiac Event Monitoring



** Details in Pan Essex Agreement
August 2004*

Enhanced Services Expenditure Floors 2004/5

PCTs are not allowed to spend less than the 'Floor'. PCTs are required to seek to obtain LMC agreement that the proposed services count for financial monitoring purposes. If plans cannot be 'signed off' a dispute exists which needs to be formally recorded. A Summary of the position in Essex is detailed below.

Enhanced Services Spending by PCOs in Essex					
PCO	Enhanced Services Floor 2004/5 (£000s)	Achieving Floor?	Signed off as appropriate by LMC?	Expected to be signed off by LMC?	PCT/LMC Discussions to Address concerns ongoing
TENDRING	1,726	✓	X	?	✓
COLCHESTER	1,805	✓	✓		
WITHAM, BRAINTREE & HALSTEAD	1,459	✓	X	✓	✓
MALDON & SOUTH CHELMSFORD	841	✓	X	?	✓
CHELMSFORD	1,360	REVISED PLAN AWAITED FOLLOWING CHANGE IN MANAGEMENT			✓
UTTLESFORD	733	✓	X	✓	✓
EPPING FOREST	1,280	✓	✓		
HARLOW	1,033	X	X	?	✓
BILLERICAY, BRENTWOOD & WICKFORD	1,531	✓	X	✓	✓
BASILDON	1,464	✓	X	?	✓
THURROCK	1,617	✓	X	?	✓
CASTLE POINT & ROCHFORD	1,769	✓	X	✓	✓
SOUTHEND	2,086	✓	X	?	✓
✓ = YES X = No ? = REMAINS UNCLEAR					
Adapted from Nottingham LMCs					

Funding Arrangements – Interim dynamising factor for 2003/04

The dynamising factor

The dynamising factor is the method used to uprate GPs' pensionable earnings on an annual basis. Due to the introduction of the new GP contract, a new methodology for the dynamising factor is required for GMS and PMS GPs. Under the old contract, the annual uprating of GP pensionable earnings related to the Intended Net Average Income (IANI) figure. Under the new contract, the uprating will relate to an averaging of all GPs' actual profits.

A full GPC "focus on..." guidance note regarding the new dynamising factor methodology is currently being prepared.

Why an interim figure?

Given that GPs' actual profits cannot be known in advance for the year to which they apply, an interim figure for the dynamising factor is required to uprate pensionable earnings in the meantime. This provides doctors who are retiring with a more accurate level of pensionable earnings and prevents them having to wait for a long period before benefiting from the growth in their pensionable earnings. When the profits' data are available, a final figure will be calculated and this final figure will be the one that will apply for 2003-04. Any adjustment to pensionable earnings

resulting from a difference between the interim and actual figures will then be made.

This announcement by the NHS Pensions Agency in its Technical Newsletter number 13 concerns the interim figure for the first year of the new GP contract, 2003-04.

The interim figure for 2003-04

The interim figure for 2003-04 is 7.2 per cent.

The estimated final figure for 2003-04 is calculated to be around 8.8 per cent.

Given the considerable increase in resources as a result of the new contract for 2003 to 2006, similar, if not greater, increases are expected in each of the next two years.

Due to the need to estimate profits, there is the very slight possibility that the final figure for 2003-04 will be lower than the interim of 7.2 per cent. In this case, the Pensions Agency will be required to recover the overpayment.

However, the 7.2 per cent figure was agreed between the GPC, the NHS Confederation and the Department of Health according to the statistical analysis provided by the Technical Steering Committee, which determined there was 90 per

cent confidence that the final figure would be higher than 7.2 per cent. If, as expected, this will be the case, the Pensions Agency will make good the deficit, backdated to the date of retirement.



Impact for GPs

For GPs who retired during 2003-04, the interim figure will apply until the final figure is known. This is estimated to be available in early 2005.

For all other GPs who did not retire in 2003-04, the interim figure announced on 16 August 2004 will not be directly applicable. The final figure, once calculated when the data are known, will apply to the period 1 April 2003 to 31 March 2004 and will be used to uprate all other GPs' pensions in the normal way.

