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NHS Board  
Chief  
Executives  
Cc: NHS  
Board PC  
Strategic  
Forum  
NHS  
Board PC

13 August 2014

Dear Colleagues,

## **SCOTTISH GMS CONTRACT ARRANGEMENTS 2014 - 2017**

As you are aware we have been in discussion over the last six months with the Scottish General Practitioners Committee (SGPC) following the GMS Contract Agreement in Scotland for 2014/15 about the future direction of the GMS Contract in Scotland. An integral part of that agreement was to work jointly towards Scottish GMS contract arrangements, provided we could agree on a period of stability for general practice that would free up the time to do so.

I am pleased to confirm that we have reached agreement with SGPC on arrangements that will remain in place until 2016/17, which build on the GMS Contract Agreement in Scotland for 2014/15.

### **Period of Stability to March 2017**

**Our agreement with SGPC is that during this period of stability, which includes financial stability, between now and March 2017, we will jointly work to develop a Scottish GMS contract that will deliver the commitments outlined below.** This contract will be for implementation in April 2017, or some later date – the date to be agreed jointly between Scottish Government (SG) and SGPC.

A key part of our discussions with SGPC has been how we will further develop the GMS Contract in Scotland, taking account of the need to support GP Practices and NHS Boards to:

- Meet the recruitment and retention challenges in Scotland;
- Move to the 2020 vision for Health and Social Care;
- Strengthen primary health care teams in and around GP practices;
- Address the challenges inherent in caring for an increasingly multi-morbid and elderly population;
- Meet the needs of deprived and remote and rural communities;

- Make the best use of resources that support recruitment and retention e.g. review of the current arrangements associated with golden hellos and seniority;
- Take full advantage of the opportunities available from the integration of Health and Social Care.

The main elements of the agreement are set out below:

## **Scottish GMS Contract Arrangements**

### **A. Quality and Outcomes Framework**

In 2014/15 there was a substantial reduction in the QOF with the retiral of 264 QOF Points, with the funding and services transferred into a clinical core standard payment within the Global Sum, leaving a QOF worth 659 points. Our agreement with SGPC is:

- For 2015/16 and 2016/17 there are no planned major changes to QOF, but SG will continue to work with SGPC to periodically review QOF, in the light of guidance prepared by NICE and relevant others, including consideration of existing QOF indicator areas with very small point values;
- Where any changes are proposed by either SG and SGPC, and agreed, consideration will be given to:
  - either transferring the funding and clinically appropriate activity to core (retiral) or
  - where the associated work will cease, to re-aligning the funding to the Quality and Safety domain, further supporting that programme.

### **B. Golden Hellos**

Following our detailed review of the current arrangements associated with the provision of a Golden Hello payment for new GPs joining a NHS Board Performers List, SG and SGPC have agreed the following changes which are intended to support recruitment especially in deprived and remote and rural areas in Scotland :

- Remove the automatic entitlement to Golden Hellos with effect from 1 January 2015, except in remote and rural and deprived areas, where Golden Hellos (standard payment and the current additional payments for these areas) will continue to be available;
- Create a new arrangement for NHS Boards to make Golden Hello payments available to practices in all areas of Scotland where there is evidence (accepted through agreement between the NHS Board and the Local Medical Committee) of significant recruitment difficulties;

- Require NHS Boards to fund the new arrangements for Golden Hellos outlined above, plus the following two new initiatives to a similar level of expenditure as has been previously spent in total on Golden Hellos, (based on the average of the last 3 financial years 2011/12, 2012/13 and 2013/14) within Primary Medical Services NHS Board Funds:
  - Appraisal for sessional GPs. Fund the appraisal costs associated with sessional GPs by making an appraisal participation payment of £350 per annual appraisal (payment to be reviewed on a two-yearly basis). We will develop a process for sessional GPs to claim this payment, via NHS Boards and Practitioner Services Division. Part of the claim process will include a request for information on the average number of clinical sessions per week that the sessional GP has undertaken in the last year. The 2014/15 SFE will be amended to regulate this change with an intended start date of 1 January 2015; and
  - GP Returners. A jointly developed national programme to support GPs wishing to return to practice in NHS Scotland in conjunction with NHS National Education Scotland (NES), using a proportion of the current Golden Hello funding from the NHS Board Funds to support this programme. The 2014/15 SFE will be amended to regulate this change with an intended start date of 1 January 2015.

