

**2015 No. 19**

**THE NATIONAL HEALTH SERVICE (WALES) ACT 2006**

**Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 4) Directions 2015**

*Made* - - - - - *25 June 2015*

*Coming into force in accordance with direction 1(3)*

The Welsh Ministers in exercise of the powers conferred on them by sections 45, 203(9) and (10) and 204(1) of the National Health Service (Wales) Act 2006(1), and after consulting in accordance with section 45(4) of that Act with the bodies appearing to them to be representative of persons to whose remuneration these Directions relate, hereby give the following Directions:

**Title, commencement and application**

1.—(1) The title of these Directions is the Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 4) Directions 2015.

(2) These Directions are given to Local Health Boards and apply in relation to Wales.

(3) These Directions come into force on 26 June 2015 but shall have effect from 1 April 2015.

**Amendments to the Statement of Financial Entitlements**

2. The Directions to Local Health Boards as to the Statement of Financial Entitlements Directions 2013(2) which came into force on 11 June 2013, as amended by the Directions listed in Annex J at Schedule 1 to these Directions, are further amended as follows.

**Amendment of Section 2 – Global Sum Payments**

3. Section 2 (Global Sum Payments) is amended as follows:

(a) for paragraph 2.3, substitute –

“2.3 Once the contractor’s CRP has been established, this number is to be adjusted by the Global Sum Allocation Formula, a summary of which is included in Annex B of this SFE. From 1 April 2015, the resulting figure, which is the contractor’s Contractor Weighted Population for the quarter is to be multiplied by £74.48.”.

**Amendment of Section 3 –Minimum Practice Income Guarantee**

4. Section 3 (Minimum Practice Income Guarantee) is amended as follows:

(a) After paragraph 3.21, for the heading “Practice mergers or splits” substitute the heading “Practice, mergers or splits and Correction Factor Monthly Payments”;

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(1) The National Health Service (Wales) Act 2006 (c.42).

(2) The Directions to Local Health Boards as to the Statement of Financial Entitlements 2013 (2013 No.8) as amended.

(b) After paragraph 3.34, insert “**Practice mergers or splits and Practice Support Monthly Payments**”

**3.34A** Except as provided for in paragraphs 3.34B to 3.34F, a contractor with a GMS contract which takes effect, or is treated as taking effect for payment purposes, after 1st April 2015 will not be entitled to PSMPs.

**3.34B** If -

- (a) a new contractor comes into existence as the result of a merger between one or more contractors; and
- (b) that merger led to the termination of GMS contracts and the agreement of a new GMS contract, the new contractor is entitled to a PSMP that is the total of any PSMP payable under the terminated GMS contracts.

**3.34C** If -

- (a) a new contractor comes into existence as the result of a partnership split of a previous contractor (including a split in order to reconstitute as a company limited by shares);
- (b) at least some of the members of the new contractor were members of the previous contractor; and
- (c) the split led to the termination of the previous contractor’s GMS contract,

the new contractor will be entitled to a proportion of any PSMP payable under the terminated contract. The proportions are to be worked out on a pro rata basis, based upon the number of patients registered with the previous contractor (i.e. immediately before its contract is terminated) who will be registered with the new contractor when its new contract takes effect.

**3.34D** However, where a contractor that is a company limited by shares becomes entitled to PSMPs as a consequence of a partnership split in order to reconstitute as a company limited by shares, entitlement is conferred exclusively on that company and is extinguished if that company is dissolved. Following such dissolution, discretionary payments under section 53 of the 2006 Act, equivalent to PSMPs, could be made by the LHB to a new contractor to whom the extinguished company’s patients are transferred. Such payments may be appropriate, for example, where a group of providers in a partnership become a company limited by shares and then again a partnership, but all the while they continue to provide essentially the same services to essentially the same number of patients.

**3.34E** If —

- (a) a new GMS contract is agreed by a contractor which has split from a previously established contractor; but;
- (b) the split did not lead to the termination of the previously established contractor’s GMS contract,

the new contractor will not be entitled to any of the previously established contractor’s PSMP unless, as a result of the split, an agreed number, or a number ascertainable by the LHB for the contractors, of patients have transferred to the new contractor at or before the end of the first full quarter after the new GMS contract takes effect and in which case the PSMP is calculated in accordance with paragraph 3.34F.

