

GMS Formula Review: report to plenary and the Departments of Health in England and Wales

Summary of consultation

September 2007



A part of the NHS Confederation
working on behalf of the 

Introduction

1. The report and recommendations of the review of the GMS global sum formula were published on 9 February 2007. This review was undertaken by the Formula Review Group (FRG) which included representatives of the British Medical Association's General Practitioners Committee (GPC), NHS Employers and the four UK health departments, as well as independent academic support.
2. The review follows a commitment made by the negotiating parties after details of the formula were originally published in 2003 and concerns were raised by GPs about the accuracy and robustness of the current formula.
3. NHS Employers and the General Practitioners Committee asked key stakeholders for their views on the findings and recommendations through a consultation that ran from 9 February to 11 May 2007.

Consultation responses

4. In total, 104 responses were received. Of these 75 (72%) were from individual GPs or GP practices, 17 (16%) were from Local Medical Committees (LMCs) and seven (7%) were from primary care organisations (PCOs). Members of GP practice staff submitted three (3%) responses. Responses were also received from the PCT Network and the Royal College of General Practitioners (2%).
5. Specific information was requested from practices regarding their location and type:
 - 71 responses were from practices in England; three responses were from practices in Wales
 - 57 responses were from practices outside of London; 15 responses were from practices in London
 - 47 responses were from rural practices; 27 responses were from non-rural practices
 - 57 responses were from GMS practices and 18 responses were from PMS practices.
6. In analysing the responses no weightings have been applied to reflect the varying levels of representation of the responding individual or organisation, therefore for the purpose of this paper, the submitted data and comments are divided into two categories, namely those received from:
 - i. GPs or GP practices, members of GP practice staff and GP representative organisations
 - ii. PCOs or PCO-representative organisations.

Response to questions

Question 1: Should the new formula be implemented?

	Yes	No	Don't know / no answer	Total
GPs	29%	48%	23%	100%
PCOs	75%	13%	12%	100%

Question 2: If implemented should the new formula be implemented fully from the start or phased in over a number of years?

	Fully from the start	Phased in	Don't know / no answer	Total
GPs	21%	59%	20%	100%
PCOs	75%	25%	0%	100%

7. The key theme emerging from responses to these questions was in relation to stability and pace of change, and there were a number of concerns about the potential effects of a formula change. In addition, the key theme emerging from GPs was around the Minimum Practice Income Guarantee (MPIG) and ensuring there were no losers under the new formula. Responses from PCOs focused on fairness of funding and the detail of the formula. There was also a consistent theme supporting the open, equitable and transparent distribution of resources.

Examples of comments:

" a pace of change gives practices time to work towards their new budgets. This is also linked with belief that MPIG should be phased out"

" this could have a knock on effect [on] staff levels which will take time for practices to understand and implement changes"

" the uncertainty created by the possibility of yet another new formula, which might reduce practice income, is the key reason we will not be expanding our practice"

" the new formula would ensure the fair distribution of resources based on the best available current evidence and this is an essential tool for addressing local health inequalities. However, PCTs wish to ensure that any potentially destabilising effects will be managed"

" it is important to allow practices time to adapt to change otherwise some may become destabilised and fold"

" no practice [should be] financially penalised"

" an MPIG type arrangement will need to be in place to protect against the potential destabilising of general practice"

“ if a practice is going to lose out significantly and there is no protection e.g. with an increased MPIG, then it should be phased in”

“ MPIG should be phased out”

“ the MPIG and the uncertainty of its continuation has not been an ideal situation”

“ as I don't know how the new formula will affect my practice I find it impossible to know whether this will be beneficial or whether I will lose out”

Question 3: Would you wish to see implementation of the new formula even if the resulting redistribution of the same overall resource envelope meant that some practices would lose income?

	Yes	No	Don't know / no answer	Total
GPs	27%	62%	11%	100%
PCOs	75%	0%	25%	100%

8. The key theme emerging from responses to these questions was that there should be fairness and transparency of funding but with measures in place to prevent instability of individual practices.

9. Examples of comments in response to this question include:

“ a new formula would need to be implemented in a managed way, but it is recognised that some practices are receiving considerably more than their equitable share of resources”

“ if there is only redistribution of the same resource envelope then some practices are bound to lose income (as practices will gain) otherwise what is the point of the whole exercise?”

