

Summary of Contract Negotiation Situation

General Practice is facing a period of considerable turmoil and potential conflict. It is therefore important that all GPs are fully informed about the issues that are central to this. It is more important that GPs do not negotiate alone with the PCT.

Background

The new contract was introduced in 2004, following 2 years of negotiations between the GPC and the Government. This was against a background of difficulty in recruiting and retaining GPs, low morale in the profession and an acknowledgement that GP income had fallen behind other professions.

The new contract resulted in the investment of £1.9 billion additional funding over a 3 year period in primary care. The contract had far greater emphasis on rewarding quality.

Practices rose to the challenge and demonstrated that many were already delivering high quality care and with incentives, most practices improved the quality and range of services they provided. This resulted in some increase in GP income but also significant investment in practices in terms of additional GPs and nurses.

GP income increased by approximately 10 – 15% in year 1 (2004/5) and 5 % in year 2 (2005/6), but this has been followed by 0% in year 3 (2006/7) and an estimated fall of 6% in year 4 (2007/8). **There is a great danger that all the benefits of the contract in terms of morale, recruitment and retention etc will be lost.**

In addition the Government were concerned about the increase in GP income, plus other NHS remuneration and the effect that was going to have on GP pensions. As I am sure you are aware the Government was concerned that there would be a 48% increase in pensions in the first 3 years of the contract, they therefore imposed a pension cap of 48% over 5 years. This capping is now the subject of a Judicial Review, because it essentially means that a negotiated contract has been broken with the profession

In 2006/7 the Government negotiated with the GPC change to the Quality and Outcome Framework (QoF). The Government wanted better “value for money” it was therefore agreed to change the QoF by introducing some new clinical areas such as Chronic Kidney Disease, Depression and Dementia **on the understanding that this was a once and for all rebalancing of the QoF.**

Over the past months negotiations have been ongoing between the GPC and the NHS employers for proposed changes to the contract for 2008/9.

It will be no surprise to anyone, that top of the list for the NHS employers is extended opening. The Prime Minister has made it clear that this is his only priority for general practice.

The Government has also submitted evidence to the Doctors and Dentists Review Body (DDRB) which is asking for a 0% uplift in the contract value next year. With rising expenditure this would once again result in a fall in GP income.

In parallel, the “Next Stage Review” also known as the Darzi Report has recommended that a target of 50% of practices should offer week-end or evening opening and there should be an additional 150 health centres offering services 8am – 8pm seven days a weeks under an APMs contract, and an additional 100 surgeries in those PCTs who have the lowest ratio of GPs to patients.

The NHS Employers and GPC with DOH knowledge has reached a common ground over extended hours (see sheet attached).

These proposals have been rejected by the Government.

Just before Christmas the GPC were presented with an ultimatum from the Government which was essentially we should agree on behalf of the profession OR suffer an imposed new contract in April 2008 which was significantly more penal than that on the table. **The GPC felt that they were unable to agree to a contract under this circumstances and should seek the views of the profession.**

The situation now

The issues for the LMC to consider are

- the details of the various proposals and counter proposals
- the background of how we got to the contract negotiations for 2008/9,
- the Governments method of negotiation or some might call blackmail.
- The results of “giving in” repeatedly to Government pressure,
- the lack of value placed on quality of general practice that exists in this country,
- the lack of value place on improving the quality of care provided and
- the move to private sector GP provision.

General Practice is generally of high quality and responsive to patients needs but this is not universal and LMCs and practices need to face that this is an Achilles’ heel.

Lord Darzi has repeatedly stated that there needs to be great clinical leadership and clinical engagement with Practice Based Commissioning becoming more fundamental to reform within the NHS. Entering a period of conflict with the profession does little to achieve this.

The next 3 month will be an interesting and unsettling time for GPs, practices and perhaps also patients. The GPC will continue to try to achieve a negotiated settlement.

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1. The Agreed GPC /NHSE proposal

- Access and Choose and Book DES money + the PESurvey £11m should be invested in extended opening
- Extended opening would be at a level of 20 mins per 1000 patients, (15mins clinical and 5 admin time)
- Removal QoF targets (mainly managerial areas) amounting to 38.5 points would be reinvested in **clinical areas** which included osteoporosis, peripheral vascular disease and heart failure.
- **No increase** in the thresholds within the QoF.
- The contract would increase in value by 1.5% (the recommended uplift for other parts of the NHS).

These agreed proposals have been rejected by the Government.

2 The Governments Ultimatum on 21.12.8 was:

- Funding from access and choose and book would be reinvested in extended opening. **(No £11mill)**
- The 38.5 points would be removed and reinvested in extended opening (But No clinical element)
- Extended opening would be at the level of **30 mins** per 1000 patients - in blocks of 1.5h in the evening or Saturday morning and would depend on agreement with PCT reflecting local patients wishes.
- **No increase** in the thresholds within the QoF.
- There would be 1.5% uplift in the contract value in an unclear DES package

The Government “spin” = £150m to provide extended opening.

The reality is £150m is removed from practices and given the opportunity to “earn” this money back working harder and longer and the only benefit is the 1.5% uplift.

3 An Imposed Contract as detailed by the Government is as follows:

- Extended opening funded via access and choose and book at 30min per 1000 patients.
- There would be 135 points removed from QoF including clinical areas such as influenza vaccination and management areas such as computer security
- The thresholds of most of the QoF areas would be increased from anywhere from 5 – 20%, making it almost impossible to achieve the QoF levels as in previous years
- 3m delay in QoF payments to practices
- The savings made from GPs described above would be allocated to PCTs for them to agree contracts for extended opening with practices. It is unlikely that the funding would end up with practices if allocated to PCTs.
- Most agreed LES money would be time limited

Money removed from our contracts forever.