

A black and white close-up portrait of an elderly woman with short, wavy, light-colored hair. She is wearing glasses and looking slightly to the right of the camera with a neutral expression. The background is a plain, light color.

NHS England – Personal Medical Services (PMS) Contract Review update

23 February 2016

Author: William Cunningham-Davis

NHS England and the CCG's in South West London have reviewed the services and standards currently commissioned through Local Personal Medical Services (PMS) agreements. The purpose of our review has been to ensure that PMS agreements deliver quality standards and meet the needs of the local population and are aligned to our current and future strategic objectives.

SUMMARY:

The 2015 PMS review has considered how far PMS expenditure has been:

- paying for 'core' primary care services
- paying for innovation and quality improvement in primary care, (premium payments)
- paying for 'enhanced' primary care services (premium services).

The review will result in changes to current PMS agreements that ensure any additional investment in general practice services that goes beyond core national requirements will:

- reflect joint NHS England/CCG strategic plans for primary care
- secure services or outcomes that go beyond what is expected of core general practice or improve primary care
- help reduce health inequalities
- give equality of opportunity to all GP practices, PMS, General Medical Services (GMS) and Alternative Providers Medical Services (AMPS)
- support fairer distribution of funding at a locality level.

NHS England (London) has now published the London Offer following consultation with London LMCs on behalf of primary care commissioners:

- PMS Contract 2016/17 - Schedule 13 – Service Requirements
- PMS Contract 2016/17 – Key Performance Indicators (KPIs)
- PMS Premium Service Specification 2016/17.

The key milestones following the relevant Joint Committees consideration and determination of local PMS Commissioning Intentions are as follows:

- Submission of Commissioning Intentions to NHS England (London) on 19 February 2016
- CCGs complete outstanding work on local specifications and/or KPIs that underpin their local commissioning intentions, as appropriate, end February/early March 2016
- Directors of Commissioning & Operations (DCOs) to review local commissioning intentions to assure these align with delivery of Strategic Commissioning Framework by 29 February 2016
- Agreement of the combined "offer" with CCG's and NHS England
- Formal consultation with local LMCs (subject to confirmation of PMS practices' mandates) on local commissioning intentions to be completed by mid-March 2016
- NHS England (London) to write to PMS practices to set out local offer no later than 31 March 2016
- Meetings with PMS practices offered by NHS England and CCG officers following conclusion of formal consultation with local LMCs. Meetings to be concluded by 20 May 2016
- New contracts sent to PMS practices from 27 May 2016 for review and signature
- New PMS contract commences on 1 July 2016.

KEY ISSUES:

This paper provides an update on the work and engagement that has been carried out by NHS England (London), the PCPA Project Team and CCG officers in developing London-wide and local commissioning intentions (the 'London offer'). As Joint Commissioners of Primary Care, NHS England and CCGs have worked collaboratively on the development of commissioning intentions.

This paper should be read in conjunction with the six Commissioning intentions and the summary which has been produced by the six SW London CCGs.

RECOMMENDATIONS:

All Joint Committees are asked to note the London Offer documentation and the areas of focus for each of their CCG offers.

The Richmond Primary Care Joint Committee is requested to approve the PMS Commissioning Intentions and direction of travel for Richmond Clinical Commissioning Group subject to completion of specifications, KPIs & associated prices and formal consultation with Richmond Local Medical Committee.

The Kingston Primary Care Joint Committee is requested to approve the PMS Commissioning Intentions for Kingston Clinical Commissioning Group subject to completion of specifications, KPIs & associated prices and formal consultation with Kingston Local Medical Committee.

The Croydon Primary Care Joint Committee is requested to approve the PMS Commissioning Intentions for Croydon Clinical Commissioning Group subject to completion of specifications, KPIs & associated prices and formal consultation with Croydon Local Medical Committee.

The Merton Primary Care Joint Committee is requested to approve the PMS Commissioning Intentions for Merton Clinical Commissioning Group subject to completion of specifications, KPIs & associated prices and formal consultation with Merton Local Medical Committee.

The Sutton Primary Care Joint Committee is requested to approve the PMS Commissioning Intentions for Sutton Clinical Commissioning Group subject to completion of specifications, KPIs & associated prices and formal consultation with Sutton Local Medical Committee.

The Wandsworth Primary Care Joint Committee is requested to approve the PMS Commissioning Intentions for Wandsworth Clinical Commissioning Group subject to completion of specifications, KPIs & associated prices and formal consultation with Wandsworth Local Medical Committee.

South West London CCGs and NHS England PMS Review Update

1. Introduction

Local Personal Medical Services (PMS) contracts are a patient-focused way of meeting specific needs, enabling GP practices to be innovative in improving healthcare. The purpose of the PMS review is to ensure that PMS funding is aligned to services which best meet the needs of the whole local population, and that where it isn't, it is reinvested into GP services across the Clinical Commissioning Group (CCG) area.