“ I certainly would not wish to see a redistribution resulting in any practices losing income”

“ if there is a change, it needs to be those who are underfunded catching up”

“ steps need to be taken to minimise negative impact and any change must be phased in to prevent destabilisation of service provision”

“ there should be movement to the perceived equity position associated with the formula”

“ if it is seen to be fairer then it should be acceptable”

“ (formula should be implemented) if we have full confidence that the formula fairly identifies workload”

10. One PCO highlighted the need to reallocate “ funding at PCO level to reflect the resultant change in funding and ensure PCOs are not disadvantaged if the majority of practices are winners under the new formula.”

Question 4: Should any caveats be applied prior to any implementation of a new formula?

	Yes	No	Don't know / no answer	Total
GPs	69%	6%	25%	100%
PCOs	13%	62%	25%	100%

11. The themes emerging from responses to this question reflected concerns over the proposed new formula detail. For example:

“ the extra workload generated by elderly patients should be taken into account”

“ unavoidable smallness is too rigid and fails to recognise the struggle of smaller practices in a more urban location”

“ we have concerns about the data relied upon by the group”

“ there should be specific review dates built in for some areas of the new formula”

“ the implementation of the new formula should be managed to ensure continuity of care”

12. The need for a protection mechanism, such as MPIG, again featured heavily in the comments received.

Questions 5: Should a revised global sum formula include a rurality adjustment, in addition to the Cost of Unavoidable Smallness adjustment?

	Yes	No	Don't know / no answer	Total
GPs	42%	29%	29%	100%
PCOs	25%	75%	0%	100%

13. In response to this question the comments received were mainly anecdotal, reflecting respondents’ own circumstances.

14. Roughly half of the comments received provided anecdotal evidence as to why a rurality adjustment should be included. For example:

“ transportation problems make visits more likely in rural areas”

“ rural deprivation is much harder to measure than urban deprivation”

“ dispensing practices are already being stripped bare”

15. The comments received from those who said that a revised global sum formula should not include a rurality adjustment, also provided anecdotal evidence such as:

“ rural populations tend to be more stable and this is an advantage in itself”

“ rural practices are often dispensing which boosts GP income”

“ it is important that the formula is evidence based and there appears to be no firm evidence supporting the inclusion of an additional rurality adjustment”

Question 6: Should practices be asked to record data regarding the use of interpreters or the number of patients who do not speak the language of their primary healthcare professional?

	Yes	No	Don't know / no answer	Total
GPs	39%	31%	30%	100%
PCOs	62%	13%	25%	100%

16. In response to this question the key theme emerging across all responses related to the difficulties of information collection and fairness:

“ this is a major determinant of workload and it would be very disappointing that the proposed formula does not include any weighting for this”

“ consultations are prolonged in these circumstances... there should be recognition of the time and financial costs”

“ this will help future development of the formula and an understanding of the variations in local health needs and inequalities in provision”

“ this is a major missing data item from the research evidence”

“ patients who speak English as a second language can be very difficult to communicate with and should be included in a survey”

“ communication challenges in general practice are very variable and hard to quantify”

“ this will be difficult to monitor especially if GPs/patients are bilingual”

17. A small number of comments were made by GPs regarding the funding for interpretation services in general and about this area being prone to gaming.

18. Additional comments referred to the collection of this information as being pointless. For example:

“ more useless data gathering” and “ data collection has gone mad”

Comments throughout the consultation

19. A number of additional themes emerged from comments made throughout the consultation. These included:

“ patient choice is not considered”

“ the addition of consultation length and home visits may provide some perverse incentives”

“ health need should be a more significant and fundamental determinant of resource allocation than levels of current workload”

“ inequalities in practice funding are much larger in PMS and APMS than in GMS. These should be addressed first”

Conclusions and next steps

20. In general the consultation responses seemed to welcome the work of the Formula Review Group which is probably supported by the fact that this was a joint review between the GPC and NHS Employers and was undertaken in an open and transparent way. It is also clear that the clarification provided by the review and consultation report around the operation and evidence supporting the formula in general is welcomed.

21. The two main issues raised by responses to the consultation are:

- transparency and equity of resource distribution is essential; and,
- practice stability should be paramount during any changes

22. This report is being presented to the GMS Plenary and to the Departments of Health in England and Wales. The review partners have also agreed to publish this report via the NHS Employers and BMA websites to ensure all stakeholders receive feedback from the consultation process.

23. The review findings, recommendations and responses to the consultation provide a number of parameters within which the GMS Formula may be improved. The overall recommendations will now be considered by the Departments of Health as an integral component of future policy development covering primary care.

24. Discussions between the GPC and NHS Employers are expected to continue to support emerging policy and the outcome of those discussions will be communicated on an on-going basis.