SG and SGPC have agreed to jointly annually monitor the impact of these revised arrangements on recruitment and NHS boards' financial spend to ensure that the intention of the changes are achieved. The above arrangements also remain subject to future contractual negotiations.

It is our view that these changes will give greater flexibility to NHS Boards to support recruitment issues in remote and rural and deprived areas, whilst at the same time making better use of the funding associated with the standard Golden Hello payment to support Sessional GPs, where we are sending out a strong message to Sessional GPs that they are valued as an important element of the NHS family. In addition the programme to support GP Returners in conjunction with NES will help address the funding and programme gap supporting GPs who wish to return to general practice in Scotland.

### **C. Publication of GP NHS Net Earnings (already agreed as part of the existing 2014-15 agreement)**

As part of the 2014/15 agreement SG and SGPC agreed to work together to develop proposals on how the publication of the GP NHS net earnings relating to the contract should be implemented for 2015/16, using the data on 2014/15 earnings. SG and SGPC also agreed that any publication would be on a national web site, giving appropriate consideration to the right of privacy for individual general practitioners.

SG have identified a range of data sets that are currently collected and held by Practitioner Services Division in NHS Scotland, which have been subject to Freedom of Information requests in the past, covering the following areas:

- Global Sum;
- Correction Factor;
- Seniority Payments;
- QOF;
- Directed and National Enhanced Service funding;
- Practice List sizes;
- Dispensing Income;

In addition to these areas, we will be discussing with NHS Boards any local funding agreements with GP practices, such as Local Enhanced Services, to be included as part of this exercise.

SG and SGPC have agreed to jointly develop a 'model' report based on the 2013/14 data initially, covering the above areas for consideration and agreement, with a view to publishing 2014/15 data during 2015/16.

## **Scottish GMS Contract Arrangements – Issues to Address**

### **D. Seniority Payments**

The funding of seniority payments to GPs in Scotland is in the region of £18m. SG need to consider how best to deploy that resource, in a way that supports the sustainability of general practice, in the light of significant and growing retention challenges in general practice in Scotland.

SG and SGPC have agreed to jointly review the existing arrangements and consider alternatives to the existing seniority scheme, in order to continue to support the retention of GPs in NHS Scotland. Case studies, including anonymised data of actual cases and detailed modelling will be developed and shared with SGPC to support that discussion. Where both sides agree that the review identified has the potential for improved arrangements to support retention of GPs in NHS Scotland, we would seek to implement any new arrangements during 2017/18. Any agreement would be constructed so as to mitigate the risk of an early exodus of senior GPs, and any change to the current arrangements will require amendment to the SFE to regulate this change.

### **E. Other important areas**

There are other important areas which will be included in the joint work programme with SGPC going forward, as follows:

- A review of the Scottish Allocation Formula (SAF) intended/designed to develop a financial framework that will support the development of a Scottish GMS Contract going forward;
- A review of the variability of practice funding intended/designed to ensure that this funding continues to support general practice across Scotland, whilst addressing any inequitable distribution of funding;
- A review of the current arrangements for immunisations;

- Work with the emerging Health and Social Care Integration Authorities to ensure that general practice plays a leadership/integral role in the development of the locality arrangements that support locality planning and the delivery of services;
- Work with the programme supporting the implementation of Prescription for Excellence, again to ensure an integral role for general practice in supporting the development of the role of the clinical pharmacist in providing patient care.

This is not an exhaustive list and SG and SGPC will be reviewing a wide range of contractual areas including (but not restricted to) GP workload, infrastructure (including GP premises and Information Technology), enhanced services, and recruitment and retention issues as part of this process.

### **Future work programme for the Scottish GMS Contract**

SG and SGPC will work together to develop a project plan to support a detailed work programme for use during the period between August 2014 and March 2017. Other stakeholders, including the NHS Boards, will be invited to take part in this development work, which will have a range of different strands.

I believe that this agreement confirms Scottish Government's commitment to continue to support, build upon and sustain Scottish General Practice; that it emphasises the importance of the professionalism of GPs and demonstrates our commitment to a significant period of stability, including funding. I hope you can, as we do, envisage the significant longer term benefits this work will bring, and would ask that Boards support us in working towards the future Scottish GMS contract by providing as much financial stability for practices in their locally contracted arrangements as is practicable during this time.

Can I put on record my sincere thanks for the support and helpful input from NHS Board colleagues, and we look forward to constructive dialogue and engagement with you as this progresses.

Yours sincerely



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