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To: Directors of Commissioning,
Regional heads of Primary Care
Heads of Primary Care
CCG Clinical Leads and Accountable Officers

Strategy and Innovation Directorate
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20th March 2018

Dear Colleague

OUTCOME OF 2018/19 GMS CONTRACT NEGOTIATIONS

This letter confirms the outcome of the contract negotiations between NHS Employers (on behalf of NHS England) and the BMA's General Practitioners Committee England (GPC) on amendments that will apply to GP contracts in England in 2018/19.

The key principles agreed are:

- Full implementation of NHS e-Referral Service (e-RS) from October 2018
- Amendment of Regulations to support introduction of phase 4 of the Electronic Prescription Service (EPS)
- Replacement of the National Quality Requirements (NQR) with new Key Performance Indicators (KPIs)
- A commitment to work together to support further use of NHS 111 direct booking into GP practices
- Agreement that practices must not advertise private providers of GP services where that service should be provided free of charge on the NHS.

The contract agreement is part of our continued investment in general practice which will rise to over £12 billion a year by 2020/21 as set out in the General Practice Forward View (GPFV). We have made significant progress to date on increasing investment in general practice from our very first year of operation. In 2012/13, the last year before we took on responsibility for commissioning General Practice, investment was £8.460 billion and by 2016/17 this had increased by over £1.74 billion to £10.204 billion.

As last year, we will now work with NHS Employers and GPC to develop more detailed guidance where appropriate, on all of the agreed changes which are provided in annex A.

The NHS Employers contract website www.nhsemployers.org/gms201819 provides details of the agreement and we will be updating this and NHS England's dedicated GP contracts page https://www.england.nhs.uk/gp/gpfv/investment/gp-contract/ with details of the 2018/19 guidance, in time for these new arrangements to take effect from 1 April 2018.

Given the timing of this announcement, we will be implementing some of these changes from October 2018. These are:

- NHS e-Referral Service (e-RS)
- EPS phase 4
- OOH Key Performance Indicators (KPIs)
- Minor changes to the violent patients arrangements
- A requirement that practices that have not achieved a minimum of ten per cent of patients registered for online services will work with NHS England to help them achieve greater use of online services.

Further guidance along with standard contract documentation will be available from October 2018. Please ensure that this letter is distributed to all relevant people within your teams.

Yours faithfully

Ed Waller
Director
New Business Models and Primary Care Contracts Groups

Annex A

Key changes to GP contracts for 2018/19

Contract uplift and Expenses: summary

We have agreed an investment of £256.3 million for 2018/19 which is an overall contract uplift of 3.4%.

This incorporates a one percent uplift to pay and a three percent uplift to expenses in line with consumer price index inflation from 1 April 2018 and the increase also covers:		
Details	**Amount (£ millions)**	**Comments**
Uplift of pay and expenses	102.9	Based on DDRB formula and latest OBR inflation forecast for CPI
Volume increase cost	59.7	NHS England estimate based on ONS population projections
Locum reimbursement	0.4	Locum allowances for sickness, maternity, paternity and adoption leave increased by 1%
Indemnity	60.0	Payments made directly to practices based on registered patients at £1.017 per patient
QOF CPI adjustment	22.3	Value of QOF point increased from £171.20 to £179.26
V&I Item of Service (IoS) fee	0.9	Uplift to IoS fee for nine V&I programmes from £9.80 to £10.06
Electronic Referrals System	10.0	Non-recurrent payment made directly to practices based on number of weighted patients at £0.170 per patient
Total	**256.3**	**An overall 3.4% increase**

The on-going reinvestment of eroded Seniority payments as applied in 2014/15 and Minimum Practice Income Guarantee payments as applied in 2013/14 will be added to the global sum allocation with no out-of-hours (OOH) deduction applied.

A further uplift may be made following the Government's response to any recommendations by DDRB

The changes to key figures, such as Global Sum, Out of Hours adjustment and the value of a QOF point are set out in annex B.

Indemnity costs

We have agreed a non-recurrent investment of £60 million, based on unweighted patient numbers, to be paid before the end of March 2018 to cover the increased costs of indemnity for the year 2017/18.

This follows on from the £30m paid towards indemnity costs in March 2017. This payment is being made centrally by NHS England, there is no action for delegated CCGs or for NHS England local teams in areas where CCGs do not have delegated commissioning responsibility. These central payments will be accounted for on Regional Local Team cost centres funded by extra allocations provided from central underspend for 2017/18.