**3.34F** If such a transfer has taken place, the previously established contractor and the new contractor are each to be entitled to a proportion of the PSMP that has been payable under the previously established contractor’s GMS contract. The proportions are to be worked out on a *pro rata* basis. The new contractor’s fraction of the PSMP will be –

- (a) the number of patients transferred to it from the previously established contractor; divided by
- (b) the number of patients registered with the previously established contractor immediately before the split that gave rise to the transfer.

And the previously established contractor's PSMP is to be reduced accordingly.

### **Conditions attached to payment of Practice Support Monthly Payments**

**3.34G** PSMPs, or any part thereof, are only payable if the contractor satisfies the following conditions—

- (a) the contractor must make available any information which the LHB does not have but needs, and the contractor either has or could reasonably be expected to obtain, in order to calculate the contractor's PSMP; and
- (b) all information supplied pursuant to or in accordance with this paragraph must be accurate.

**3.34H** If the contractor breaches any of these conditions, the LHB may, in appropriate circumstances, withhold payment of any or any part of a PSMP that is otherwise payable.”

(c) For paragraph 3.40 substitute -

“**3.40** The CFMP for the financial year commencing on-

- (a) 1<sup>st</sup> April 2015 and ending 31 March 2016, each eligible contractor will receive a CFMP equal to the value of C less the value of D;
- (b) On the 1<sup>st</sup> April 2016 and ending 31 March 2017, each eligible contractor will receive a CFMP equal to the value of C less twice the value of D;
- (c) On the 1<sup>st</sup> April 2017 and ending 31 March 2018, each eligible contractor will receive a CFMP equal to the value of C less three times the value of D;
- (d) On the 1<sup>st</sup> April 2018 and ending 31 March 2019, each eligible contractor will receive a CFMP equal to the value of C less four times the value of D;
- (e) On the 1<sup>st</sup> April 2019 and ending 31 March 2020, each eligible contractor will receive a CFMP equal to the value of C less five times the value of D;
- (f) On the 1<sup>st</sup> April 2020 and ending 31 March 2021, each eligible contractor will receive a CFMP equal to the value of C less six times the value of D;
- (g) On the 1<sup>st</sup> April 2021 and ending 31 March 2022, and subsequent financial years, no contractor will be entitled to a CFMP.”.

### **Amendment of Section 5 – Aspiration Payments: Calculation, Payment Arrangements and Conditions of Payments**

5. Section 5 (Aspiration Payments: Calculation, Payment Arrangements and Conditions of Payments) is amended as follows:

- (a) in paragraph 5.13, for the figure “£158.56”, substitute “£160.40”.

### **Amendment of Section 6 – Achievement Payments: Calculation, Payment Arrangements and Conditions of Payments**

6. Section 6 (Achievement Payments: Calculation, Payment Arrangements and Conditions of Payments) is amended as follows:

- (a) in paragraph 6.6(b), for the figure “£158.56”, substitute “£160.40”;
- (b) in paragraph 6.7, for the figure “£158.56”, substitute “£160.40”; and

- (c) in paragraph 6.8, for the figure “£158.56”, substitute “£160.40”.

#### **Amendment of Section 7 – Childhood Immunisations**

7. Section 7 (Childhood Immunisations) is amended as follows:

- (a) in paragraph 7.10(a), for “£726.65”, substitute “£735.08”;
- (b) in paragraph 7.10(b), for “£2,179.96”, substitute “£2,205.25”;
- (c) in paragraph 7.20(a), for “£225.08”, substitute “£227.70”; and
- (d) in paragraph 7.20(b), for “£675.23”, substitute “£683.06”.

#### **Amendment of Section 8 – Rotavirus Vaccine**

8. In section 8 (Rotavirus Vaccine), in paragraph 8.3, for “£7.71”, substitute “£7.80”.

#### **Amendment of Section 9 –Pneumococcal Vaccine and HIB/MENC Booster Vaccine**

9. Section 9 (Pneumococcal Vaccine and HIB/MENC Booster Vaccine) is amended as follows:

- (a) in paragraph 9.3, for “£15.10”, substitute “£15.28”;
- (b) in paragraph 9.6, for “£15.10”, substitute “£15.28”;
- (c) in paragraph 9.8, for “£15.10”, substitute “£15.28”;
- (d) in paragraph 9.9(b), for “£15.10”, substitute “£15.28”;
- (e) in paragraph 9.10, for “£15.10”, substitute “£15.28”;
- (f) in paragraph 9.11, for “£15.10”, substitute “£15.28”;
- (g) in paragraph 9.12, for “£15.10”, substitute “£15.28”; and
- (h) in paragraph 9.15, for “£15.10”, substitute “£15.28”.

