


Item Number: 14	
Name of Presenter: Shaun Macey	
Meeting of the Primary Care Commissioning Committee 28 February 2017	 Vale of York Clinical Commissioning Group
Personal Medical Services (PMS) Monies 2017/18	
Purpose of Report For Approval	
Reason for Report <p>Following a national review of General Practice Personal Medical Services (PMS) contracts that was initiated by NHS England in 2014, the CCG is required to agree how the PMS Premium from its 5 PMS Practices will be reinvested back into General Practice each year.</p> <p>This report summarises the position going into the 2017/18 financial year, and asks the Primary Care Commissioning Committee to approve a proposal, and associated principles, for the use of this funding.</p> <p>The Primary Care Commissioning Committee is asked to approve the proposed principles for reinvestment of this funding during 2017/18.</p>	
Strategic Priority Links <div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> Primary Care/ Integrated Care <input type="checkbox"/> Urgent Care <input type="checkbox"/> Effective Organisation <input type="checkbox"/> Mental Health/Vulnerable People </div> <div> <input type="checkbox"/> Planned Care/ Cancer <input type="checkbox"/> Prescribing <input checked="" type="checkbox"/> Financial Sustainability </div> </div>	
Local Authority Area <div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> CCG Footprint <input type="checkbox"/> City of York Council </div> <div> <input type="checkbox"/> East Riding of Yorkshire Council <input type="checkbox"/> North Yorkshire County Council </div> </div>	
Impacts/ Key Risks <input checked="" type="checkbox"/> Financial <input type="checkbox"/> Legal <input checked="" type="checkbox"/> Primary Care <input type="checkbox"/> Equalities	Covalent Risk Reference and Covalent Description

Recommendations

N/A

Responsible Executive Director and Title	Report Author and Title
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Phil Mettam Accountable Officer	Shaun Macey Head of Transformation & Delivery
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Personal Medical Services (PMS) Monies 2017/18

1. Background

Personal Medical Services (PMS) agreements are locally agreed contracts between NHS England and a GP practice. These contracts were originally designed to offer local flexibility compared to the nationally negotiated General Medical Services (GMS) contracts by offering variation in the range of services which could be provided by the Practice, the financial arrangements for those services and the Provider structure (who could hold a contract).

The difference between the two main contract types has eroded over the years following the introduction of the new GMS contract in 2004, and PMS contract holders have had access to the same range of additional and enhanced services as GMS Practices. In 2014, NHS England undertook a national analysis of PMS contracts which suggested that PMS contracts cost more than GMS contracts with no demonstrable difference in the range of services being delivered.

A local review was undertaken by NHS England Yorkshire & Humber to determine the level of premium, if any, being paid to Practices and take action to release the premium back into the system (with the agreement that this funding should remain ring fenced for General Practice). This resulted in an agreement to fund PMS practices at a base level of £79.15 per weighted patient from the 1st April 2015 - this guarantees that PMS practices will not receive less than GMS practices at a patient level. In order to soften the impact on PMS Practices, NHS England also agreed a transition period of 4 years over which the PMS premium would be phased out. For NHS Vale of York CCG PMS Practices, the financial arrangements were proposed as follows:

Practice Name	PMS Premium	2015/16		2016/17		2017/18		2018/19	
		NHS E Pace of Change Payment	CCG Re-Investment	NHS E Pace of Change Payment	CCG Re-Investment	NHS E Pace of Change Payment	CCG Re-Investment	NHS E Pace of Change Payment	CCG Re-Investment
PRIORY MEDICAL GROUP	-244,597	183,448	61,149	122,299	122,299	61,149	183,448	0	244,597
SHERBURN GROUP PRACTICE	-24,452	18,339	6,113	12,226	12,226	6,113	18,339	0	24,452
POSTERNGATE SURGERY	45,834	0	-45,834	0	-45,834	0	-45,834	0	-45,834
SCOTT ROAD MEDICAL CENTRE	-81,977	61,483	20,494	40,988	40,988	20,494	61,483	0	81,977
TADCASTER MEDICAL CENTRE	-7,735	5,801	1,934	3,868	3,868	1,934	5,801	0	7,735
	-312,928	269,071	43,856	179,381	133,547	89,690	223,237	0	312,928
			312,928		312,928		312,928		312,928

2. Funding Available for the 2017/18 Financial Year

The agreed PMS reinvestment for 2017/18 from the table above is £223,237.00. This funding will be available for reinvestment into NHS Vale of York CCG Practices from 1 April 2017.

Additionally, due to an underspend of PMS reinvestment monies in General Practice during the 2016/17 financial year (in part, due to the changes around the Vale of York Clinical Network), there is an amount of £93,419.50 that will be carried forward.

The total PMS funding for reinvestment into General Practice for 2017/18 is therefore 316,656.50.

3. Principles for Reinvestment of the PMS Premium into General Practice for 2017/18

To support the reinvestment of this funding into General Practice for the 2017/18 financial year, and to ensure that this is done effectively and transparently, the following principles are suggested:

- a) The PMS premium is ring fenced for reinvestment into General Practice based services
- b) The PMS premium should be available for reinvestment across all NHS Vale of York CCG Practices (i.e. it is not restricted to PMS Practices), and should be used to deliver services that are in addition to core GMS services
- c) The funding should be used primarily to support the development of locality working arrangements and the management of demand, and help Practices to lead the development of locality based service models and/or develop more active roles in the coordination of care for patients
- d) As per the original PMS arrangements, this is 'not for profit' funding and should be used for direct investment into services
- e) The allocation and use of this funding should be transparent – and Practices, or groups of Practices, are asked to provide a brief report giving details of how the funding has been spent at the end of the 2017/18 financial year

The Primary Care Commissioning Committee is asked to approve the above principles for reinvestment of this funding during 2017/18.