

**GMS Funding Changes – an updated position**

1 This note provides an update on the position of NHS England (London Region) on the support available to practices facing a significant impact from changes to GMS funding arrangements (defined nationally as a reduction greater than £3 per weighted patient population in 2014/15). These funding changes arise largely from the Government’s decision in 2013 to withdraw the Minimum Practice Income Guarantee (MPIG) over seven years and to recycle MPIG resources into GMS global sum payments, and from last year’s agreement with the BMA General Practitioners Committee to reduce the size of the Quality and Outcomes Framework (QOF) and move the associated resources into GMS global sum.

2 The changes to MPIG are part of a national policy to bring all practices into an equitable financial position, which will support GPs in providing the same high level of service for patients wherever they live. At present, practices serving similar populations may be paid very different amounts of money per registered patient. The changes to QOF were designed to reduce administrative burdens on GPs and give GPs greater flexibility to decide how best to provide high-quality care for people with long term conditions.

3 NHS England offered to meet with each of London’s most affected practices to discuss their unique financial challenges and how they can be supported on a case by case basis. There has not been significant take up of this.

**Offer of financial support for 2014/15 & 2015/16**

4 There are some circumstances where the Carr-Hill formula may not sufficiently reflect the relative workload of London’s GPs because of demographics, deprivation etc. amongst a local practice population.

5 Pending the outcome of the review of the national funding formula, London Region, in discussion with NHS England’s national primary care team, has decided to offer non recurrent financial help for those practices losing more than £3 per weighted patient population from these GMS funding changes in 2014/15 and in 2015/16 and where Carr Hill may not provide sufficient sensitivity to the local position. There must be evidenced extenuating circumstances within the practice population related to workload and patient demographics that impact practice business and patient services, and the threshold of where Carr Hill does not provide sufficient sensitivity is defined as an Indices of Multiple Deprivation (IMD) score of 35 or higher (the upper quintile) for the practice. Among other factors, this measure is designed to take account of health inequalities.

6 In making this decision to offer support, London has to be mindful of its current recurring primary care financial allocation which does not include funding to make this offer. Therefore, the support is to be offered for 2014/15 and 2015/16 on a non-recurrent basis. The level of support would be the total annual loss arising from GMS global sum changes for 2014/15 and 2015/16 (and no greater than this), subject to confirmation that pensionable income does not increase beyond £106,100 during this period.

7 NHS England has established some criteria (all need to be met) and these are set out below:

Criteria	Rationale
There must be a reduction in GMS global	There must be a negative financial impact on

sum funding greater than £3 per weighted patient in 2014/15 and 2015/16	the practice
No doctor in the practice should have declared pensionable earnings in excess of £106,100 p.a. (Source: DDRB 2014 England Average 2011-12) (pro rata'd for part time GPs)	Support not designed to increase pensionable income of GPs
Practice expenses must be evidenced to be greater than 63%	National average ratio of expenses: profit is 63:37
No contract breaches for any reason issued since 1 April 2013	Marker of poorer quality practice
That a significant proportion of contract holders (significant defined as =>50%) do not have "live" cases with NHS England performer machinery or GMC, including the Interim Orders Panel. Suspensions which are a neutral act, will be disregarded and will not prejudice a practice's position under these criteria	Marker of poorer quality practice
Fewer than five outliers on the GPHLIs on current system	Potential marker of poorer quality practice
There must be evidenced extenuating circumstances within the practice population related to <ul style="list-style-type: none"> <li>1. Workload</li> <li>2. Patient demographics</li> </ul> ...that impact practice business and patient services <p>For the purposes of this exercise, this will be defined as there being an IMD score of 35 or higher for the practice population</p>	<p>Must be evidence that local demographics dictate workload that are not adequately reflected in Carr Hill</p> <p>IMD is a marker of deprivation with a consequential impact on a practice workload.</p>

8 This support would need to be set up via a formal agreement under Section 96 of the National Health Service Act 2006.

### **Next steps - How to apply**

9 Practices NHS England believed to be eligible have been sent a form if they wish to claim this support. The form has been pre populated to show assessment against those criteria set out above which have been answered from information already held in NHS England.

10 Practices must request the money, sign the claim form and submit the latest set of signed accounts. The s96 agreement must be signed by 30 September 2014 as it is this that will confirm the funds can be released.

11 The financial data being used for this exercise was provided centrally and is NOT in the public domain.

**Into the Future**

12 The London team will continue to work with national colleagues and with CCGs to identify potential future options for supporting practices.

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**CLAIM FOR GMS FUNDING CHANGE SUPPORT PAYMENT 2014/15**

SUPPORT Y/N	Reason for NO	Practice Code	Name	CCG	Weighted List (Jan 2014)

Criteria	NHS England Input	Practice Validation/Input
There must be an GMS Funding change loss greater than an average £3 per weighted patient per annum		
No doctor in the practice should have declared pensionable earnings in excess of £106,100 p.a. (pro rata'd for part time GPs)	Practice to submit latest year's signed accounts	
Practice expenses must be evidenced to be greater than 63% (National average ratio of expenses:profit is 63:37)	Practice to submit latest year's signed accounts	
No contract breaches for any reason issued since 1 April 2013		
That a significant proportion of contract holders (significant defined as =>50%) do not have "live" cases with NHS England performer machinery or GMC, including the Interim Orders Panel. Suspensions which are a neutral act, will be disregarded and will not prejudice a practice's position under these criteria		
Fewer than five outliers on the GPHLIs on current system		
There must be evidenced extenuating circumstances within the practice population related to <ol style="list-style-type: none"> <li>1. Workload</li> <li>2. Patient demographics</li> </ol> ...that impact practice business and patient services  For the purposes of this exercise, this will be defined as there being an IMD score of 35 or higher for the practice population		

**Practice statement:** I claim GMS Funding Change support funds for 2014/15 & 2015/16. I acknowledge payment will be contingent on the signing of a s96 agreement with NHS England by 30 September 2014. I confirm the detail on this form to be correct. I attach a copy of the latest year's financial accounts for the practice.

Signature.....

Date.....

**PLEASE EMAIL THIS CLAIM WITH ATTACHMENTS TO [e.nurse@nhs.net](mailto:e.nurse@nhs.net)**