

## Joint Implementation Letter – England Annex

### 2003/04

1. The contract brings significant investment in primary care from 2003/04. A package of measures to increase remuneration in 2003/04 in line with the contract agreement was announced on 18 September. These include a 2.85% increase in fees and allowances and the improved seniority scheme. Taken together with the seniority improvements, the uplift is worth 3.225 per cent.
2. GP practices should have already started to receive quality preparation payments, amounting to around £9000 per average practice calculated on average national list size. This increase in practice resources is worth 3.6 per cent. The facility to make the quality preparation payments was made available on 20 October. The facility for paying the general uplift in fees and allowances, including remuneration backdated to April 2003, was made available from 27 October. The facility for making payments for seniority will be available in December and the Department of Health in England has written to PCTs to ensure there is no delay in payments being made to practices. Practices will also benefit from payments to for immunisation against influenza of at-risk patients under 65, which have now been introduced in England. The documentation is available under 'news' at the Department of Health's website at: [www.doh.gov.uk/gmscontract](http://www.doh.gov.uk/gmscontract)
3. We have agreed arrangements for the implementation of Directed Enhanced Services for quality information preparation (QuIP), for access and for violent patients. (Childhood and influenza immunisation and minor surgery continue to be paid under the Red Book arrangements). Regulations and directions were laid on 10 November and, subject to Parliamentary approval, will come into force on 1 December. Under these arrangements, PCTs in England will have a legal obligation to offer both the access and quality information preparation (summarising records) DES to all practices in 2003/04, and to ensure that every PCT has commissioned services for violent patients. They will be under a legal obligation to have schemes in place for violent patients by 1 February 2004, for access by 1 January 2004, and for QUIP by 1 January 2004. The access DES compliments the existing arrangement for enhanced services. PCTs will have a legal obligation under the QuIP to offer between £1000-£5000 per average practice (based on the size of the list of registered patients) as a contribution to the cost to practices of summarising records. DH will be sending a copy of the regulations and directions, with a brief explanatory note, to PCTs very shortly. The letter to PCTs setting out these arrangements, along with the draft regulations and directions, can be accessed at [www.doh.gov.uk/gmscontract/implementation](http://www.doh.gov.uk/gmscontract/implementation).
4. The Department of Health in England wrote to all PCTs on 7 November setting out the funding available for IT under the new contract. In the current financial year PCTs will meet in full the costs of maintaining

existing practice IT equipment and for minor upgrades. £20 million over and above existing PCT spend is being allocated to PCTs as a contribution to help fulfil these commitments. Where PCTs find this allocation is insufficient, they can apply to the Strategic Health Authority for additional funds. The funding is not intended to cover the cost of system replacement or significant upgrades e.g. purchase of new hardware, other than where existing systems can no longer function effectively. Such purchases will be subject to local prioritisation and business case processes as described in the new GMS contract. A copy of the letter is available at [www.doh.gov.uk/gmscontract/infotech](http://www.doh.gov.uk/gmscontract/infotech).

5. A package of measures to help GPs improve their premises has also been announced, including grants to meet legal and other professional fees, revised cost rent and notional rent arrangements and grants to move GPs from old owner-occupied buildings. Further detail on premises is set out under 'guidance' at [www.nhsestates.gov.uk/primary\\_care/index.asp](http://www.nhsestates.gov.uk/primary_care/index.asp).
6. New pensions flexibilities have been agreed and regulations made in line with the contract agreement.

### **2004/05 and beyond**

7. The payments in 2003/04 provide a platform for the full implementation of the contract. This will be informed by comprehensive guidance for practices and PCTs. There is a range of preparatory work that will also be required in 2003/04 to inform full implementation. This is set out further below.

### **Guidance**

8. Following negotiations between the NHSC and GPC, the Department of Health will publish the following package of key documents:
  - comprehensive guidance
  - the draft contract regulations
  - the draft model contract
  - the draft new Statement of Financial Entitlements
9. We recognise the urgency of this and are firmly committed to publishing these documents by Friday 12 December at the latest. The documentation will be based on understandings reached in the GPC and NHS Confederation plenary sessions.

### **Support**

10. There is a joint programme of work in England between the Modernisation Agency and National Primary Care Development Team, led by Sir John Oldham, to provide support to both PCTs and practices on implementation. Much work is already available and accessible through the National Primary and Care Trust Development Programme (NatPaCT) website at [www.natpact.nhs.uk](http://www.natpact.nhs.uk), and through NPDT at

[www.npdt.org](http://www.npdt.org). In particular, NatPaCT has published briefing notes for PCTs on the new GMS contract.