There will be no reduction in the level of GP funding in each CCG area as a result of this review. Co-Commissioners (NHS England and CCGs) need to ensure that every GP practice across the country is paid equitably and transparently for the services they provide to patients and every penny spent gets maximum value for local people.

PMS agreements are locally agreed contracts between NHS England and named members of a GP practice. PMS agreements were developed in 1998 to offer local flexibility compared to the nationally negotiated GMS contracts. They allowed commissioned and providers the opportunity to extend the range of services provided by the practice, the financial arrangements for those services and the provider structure (who can hold a contract). PMS agreements were formalised in 2004 to ensure they incorporated the mandated range of core services, as well as services which can go beyond standard requirements (premium services and standards). They frequently attracted additional funding. However it was not always clear how funding aligned to core services and premium services and standards.

The additional services, standards and the funding attached to PMS contracts were negotiated locally by PCTs, and typically funded the provision of services for the specific practice population – e.g. diagnostic testing or specialist clinics.

Nationally the extra funding in PMS (after taking into account equivalent funding in the GMS contract for the services expected of all practices and recycling of the Minimum Practice Income Guarantee) was calculated at £235 million in 2013-4. PMS funding for London amounted to £90 million in 2014-5.

PMS contracts currently cover around 40% of GP practices across the country and 46% of GP practices in London. NHS England guidance is clear that any proposals to reduce the current level of funding that a PMS GP practice receives should reflect decisions on how the money will be reinvested into GP services in the CCG area. Timing of CCG proposals for reinvestment will be locally led, reflecting the need for PMS reviews to be carried out with 2014/15 being year one. The review period started on April 2014 and all reviews should be completed by 31 March 2016 and implemented by 30 June 2016.

2. Context

Nationally, there is limited relationship between current PMS expenditure and deprivation. Modelling shows a random distribution of PMS premium against the Index of Multiple Deprivation (IMD) scores. There also appears to be no relationship between PMS premium funding and GP Outcome Standards measures. The PMS review offers a good opportunity in London to deliver and embed elements of the London Strategic Commissioning Framework (SCF).

Any additional investment in general practice services that goes beyond core national requirements (whether this is deployed through PMS or through other routes) is expected to:

- reflect joint NHS England/ CCG strategic plans for primary care
- secure services or outcomes that go beyond what is expected of core general practice
- help reduce health inequalities
- support fairer distribution of funding at a locality level.

3. South West London PMS review (2015)

On 1 April 2013, NHS England was given statutory responsibility for the direct commissioning of primary care contracts. The NHS England review of PMS agreements has consequently needed to be applied consistently across the four regions that make up NHS England. The intention of the national review was set out in guidance from Ben Dyson and Ann Sutton in February 2014. The guidance stated that all NHS England Area Teams must carry out PMS reviews by March 2016 and that the PMS review should:

- seek best value from the premium element of PMS practice funding
- ensure that any funding over and above the core element should
 - be clearly linked to Area Team/CCG strategic plans for primary care
 - should secure services or outcomes that go beyond what is expected of core general practice of improving primary care premises
 - make a clear contribution to reducing health inequalities
 - Give equality of opportunity to all GP practices and not just PMS contracts
 - Enable a fairer distribution of funding at locality level
- re-deploy funding at an appropriate pace of change at a practice and service level
- not reduce the overall level of investment going in to general practice.

In London key principles for delivering the review have been:

- To establish an agreed cost per weighted patient for the delivery of the agreed specification across all PMS providers at CCG level
- Transitional financial support for up to 2 years and 4 years where exceptional circumstances are evidenced by practices as part of negotiations with NHS England following the initial offer to practices by the end of March 2016
- Funding not invested in PMS requirements will be invested in general practice for locally specific services.

Through a combination of the PMS review and primary care commissioners' commitment to implementing the SCF, NHS England (London), with its 32 CCGs aims to equalise the consequent service offer to all practices and their patients in a locality. This means that patients should not see a variation in the service offer within a CCG, unless where appropriate. CCGs are expected to equalise as soon as possible, with the contribution their PMS review is making to implement the SCF and pace of equalisation clearly set out in their PMS Commissioning Intentions and Sustainability and Transformation Plans to be submitted in June 2016. Where a CCG has sufficient resources to achieve equalisation in 2016/17, it is expected that this should be implemented in order to achieve transformation at a greater pace of change. It is however acknowledged that the level of funding differs within CCGs and therefore needs to be assessed with regard to affordability.

