

Formula Review

- NHS Employers and the GPC have asked key stakeholders about whether we should implement the proposed new formula and how this might be done.
- The stakeholders included GP practices, professional groups, patient groups and Primary Care Organisations.
- Their views will be used to inform any decisions about the future development of the formula.
- The findings are now with the health departments in England and Wales who will decide how, when, or if at all, they wish to see the recommendations of the FRG taken forward.
- The consultation forms part of the formula review that was agreed when the new GMS contract was introduced. The review did not consider the Minimum Practice Income Guarantee – this needs to be considered separately.

Questions and answers

1. Why did you do the review?

We always said that we would review the formula at this stage, as part of the agreement for the new GMS contract when it was first introduced.

2. Why did you consult?

NHS Employers and the GPC wanted the views from stakeholders to inform discussions about the future development of the formula.

3. Who did you consult?

We invited all the key stakeholders to respond to the consultation including GP practices, professional groups like the Local Medical Committees, patient groups and Primary Care Organisations, via an on-line response form. The PCT Network (part of the NHS Confederation), which represents primary care organisations, and the Royal College of General Practitioners, also responded.

4. How long was the consultation?

The consultation ran from 9 February to 11 May 2007.

5. What did you consult on?

We asked for people's views on six broad areas on whether we should implement a new formula and how this might be done.

6. Did the review consider MPIG?

The review has not considered MPIG that includes the correction factor payment, which was introduced to support those practices moving from the old to the new contract. The MPIG needs to be considered separately.

7. What does it tell us?

In general the consultation responses welcomed the work of the Formula Review Group.

The two main issues raised by the consultation responses were:

- the need for transparency and equity of resource distribution
- the need for practice stability during any changes to the formula.

8. Is the current formula working well?

The work of the FRG shows that the current formula (known as the Carr-Hill formula) is more robust than previously thought. It is important that we reviewed the formula with the additional and more up-to-date data that is now available.

9. What happens next and when?

NHS Employers and the GPC have collated and summarised all of the responses in the report. The relevant health departments are now considering how, when, or if at all, they wish to see the recommendations of the FRG taken forward. It will be for the health departments, GPC and NHS Employers to discuss any changes to the formula.

10. What are the likely timings on a decision?

It's too early to say but any decisions would, at some point, need to be linked to wider discussions on the contract. At the earliest this would be for 2008/09 but it clearly depends on a mandate from the health departments.

11. How can you ensure that practices are not destabilised if a new formula is introduced?

Any discussion about changes to the formula would include considerations about the impact of implementation, including factors which may impact on practices and jeopardise continuity of patient care.

12. What is the global sum formula?

The General Medical Services global sum formula distributes the core funding, called the global sum, to general practices. Payments are made to general practices according to the needs of their patients and the costs of providing primary care services.