For GPs who retired during 2003-04, the interim figure will apply until the final figure is known. This is estimated to be available in early 2005.

Minimum Practice Income Guarantee (MPIG)

No news since April update



PCO Administered Funds

No news since January update



Quality – QOF Annual review Process

All PCTs should by now have agreed with contractors:-

- * A schedule of QOF review visits
- * A statement of how the visit and review process will be conducted and, where possible, who the assessment team will be.

Purpose of the Visit:

The annual QOF review has three purposes:

- To review the contractor's current achievement and to provide the PCT with an assessment of likely achievement by 31 March;
- To confirm that data collection and quality (and hence any payments made on the basis of this data) are accurate;
- To discuss the contractor's aspiration for the following year.
- iv.

Bullying Prohibited!

The QOF is a means of recognizing and rewarding good practices. The QMAS Bulletin States "PCTs should note that the core philosophy underpinning the QOF is that incentives are the best method of resourcing work, driving up standards and recognizing achievement. **The QOF is not about performance management.**"

The DoH guidance is clear. "Concerns about contractor performance ought to be dealt with separately through the PCT's normal procedures.

The Visiting Team

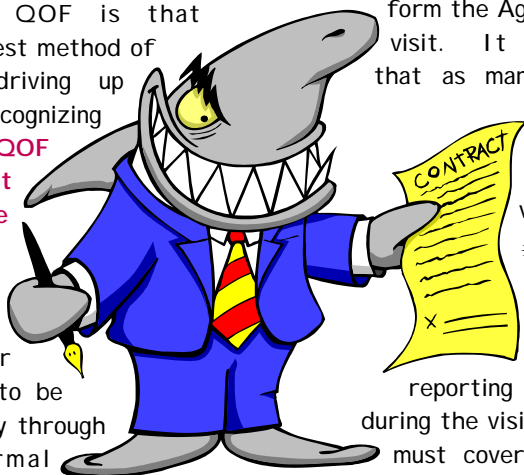
- * The visiting team will normally consist of a PCT management

representative, a clinician and a patient representative.

- * The clinician will normally be a GP. It would only be appropriate to involve another experienced or qualified healthcare professional 'if agreed by the Contractor and the PCT'
- * PCTs may add assessors to the team to address specific QOF issues. **This will normally be agreed with the Contractor.**

The Visit

- * Pre visit preparation is crucial. PCTs are therefore advised to give contractors at least two months notice of the date of the visit.
- * One month before the visit, contractors should submit their pre-visit information (most up to date achieved report form QMAS plus additional document for the non clinical domains) to the PCT.
- * The PCT will analyse the information and clarify a number of key issues that will form the Agenda for the visit. It is envisaged that as many issues as possible will be resolved before the visit.
- * There will be some form of exception reporting verification during the visit. Each visit must cover all domains for which the practice is submitting an achievement claim. Not all indicators will be assessed in equal detail. **The approach should be light touch.**
- * The QOF Annual Review Visit



can be combined with the Annual Contract Review **if the Contractor wishes.**

Following the Visit

- * The PCT will draw up a Report of the visit detailing main findings, conclusions and subsequent actions including the visiting team's assessment of likely achievement.
- * The draft report will normally be sent to the Contractor within two weeks of the visit for comment, and finalised within four weeks.

Dispute Resolution

PCTs are expected to agree a process for dealing with 'tensions and disagreements, with contractors'. Every attempt should be made to seek local resolution.

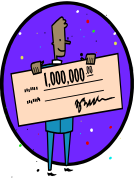
Role of the LMC

It is possible for an LMC representative to attend the visit at the request of either the Contractor or the PCT. Any practice who wishes to have an LMC presence at the visit should contact the LMC office.

"The QoF is not about performance management"

Further Information

- * The guidance can be found on the LMC website www.essexlmc.org.uk.
- * A summary of Contractors' Statutory Obligations in relation to QOF and other visits is available from the LMC office (kindly produced by Londonwide LMCs)



The Quality and Outcomes Framework guidance has now been revised to include minor amendments and clarifications and to amend the Read codes. The revised guidance replaces the original version published in "Investing in General Practice – Supporting Documentation" (the blue book).