11. A PCT prospectus has now been published. This makes clear what support is available to complement local activity. This includes a series of conferences in January and February for PCTs. These will provide an opportunity to discuss detailed issues arising from the implementation guidance. The prospectus can be accessed at [www.doh.gov.uk/gmscontract/guidance](http://www.doh.gov.uk/gmscontract/guidance).
12. The Department is also working with SHAs to develop a set of key indicators to assess PCT readiness in getting contracts agreed before April 2004, and payments made on time. These include, for example, completing the work on preparing practice budgets by the end of January, and completing negotiations on the detail of the contracts by the end of February, to allow sufficient time for practices and PCTs to consider the final arrangements carefully before signing. The December guidance will specify the critical deadlines that will have to be achieved.

#### **Financial Preparations – global sum and MPIG**

13. The Department of Health in England has written to all PCTs asking them to identify Global Sum Equivalent data at practice level, to inform the 2004-5 Global Sum/MPIG allocations to PCTs. As part of this process, PCTs have also been sent guidance to help them to establish their existing commitments to GMS expenditure and to agree an up-to-date list of PMS practices. In the light of these returns, the Department will make allocations to PCTs in early January. PCTs will then be in a position to discuss indicative budgets with their practices during January and February. It is critically important that PCTs provide accurate and timely information otherwise this will delay the process of making allocations. The Allocations Working Papers can be accessed through the finance section of the Department's website at [www.doh.gov.uk](http://www.doh.gov.uk).
14. The Department will be developing a software tool to help provide the framework for PCTs in discharging their responsibility to calculate practice budgets. This will be made available in December.
15. The Department is intending to make revisions to the Exeter payment system by the end of March. Indicative figures will probably be used for initial payments, with revisions and any arrears paid as soon as possible in the light of the actual figures becoming available.

#### **Quality**

16. A software tool will be made available before Christmas to enable practices to input information extracted from their practice systems to calculate current quality achievement levels. This will be used to help establish baseline levels and provide a starting point for practices when considering their likely levels of aspiration. Practices will need to

submit information on this to PCTs and agree aspiration levels early in the new year. This will enable timely payment from April.

17. Good progress has been made on agreeing the details of the disease prevalence factor for the quality framework, as promised before the ballot, and we are writing to you separately about this important revision to the quality payment arrangements.

#### **Local agreements**

18. The timetable means that discussions will need to take place between January and March to finalise what services are being provided, quality aspiration, and funding, so that new contracts are in place by the end of March. The more that practices and PCTs can discuss and reach provisional agreement before January about what additional services will be provided, what enhanced services the PCT will commission, and practices' out-of-hours intentions, the better placed they will be to ensure timely delivery of the new arrangements. In the event of failure to agree, a national default contract will apply and the Departments, GPC and NHS Confederation are discussing what this should include.

#### **Out of hours**

19. Planning guidance to PCTs on the arrangements for out of hours services under the new contract has been issued and the Department of Health has also released details of how much each Primary Care Trust (PCT) will receive from £110m announced earlier this year for supporting the development of OOHs care in the new GP contract. This money is being used to double the existing OOH fund, from £46m to £92m annually, and to pay for the technical infrastructure that will connect all OOH health providers to NHS Direct. On 1 November, Health Minister John Hutton also announced an extra £28m over the next two years to help local areas facing the biggest challenges in developing out-of-hours services in England, particularly in rural and inner city areas where re-provision may cost more. The DH will be working with SHAs on how best to distribute these resources. The press notice setting out arrangements on the OOHs arrangements is available on the Department of Health website at [www.doh.gov.uk](http://www.doh.gov.uk) under 'press releases'.

#### **Enhanced services**

20. From 2004/05 the enhanced services floor will apply and be monitored at local level. PCTs will be asked to discuss their proposals with LMCs, and the arrangements will need to be signed off by the PEC. A clear definition of what constitutes enhanced services will be also be developed and spend against this will be monitored by the Technical Steering Committee.

#### **Implementation assurance**

21. The Department of Health has set up an implementation co-ordination group, including representatives from a PCT, an SHA and Dr John Chisholm from the GPC. The purpose of the group is to resolve

implementation problems that arise at local level if local resolution has been unsuccessful, and to advise on the guidance and support required by SHAs and PCTs to achieve implementation of the contract. A separate group of SHA leads has also been set up to ensure that information on the new contract and its implementation is communicated quickly to the NHS and any practical issues are dealt with as early as possible.

**Movement between PMS and GMS**

22. The Department of Health in England has now issued a letter to PMS GPs informing them of the main changes to PMS arrangements. This is available at [www.doh.gov.uk/pricare/pca.htm](http://www.doh.gov.uk/pricare/pca.htm). Further detailed guidance on PMS will also be issued before Christmas.

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