

## **Frequently Asked Questions for the financial uplift section of 2017/18 GMS contract**

### **1. How is the financial settlement made up and how exactly will the money be spent?**

New investment for 2017/18 totals some £238.7m and includes:

- A pay uplift of one per cent in line with government public sector pay policy.
- An expenses uplift of 1.4 per cent in line with the Consumer Price Index (CPI).
- Funding to cover the additional costs related to changes in arrangements for sickness and parental leave absence.
- Funding to cover amendments to the GP retention scheme.
- A funding increase for the Learning Disabilities Directed Enhanced Service (DES);
- The addition of morbidly obese patients to the influenza vaccination programme;
- Recurrent funding of £5m p.a. to help identify non-UK patients; and
- New investment of £58m to support cost increases in professional indemnity insurance (£30m), pensions administration costs (£4m) and Business Improvement Districts (BID) levies (£1m); plus funding to reimburse Care Quality Commission (CQC) fees (an extra £23m, making £38m in total).

### **2. Are these changes just for GMS practices?**

No, we will apply these changes equitably to all contractor groups (where it applies), so both PMS and some APMS practices will benefit from the increased investment in primary care.

#### **How will this new investment be added to the contract?**

Uplifts to pay and expenses will be added to global sum.

These investments will also be added to global sum with no out of hours deduction applied:

- £1.5m for the NHS Digital Workforce Census data collection,
- £5m for work relating to collection of EHIC and S1 data on overseas visitors,
- £2m for practice workload relating to the transfer of patient records, and
- £3.8m to cover the pension's administration levy.

See question 4 for details of how other new investment will be added to the contract.

### **3. Are there any other additions to global sum?**

Every year, an inflationary uplift is also added to the global sum. For 2017/18, it will be £61.6m.

To honour previous agreements, Minimum Practice Income Guarantee (MPIG) payments (£18.8m) and seniority payments (£17.9m) are also being transferred to global sum, though this is not new investment.

The Avoiding Unplanned Admissions DES is being discontinued and funding of £156.7m will be reinvested in global sum with no out-of-hours deduction applied. Again, this is a transfer of funds and is not new investment.

The total effect is that global sum is set to increase as follows:

<b>Value of Global Sum 2016/17</b>	<b>£80.59</b>
Plus change from 01/04/2017	£4.76
<b>Global Sum from 01/04/2017</b>	<b>£85.35</b>
% increase in Global Sum	5.9%

#### 4. What about the other investments?

BID levy reimbursements, expected to total around £1m, will be made via the Premises Costs Directions.

Payments relating to CQC fees, GP retention scheme and sickness and parental leave will be made directly to practices via the Statement of Financial Entitlements (SFE).

Indemnity fee reimbursement will also be made via the SFE. Practices will be paid 51.6p per patient, based on their registered list size at 1 December 2016 – which will total £30m nationally. The aim is to ensure these payments are made during March – and local team allocations will also be made during March to cover them.

Three new NHAIS paycodes have been established that map to the ISFE subjective code 52161002(Clinical And Medical Goods & Services - Supplies and Services - Clinical Other). They are INDEMG, INDEMP and INDEMA for GMS, PMS and APMS indemnity payments respectively and indemnity payments should be coded accordingly (they are entitled C&M-GMS/PMS/APMS GP Indemnity Payments). A summary of payments by practice will be sent to local teams shortly.

Payments relating to morbidly obese patients receiving the seasonal flu vaccination will be made under the Seasonal Influenza DES.

#### 5. What is an 'out-of-hours deduction'?

Where a practice has opted out of providing out of hours services, a deduction is made to their global sum payments (5.15 per cent in 2016/17). This is set to be 4.92 per cent in 2017/18 for GMS contracts and 5.15 per cent for PMS contracts, taking into account that some of the investments above have no out-of-hours investment applied. This equates to a cash deduction of £4.20 per weighted patient for GMS and PMS contracts.

#### 6. What are BID levies?

Local authorities are permitted to establish Business Improvement Districts and require businesses in the district to pay a levy. The levy goes towards the cost of

increasing public footfall and attracting potential customers. Where GP practices have to pay that levy, NHS England has agreed to reimburse it.

### **7. What are MPIG and seniority reinvestments?**

Minimum Practice Income Guarantee (MPIG) payments are being phased out from 2014/15, over a seven year period. Each year the MPIG total payment to practices is reduced by one seventh with the money reinvested into global sum. This is the fourth year of that process which will continue through to 2020/21. Similarly, seniority payments are being phased out from 2014/15, simultaneously reinvesting that money back into global sum, a process which will end in 2020. The first reduction and reinvestment happened from October 2015 and now happens in April each year.

### **8. Why is the Avoiding Unplanned Admissions DES ending?**

Clinical input is that much of the work associated with this DES is already standard within general practice, which makes this unnecessary and leads to an additional reporting burden. It has been agreed that the enhanced service will cease, with funding transferred to global sum with no out of hours deduction, to support the identification and management of patients with frailty.