The main change is that the revised guidance does not include preferred Read codes. The Read codes have been replaced by the "Logical Query

Indicator Specification" and the "Dataset and Business Rules". This was done in order to minimise confusion, to prevent the misconception that there are "preferred" codes and to recognize the importance of capturing clinical interaction properly. These Read codes are an NHS standard and must be used to enable QOF reporting. These codes will have been added to your system by your supplier.

Other minor amendments and further clarification have also been provided for a number of the

indicators.

It is not intended that any substantial changes will be made before April 2006, other than in exceptional circumstances e.g. where there is a sudden change in the law that would render a particular indicator inappropriate. These changes will be discussed by the QOF expert review group, which is currently being established.

A full copy of the revised guidance and a summary of the changes can be found on the LMC website at www.essexlmc.org.uk.

Premises



2004/05 AND 2005/06 PRIMARY CARE PREMISES FUNDING

The Department of Health wrote to PCT's at the end of July confirming allocations of an additional £108m for primary care premises over the next two years. Under the new GMS contract funding arrangements premises costs are made up of:

- * Existing spend – covering a guaranteed baseline of expenditure
- * Agreed new premises developments under construction and others contractually agreed between the practice and the provider of the building works by 30th September 2003.
- * New premises growth (including NHS LIFT).

The additional £108m is funding over and above the allocation made to PCT's in February 2004 and comprises an additional £42m in

2004/05 and £66m in 2005/06. This is available on the basis that it is spent on third party capital. As such this revenue is earmarked specifically for use as Private Sector Capital Grants, which may be used in a number of ways, including:

- * Improvement grants for surgeries
- * Extensions to the MADEL project
- * Refurbishment of GP premises owned by PCT's
- * Buying up old GP leases or buying land to enable future developments
- * GP development/improvement schemes that would otherwise have been delayed until next year.

The additional revenue allocated to Essex for 2004/05 is £1,127,000 and for 2005/06 is £2,010,000.

PCT's are not expected to fund the full year costs of the pre-30th September 2003 commitments from these growth allocations. These will be funded separately as part of

their 2005/06 Primary Medical Service allocations.

PCT's are strongly advised to ensure that discussions take place with LMC's with the aims of identifying and securing visible improvements in general practice premises using any available uncommitted funds.

Practices are reminded that Colchester PCT is the lead PCT for Essex and Dr Terry McCarthy, a South Essex LMC member, is the Committee's representative on the all Essex Premises group. If you have any particular issue about future premises funding that Dr McCarthy needs to be aware of then please contact the LMC office with the relevant details.

PCT's are not expected to fund the full year costs of the pre-30th September 2003 commitments from these growth allocations.

Information Management and Technology



"For that problem, sir, you need to contact the wizard of DOS."

The GPC has become aware that some practices are entering schemes whereby they use their own funds to initially invest in I.T. equipment for their own practice, which the PCO would then support and replace. This undermines the GMS contract which provides for 100% funding managed by PCOs, backdated to 1st April 2003 of 'the purchase, maintenance, future upgrades, running costs of integrated

systems as well as telecommunications links to branch surgeries and other NHS infrastructure and services' (paragraph 4.29 refers)

It is unacceptable for practices to invest in equipment that the PCO should be funding and such schemes should be resisted. The GPC wishes to ensure that PCOs provide the same level of hardware, software, support, maintenance and training to all

practices. Therefore there is a concern that this scheme would increase inequity amongst practices. Even though PCOs may be under significant cost pressure, the proper funding of GP IM&T must remain a priority, and practices should not be penalized because of their PCO's financial situation.

Dispensing

No news since November update



Out of Hours



No news since March update

PMS

The BMA has a number of concerns with regard to PMS Model Agreements.

Essentially each document says that the payment provisions (apart from the regulatory requirements which appear to be satisfied) are set out in a schedule at the end of the Agreement.

In order to protect practices, any Model Agreement should use the baseline contract price for 2003/04, apply a number of set variations in order to arrive at the baseline price for 2004/05 and take full account of the Department of Health instructions relating to superannuation contributions and the maintenance of existing growth money/local incentive payments.