4.1 South West London approach to the PMS review

As Joint Commissioners of Primary Care, the CCGs and NHS England have a Joint role in making decisions relating to the review and ensuring that the review is implemented in line with the national mandate. In particular, on a practical basis, this means that the CCGs in South West London have been required to:

- Undertake a review of the outcomes and services currently delivered by PMS practices locally
- Undertake a review of the current funding for services locally, looking specifically at PMS practices as part of the PMS review
- Where there are differential levels of funding in PMS practices, identify an equitable pound per patient value for PMS premium services within the CCG and the services to be commissioned from the funding available
- Provide NHS England with finalised commissioning intentions information at CCG level with details of local service specifications and KPIs to follow
- Have a plan for equalisation to all practices within the CCGs which will be delivered as soon as possible and before the end of the current planning cycle.

5 PMS review Commissioning Intentions for 2016/17

5.1 London Offer engagement

The London Offer has been developed by NHS England (London) in collaboration with Co-Commissioners via the London wide PMS Stakeholder Reference Group (SRG) attended by Strategic Planning Group (SPG) leads for Primary Care. As a result, a number of significant revisions have been made.

NHS England (London) has specifically consulted London Local Medical Committees (LMCs) and Surrey and Sussex Local Medical Committees (LMCs) on the London offer.

5.2 The London Offer

The areas identified for inclusion within the London offer are based on the SCF for Primary Care in London. This Framework was developed through wide spread engagement across a wide array of stakeholder groups.

The offer has been shared with CCGs for consideration as part of local commissioning intentions. Local commissioning intentions were required to be agreed and submitted to NHS England (London) by 19 February 2016. The services included in the London offer are shown below.

CCGs are required to select, based on affordability, from a menu of options, with the mandatory KPI element compulsory for commissioners to ensure a London wide offer to PMS practices.

	Element	Description	Cost per weighted patient	Mandatory for CCG to include in offer to PMS?
Core	Core Contract	<ul style="list-style-type: none"> A description of core required services. Consistent with GMS 	<u>GMS Equivalent</u> £76.51 per weighted patient Plus £2.18 per raw (unweighted patient)	Yes
	Weekend Additional Capacity	<ul style="list-style-type: none"> Each practice opening for 4 consecutive hours at the weekend, over and above core PMS service provision. 	£4.00 per raw (unweighted patient) (including clinical, non-clinical, overhead & indemnity costs)	No
Premium	Additional Technology Use	<ul style="list-style-type: none"> 50% of appointments should be available (& cancellable) online by 1 April 2017 Patients should be able to order repeat prescriptions Practices must offer electronic consultations 	£1 per weighted patient	No

KPI	Mandatory	<ul style="list-style-type: none"> • Cervical screening • Childhood, flu & Pneumococcal imms • Patient voice (2 indicators – CCG choice) 	£3.04 per weighted patient	Yes
	Additional	<ul style="list-style-type: none"> • Breast screening • Access to services 	£1.36 per weighted patient	No

Total cost of London offer:

Global Sum Equivalent plus:

Mandatory KPIs	£3.04 pwp
Optional KPIs & Services (maximum)	£2.36 pwp
Optional Weekend Opening	£4.00 prp

The London Offer documentation suite comprises:

- PMS Contract 2016/17 - Schedule 13 – Service Requirements
- PMS Contract 2016/17 – Key Performance Indicators (KPIs)
- PMS Premium Service Specification 2016/17

5.3 CCG Commissioning Intentions for Premium Funding

South West London CCGs have considered how they will structure the local element of the offer to PMS practices and their plans for equalisation to GMS & APMS practices.

The table below illustrates CCG GMS equalisation affordability and provides a high level analysis of the affordability of the full (mandatory and non-mandatory) London Offer. It provides two assumptions in assessing affordability. The first is based on CCGs wishing to commission the full London Offer on the basis that PMS Premium is used to equalise the offer to GMS; the second is based on CCGs wishing to commission the full London Offer on the basis that other funding e.g. Growth Funds are used to equalise the offer to GMS.

Based on these assumptions, the CCGs shown highlighted in green could afford to equalise to GMS and achieve the London offer at the end of transition with CCG investment. The yellow highlighted CCGs could not afford to equalise without substantial CCG investment.

<u>CCG Equalisation affordability</u>					
SOUTH LONDON CCGs	PMS:GMS: APMS Contracts	PMS Normalised, weighted list @ 01/01/2016	Total PMS Premium @01/01/2016	Average (mean) PMS premium (£pwp) 01/01/2016	£PWP if PMS premium equalised across PMS, GMS & APMS
CROYDON	43:9:5	315,740	5,727,668	£18.14	£16.49
KINGSTON	11:13:2	86,483	2,147,921	£24.84	£12.29
MERTON	23:0:1	188,575	3,833,528	£20.33	£20.33
RICHMOND	2:26:0	15,487	172,815	£11.16	£0.92
SUTTON	25:1:0	171,967	3,520,927	£20.47	£19.86
WANDSWORTH	29:11:2	288,346	4,788,829	£16.61	£14.51