#### **Amendment of Section 10 – Shingles Immunisation Programme**

10. Section 10 (Shingles Immunisation Programme) is amended as follows:

- (a) in paragraph 10.2, for “£7.71”, substitute “£7.80”; and
- (b) in paragraph 10.5, for “£7.71”, substitute “£7.80”.

#### **Amendment of Section 11 – Payments for Locums covering Maternity, Paternity and Adoption Leave**

11. Section 11 (Payments for Locums covering Maternity, Paternity and Adoption Leave) is amended as follows:

- (a) in the heading “LOCUMS” substitute “GP PERFORMERS”;
- (b) in paragraph 11.2, after the words “the contractor may need to employ a locum” insert “or uses the services of a GP performer who is a party to the contract or who is already employed or engaged by the contractor”;
- (c) in paragraph 11.3 –
  - (i) after the words “and necessarily engages a locum” insert “or uses the services of a GP performer who is a party to the contract or who is already employed or engaged by the contractor (or more than one such person)”;
  - (ii) at the end of sub-paragraph (c) omit “and”, and
  - (iii) for sub-paragraph (d) substitute –
    - “(d) the GP performer who is a party to the contract or who is already employed or engaged by the contractor is not employed full-time; and
    - (e) the contractor is not also claiming another payment for locum cover in respect of the performer on leave pursuant to this Part.”;

(d) for paragraph 11.5 substitute –

**“Amounts payable**

**11.5.** The maximum amount payable under this Section by the LHB in respect of cover for a GP performer is –

(a) in respect of the first two weeks for which the LHB provides reimbursement, £1,131.74 per week ; and

(b) in respect of any week thereafter for which the LHB provides reimbursement, £1,734.18 per week.”.

**Amendment of Annex D – Quality and Outcomes Framework**

**12.** Annex D, Section 2.1, (the Clinical Domain) is amended as follows:

(a) in paragraph 2.2.1, in the indicator “SMOK002” omit the word “PAD”; and

(b) in paragraph 2.2.1, in the indicator “SMOK005” omit the word “PAD”.

**Amendment of Annex E – Calculation of the Additional Services Sub-Domain of the Public Health Domain Achievement Points**

**13.** Annex E is amended as follows:

(a) In paragraph E.6., each time the figure “£158.56” appears, substitute, £160.40”.

**Amendment of Annex F – Adjusted Practice Disease Factor Calculations – Adjusted Practice Disease Factor**

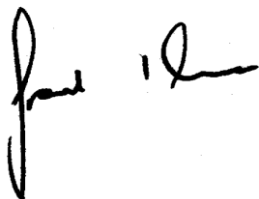
**14.** Annex F is amended as follows:

(a) in paragraph F.4.1(c), for “£190.27”, substitute “£192.48”.

**Amendment of Annex J – Amendments to the Directions to Local Health Boards as to the Statement of Financial Entitlements Directions 2013 which came into force on 11 June 2013**

**15.** For Annex J substitute Annex J attached at Schedule 1 to these Directions.

**Signed by Dr Grant L. Duncan, Deputy Director, Healthcare Policy Division under the authority of the Minister for Health and Social Services, one of the Welsh Ministers**



**Date: 25 June 2015**

## SCHEDULE 1

### ANNEX J

#### Amendments to the Directions to Local Health Boards as to the Statement of Financial Entitlements Directions 2013 which came into force on 11 June 2013

- (a) The Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2013 (2013 No.60), which were made on 30 September 2013.
- (a) The Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2014 (2014 No.3), which were made on 16 June 2014.
- (b) The Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2014 (2014 No.17), which were made on 27 June 2014.
- (c) The Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 3) Directions 2014 (2014 No.24), which were made on 30 September 2014.
- (d) The Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2015 (2015 No.7), which were made on 31 March 2015.
- (e) The Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment No 2) Directions 2015 (2015 No.14), which were made on 01 April 2015.
- (f) The Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment No 3) Directions 2015 (2015 No.15), which were made on 20 April 2015