Unfortunately these provisions are not contained in a number of Model Agreements and this:-

- a) leaves it wide open to PCTs to attempt to negotiate any revised

financial arrangements they wish for the year 2004/05 and subsequently,

- b) loses the practice's right to carry across into the revised Contract all the existing payments that are in its 2003/04 baseline,
- c) takes no account of the protection available to Contractors under e.g. the provisions of the Department of Health's Allocation Working Paper, PCT 26 dealing with the uplift to the baseline,
- d) Fails totally to deal with the necessary revisions for contractors' superannuation.

Silverthorne Agreement

Castle Point & Rochford and Southend PCTs are proposing to use the Silverthorne Model Agreement. The BMA/LMC have a number of concerns about this Agreement in its present form. It is pleasing to be able to confirm that following discussions with officers of Castle Point & Rochford

PCT all these concerns have been addressed and the Agreement amended accordingly. The LMC is therefore now able to support the use of this Agreement. At the time of writing (16th September 2004) the necessary reassurances have not been received from **Southend PCT**. Practices are therefore advised to exercise caution before signing the Agreement in its present form

Out of Hours - Opt Out Price for PMS

The final tariff for 2004/5 has been confirmed as £3.31 per patient (equivalent to £6,085 per average GP list of 1838 patients) The tariff will be revised with effect from 1st April 2005 (and annually thereafter) to maintain parity with the GMS tariff.



General Help and Support for Practices

	Milestone	Activities
34	Monthly from end of Sept 2004 (and more often if contractor wishes)	Data from contractors' clinical systems will have been automatically uploaded to QMAS every month. Contractors use the web interface to add yes/no data for the organisational, patient experience and additional services indicators to QMAS.
35	Between 1st October 2004 and 31st January 2005	PCTs will have completed all QOF annual review visits. PCTs will have written up the visits and ensured consistency across their areas. In cases of (i) data accuracy concerns and (ii) missing data, the PCT and contractor agree a remedial plan. Normally within a month of the visit, contractors have confirmed that remedial actions have taken place. Normally within two weeks of such confirmation, the PCT has confirmed they are content with the action.

Global Sum - PGEA



The 'Focus on' guidance note states that:

"Final PGEA payments due in respect of the year ending 31 March 2004, reflecting educational activity undertaken in the five years preceding that date, will be paid after 1 April. The exact timing of payments may vary depending on local agreements. However, we do know that in some areas, final payments for that quarter have been made. These payments will be based on the record of accredited postgraduate training that the practice's GPs have to their credit as set out in the former SFA (Red Book). GPs who wish to claim for PGEA until 31 March 2004 will need to submit their application as soon as possible".

In summary this means:

From 1 April 2004, PGEA for all practices (regardless of when final payments were made or due) will be incorporated into the Global Sum

Payment should be made to GPs for any outstanding PGEA payments for the five years leading to 31 March 2004.

Outstanding PGEA payments, particularly those for the first quarter of 2004 (January - March) should have been paid on or after 1 April.

Many GPs will already have been paid their outstanding PGEA payments for the five years leading to 31 March 2004. However, some GPs may not have yet been paid. This is because payment dates differ from area to area, depending on when the PCT first began making PGEA payments.

If a GP's payments are up-to-date then nothing further will be owed to them under the 'old' GMS contract (Red Book) and no further claims should therefore be made.

GPs who have been paid in full their PGEA for the five years ended 31 March 2004 have no further claim for PGEA payments, whether or not they undertook additional PGEA activity during 2003-04.

If, on looking back through records, any GP feels that he or she is owed outstanding PGEA payments and these have not been paid, this should be brought to the attention of the PCT. The *Focus on* guidance gives information on how to appeal any disputed payments.

GPC September 2004



All practices should have received a copy of the LMC booklet titled 'Local Enhanced Services. A Guide for Practices'. Further copies are available from the LMC office or alternatively a Pdf version can be downloaded from the L M C website www.essexlmc.org.uk



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NEXT ISSUE NOVEMBER 2004!

Promoting the interests, aspirations and welfare of general practitioners in North and South Essex