<u>CCG Equalisation affordability</u>					
SOUTH LONDON CCGs	Mandatory KPI £(PWP)	London Optional Offer (Maximum) £(PWP)	Locally Defined Services £(PWP) <i>IF: PMS Premium used to equalise offer. Assuming maximum London Optional Services Commissioned. (Assuming no Optional Services or Optional KPI commissioned i.e. increased funding of Local Services)</i>	Locally Defined Services £(PWP) <i>IF: Growth Funds used to equalise offer to GMS. (Assuming no Optional Services or Optional KPI commissioned i.e. increased funding of Local Services)</i>	
CROYDON	£3.04	£6.73	£8.37 (£15.10)	£6.72 (£13.45)	
KINGSTON	£3.04	£6.92	£14.88 (£21.80)	£2.33 (£9.25)	
MERTON	£3.04	£6.92	£10.37 (£17.29)	£10.37 (£17.29)	
RICHMOND	£3.04	£6.84	£1.10	Not Possible	
SUTTON	£3.04	£6.63	£10.80 (£17.43)	£10.19 (£16.82)	
WANDSWORTH	£3.04	£6.89	£6.68 (£13.57)	£4.58 (£11.47)	

5.4 Current CCG areas of Focus for the offer.

CROYDON	London Mandatory Only	No London Optional Services or KPIs	Croydon are considering the following schemes (these are subject to change and will not be a complete list as CCG's are still discussing / modelling options): <ul style="list-style-type: none"> - Deprivation - Young Persons - Females 24 – 54 - Minor Injuries - Under 5's
KINGSTON	London Mandatory Only	No London Optional Services or KPIs	Kingston are considering the following schemes these are subject to change and will not be a complete list as CCG's are still discussing / modelling options): <ul style="list-style-type: none"> - Quality Practice Award - Anticoagulation Monitoring - Urology - Sports Medicine - Audiology - Engagement with Community Pharmacists - Advanced Extended opening Hours on Sundays and bank holidays - Acupuncture - Heart Failure - Active Referral Management - Services for Young People - Specialist ENT and Micro suction - Sustainability - Healthy Start and improved access for children - Mental Health and Early Interventions - Increasing Dementia Awareness & Diagnostic - Equal Access to Primary Care for People from Vulnerable Groups - Hard to reach Over 75's - Hard to reach young men age 25-39 - Dermatology - Practice Development Scheme

MERTON	London Mandatory Only	No London Optional Services or KPIs	<p>Merton are considering the following schemes (these are subject to change and will not be a complete list as CCG's are still discussing / modelling options):</p> <ul style="list-style-type: none"> - Improved access - Integrated Care - Medicines Scheme - Improved Immunisation Uptake - Hub initiative additional capacity (Saturday) - Weekday Evening Scheme
RICHMOND	London Mandatory Only	No London Optional Services or KPIs	No local schemes. Phase out PMS in two years
SUTTON	London Mandatory Only	No London Optional Services or KPIs	<p>Sutton are considering the following schemes these are subject to change and will not be a complete list as CCG's are still discussing / modelling options):</p> <ul style="list-style-type: none"> - Medicines Waste - Improved Access (Evening Only) - Spirometry, booking transport, 24hour BP, Zoladex injections - Bowel Screening - End of Life Care - Dementia Diagnosis - Prostate Cancer - Diabetes - Post-Operative Wound Care - Safeguarding
WANDSWORTH	London Mandatory Only	No London Optional Services or KPIs	<p>Wandsworth are considering the following schemes (these are subject to change and will not be a complete list as CCG's are still discussing / modelling options):</p> <ul style="list-style-type: none"> - Local KPI's - Deprivation - Children - Weekday Evening Scheme

6 Next steps

The key milestones following the relevant CCG PCC meetings and Joint Committees consideration and determination of local PMS Commissioning Intentions are as follows:

- Submission of Commissioning Intentions to NHS England (London) on 19 February 2016
- CCGs complete outstanding work on local specifications and/or KPIs that underpin their local commissioning intentions, as appropriate, by end of February /mid-March 2016
- Directors of Commissioning & Operations (DCOs) to review local commissioning intentions to assure these align with delivery of Strategic Commissioning Framework by 29 February 2016
- Agreement of the combined “offer” with CCG’s and NHS England
- Formal consultation with local LMCs (subject to confirmation of PMS practices’ mandates) on local commissioning intentions to be completed by mid-March 2016
- NHS England (London) to write to PMS practices to set out local offer no later than 31 March 2016
- Meetings with PMS practices offered by NHS England and CCG officers following conclusion of formal consultation with local LMCs. Meetings to be concluded by 20 May 2016
- New contracts sent to PMS practices from 27 May 2016 for review and signature
- New PMS contract commences on 1 July 2016.