Contractual changes (to come into force in October 2018)

Electronic prescription service (EPS)

The relevant Regulations will be amended to allow an initial phase of implementation to support a planned roll-out during 2018/19. The pharmaceutical Regulations will need to be amended to cover all pharmacists as patients may go outside of the area to get their prescription. The initial phase of implementation is yet to be decided but it is anticipated to include a limited selection of practices at this stage.

It will be important to learn the lessons from the initial phase to ensure that issues identified are resolved, to enable practices to be properly supported where they have implementation challenges. An NHS patient awareness campaign (including resources for practices to manage patient concerns) will be undertaken to ensure patients are aware of the changes and to reduce any burden on practices in this regard.

We have agreed that there must be a local fall-back process if the system is not operational.

NHS e-Referral Service (e-RS)

The national e-RS programme continues to support local systems in near 100% delivery of e-RS by October 2018. Latest utilisation figures are 62 per cent for December 2017. This 62% figure masks large differences between local areas and between practices. Programme resources are supporting these areas with their local project delivery. Some, but not all providers are ready and all have plans in place. From now until October the e-RS team will work closely with clinical commissioning groups (CCGs) and GPs to target support for primary care and practices.

Where there are concerns from local GPs, the e-RS team will meet with them, to understand those concerns and jointly develop and deliver action plans to address any issues. In addition, the national e-RS implementation team is working on national products to raise awareness and understanding of e-RS. These include guidance which has been co-created with the GPC, as well as videos and training materials, that will outline the different ways practices can implement e-RS including what support can be given by other members of the practice team.

The target for this programme is to have all CCGs and trusts using e-RS for all their practice to first, consultant-led, outpatient appointments from October 2018, and to have switched off paper referrals.

Where paper switch off has been achieved, practices will be expected, through a contractual change, to use e-RS for these referrals from October 2018. Where a practice is struggling to use e-RS, there will be a contractual requirement to agree a plan between the practice and CCG to resolve issues in a supportive way as soon as possible.

Overall, NHS England's approach to e-RS implementation will be a supportive one with any contractual action being a last resort. Practices will not be penalised if e-RS is not fully implemented in their locality, for example, where services are not available to refer into or IT infrastructure is incapable of delivering an effective platform.

NHS England and GPC England are committed to work together to continuously improve the referral process and to deliver an ever more efficient and effective system that minimises workload for the practice. NHS England will work with GPC to conduct a post-implementation review to identify implementation challenges, including any workload savings or burdens, and this will inform the next round of contract negotiations.

We have agreed a non-recurrent investment of £10 million for 2018/19, distributed directly to practices and based on weighted patient numbers, to support the full transition to 100% e-Referrals. These payments will be made by NHS England, there is no action for CCGs or NHS England local teams in areas where CCGs do not have delegated commissioning responsibility. These central payments will be accounted for on Regional Local Teams cost centres and extra allocations provided from central underspend for 2017/18.

Violent patients (VP)

We recognise that regulations already allow practices to refuse registration where there are reasonable grounds for doing so. We accept that a "VP flag" against a patient record would constitute reasonable grounds.

We also agree that the Regulations should be amended to allow a practice which has mistakenly registered a patient with a "VP flag" to be able to deregister that patient by following the same procedures for removing patients who are violent from a practice list,

If a patient is removed under the violent patient provisions further care will be managed in line with agreed national policies, including where appropriate special allocation schemes and specify this in guidance (with links to the national policy).

OOH key performance indicators (KPIs)

The National Quality Requirements (NQR) will be replaced with new KPIs. We will work with GPC to test the new indicators and thresholds with the intention of amending the Regulations by October 2018 when reference to the NQR will be replaced with a reference to the new urgent care KPIs.

Patient access to online services

Practices that have not achieved a minimum of ten per cent of patients registered for online services will work with NHS England to help them achieve greater use of online services.

Changes to the Statement of Financial Entitlements

Vaccinations and immunisations (V&I)

We have agreed an uplift to the IoS fee for the following programmes, from £9.80 to £10.06, from 1 April 2018:

- Hepatitis B at-risk (new-born babies)
- HPV completing dose
- Meningococcal ACWY freshers
- Meningococcal B
- Meningococcal completing dose
- MMR
- Rotavirus
- Shingles routine
- Shingles catch-up

The IoS fee for the following programmes isunchanged at £9.80 per dose:

- Childhood seasonal influenza
- Pertussis
- Seasonal influenza and pneumococcal polysaccharide

The payment for pneumococcal PCV will remain at £15.02.

In addition to these increases to the IoS fee, we have agreed the following V&I programme changes from April 2018:

- Hepatitis B (newborn babies) – programme name changed to Hepatitis B at-risk (newborn babies). Vaccine changes and number of recommended doses reduced to three, therefore the payment of the second dose has now been uncoupled from the third dose. This was an in-year change effective 30 October 2017, included for completeness.
- MenACWY 18 years on 31 August – programme removed.
- Meningococcal completing dose – cohort extended to include eligible school leavers previously covered by the 18 years programme. The eligibility is now 1 April 2012.
- Meningococcal B – programme moved in to the SFE, but is not included in the childhood targeted programme (Annex I of the SFE). There are no changes to eligibility of payment requirements.
- Pneumococcal PCV three-month dose – removed from the targeted childhood programme, the date this change is effective from will be confirmed. The funding

for the remaining dose will remain at £15.02.

The following programmes will roll forward unchanged:

Programmes in SFE
- Shingles routine programme for 70-year olds
- MMR over 16-year olds
- HPV completing dose for girls 14-18 years
- Rotavirus
- Pertussis.

Programmes with service specifications
- Shingles catch-up for 78 and 79-year olds
- MenACWY freshers
- Childhood influenza 2 and 3-year olds
- Seasonal influenza and pneumococcal polysaccharide.

Quality and Outcomes Framework (QOF)

The average practice list size (CPI) has risen from 7,732 as at 1 January 2017 to 8,096 at 1 January 2018. As such, the value of a QOF point will increase by £8.06 or 4.7 per cent from £171.20 in 2017/18 to £179.26 in 2018/19.

QOF indicators continue unchanged with the exception of a minor change to the clinical codes that make up the register for learning disabilities. As such, the indicator ID had changed from LD003 to LD004. See QOF FAQs[1] on the NHS Employers website for further details.
No indicators have been removed and there are no changes to thresholds.

Locum reimbursement

We have agreed to uplift the maximum figure practices can be reimbursed for locum costs by 1%, We also have agreed to simplify locum reimbursement for parental leave and sickness absence. From 1 April 2018, if a contractor chooses to employ a salaried GP on a fixed-term contract to provide cover, NHS England will reimburse the cost of that cover to the same level as cover provided by a locum, or a performer or partner already employed or engaged by the contractor.

Further agreed principles
Advertising

NHS England and GPC agree that NHS-commissioned practices must not advertise private providers of GP services which the practices should be providing free of charge on the NHS. GPC and NHS England will work together, supporting the local CCG and LMC, to ensure this does not happen. If necessary, this will be reinforced by a contractual clarification for 2019/20.

[1] NHS Employers. FAQs. http://www.nhsemployers.org/your-workforce/primary-care-contacts/general-medical-services/faqs-and-queries

Direct booking

Over the next year, GPC and NHS England will work together to support further use of 111 direct booking where agreed with practices, to fully evaluate benefits and address any concerns about its implementation and potential consequences. Lessons learned, and the solutions reached, will inform a discussion in the 2019/20 contract negotiations.

Working at scale

GPC and NHS England agree on the importance of providing support to practices that wish to develop integrated and at-scale[2] models of primary care, building on the GMS contract and designed both to provide benefits to patients and greater resilience for practices. We will work collaboratively on this issue.

Cost recovery for overseas visitors

In the 2017/18 GMS agreement, contractual changes were made to help identify patients with a non-U.K. issued European Health Insurance Cards (EHIC) or S1 form. These changes have yet to be fully implemented, in terms of IT systems and the workload and practical impact have yet to be fully understood. We have agreed that we will review the implementation of this agreement in the 2019/20 negotiations.

In the meantime, we have agreed to issue joint guidance recommending that where appropriate, practices remind patients that they might be charged for NHS services outside the practice and to make available to patients the nationally produced literature on this.

GMS digital

We have agreed to build on the work of recent years to develop high quality secure electronic systems and pro-actively encourage patients and practices to use them. The changes that we have agreed for 2018/19 will be taken forward through non-contractual working arrangements which we will jointly promote in guidance.

Electronic repeat dispensing
We have agreed to promote continued uptake of electronic repeat dispensing to a target of 25 per cent, with reference to CCG use of medicines management and co-ordination with community pharmacy.

Patient access to online services and clinical correspondence
We have further agreed non-contractual changes to joint guidance that will promote uptake of patient use of one or more online services to 30 per cent including, where possible, applications to access those services and increased access to clinical correspondence online.

[2] https://www.england.nhs.uk/deliver-forward-view/

Cyber and data security
Building on the work of the 2017/18 agreement, practices are encouraged to complete the NHS Digital Information Governance toolkit (IGT), including adherence to requirements, and attain Level 2 accreditation.

Building on the work of the 2017/18 agreement, practices are encouraged to implement the National Data Guardian's (NDG) 10 data security standards.

GP data

GPC and NHS Digital will work together to develop a framework for the delivery of a new general practice data service to replace General Practice Extraction Service (GPES). The new service will improve capacity and functionality, reduce cost burdens and ensure data collection is appropriate and meaningful. It is anticipated that any new system will be operational from 2019/20 at the earliest.

Practice appointment data

GPC, NHS England, NHS Digital and system suppliers will work together to facilitate appropriate collection, analysis and use of anonymised, standardised appointment data, to better understand workload pressures in general practice. We will also work together to contextualise data where possible, to ensure data is appropriately interpreted and used.

Diabetes

CCGs should ensure appropriate and funded services are in place, to allow practices to refer patients to the NHS Diabetes Prevention Programme (NHS DPP). We encourage practices to make use of such services when appropriate for their patients.

Social prescribing

CCGs will develop and provide funding for appropriate local social prescribing services and systems, with input from local practices and LMCs enable practices to refer patients to local social prescribing 'connector' schemes within the voluntary sector, where they exist in their locality. This may include patients who are lonely or isolated, have wider social needs, mental health needs or are struggling to manage long-term conditions. Practices will be encouraged to use such services to enable patients to connect to community support, improve prevention, address the wider determinants of health and increase their resilience and ability to self-care.

Sharing of information with partners

We recognise the important role that social care providers have in the provision of care for patients. We therefore encourage practices to share relevant information with social care providers, subject to the usual safeguards including confidentiality, where systems and/or procedures are in place to do so appropriately.

Freedom to speak up

In November 2016 NHS England published guidance on freedom to speak up in primary care. We have agreed that we will work together to determine the most effective way of introducing an appropriate and agreed system for general practice. We would aim to implement this no later than 1 April 2019.

Locum data

GPC, NHS England and the DH will work together to improve data on locum usage by undertaking a piece of research with a sample of practices. These parties, as well as the BMA's sessional GPs subcommittee, will work together from the outset on the design, analysis and outcomes of the study.

Reducing the administrative burden

GPC, NHS England the DHSC will work together to take urgent steps to reduce the administrative burden in general practice, taking into account issues highlighted in the GPC's 'Urgent prescription for general practice' and 'Saving general practice'.

Hepatitis B (HepB) renal

NHS England will work with specialised commissioning and secondary care colleagues, to ensure that it is clear the responsibility to deliver HepB vaccinations to renal patients lies with the renal service and not with general practice unless locally agreed arrangements are in place to deliver this service.

HepB medical students

GPC, NHS England and Health Education England (HEE) will work together to ensure all medical schools provide services for the provision of HepB vaccinations for medical students, to ensure that this burden does not fall to practices without appropriate funding arrangements being in place.

Directed Enhanced services (DESs)

The learning disabilities health check scheme will continue unchanged with the exception of a minor change to the clinical codes that make up the register. All other DESs are unchanged.

Premises Costs Directions

Changes to the 2013 Premises Cost Directions have recently been agreed between NHS England and GPC England.

We recognise that there is a need to undertake a review of premises used to provide primary medical care in England. This review (to begin by the early summer of 2018) will also address some outstanding issues from the review of the Premises Costs

Directions and stakeholders, including regional teams and CCGs will have the opportunity to feed into these discussions.

It is likely to take six months and will make recommendations on next steps as soon as possible. The recommendations will be taken into account in any further national premises negotiations.

Annex B

Changes to key number in 2018/19

Section 1: Key contract figures

Figure	2017/18	2018/19
Value of QOF point	£171.20	£179.26
Global Sum price per weighted patient	£85.35	£87.92
Out of Hours adjustment	4.92%	4.87%

Section 2: Locum allowances

Maternity / Paternity / Adoption allowance	2017/18	2018/19
First Week	£1,131.74	£1,143.06
Subsequent weeks	£1,734.18	£1,751.52

Sickness	2017/18	2018/19
Ceiling amount	£1,734.18	£1,751.52