Sefton LMC

Viewpoint Bulletin on the

Network Contract Directed Enhanced Service

2020/21

The purpose of this Viewpoint Bulletin is to present the observations of the LMC on key elements of the Network Contract Directed Enhanced Service 2020/21 ("the PCN DES"), its underlying direction of travel for General Practice collaboration and some important contract management features that it contains.

Its aim is to help Practices with their decision on the PCN DES, which must be made by no later than 31 May 2020.

From outset it should be noted that the role and function of the LMC is to support Practices in whatever choice they make with respect to the PCN DES.

Those who have read the PCN DES documents carefully will have seen that LMCs will play a prominent, formal role in a number of matters and processes, which may emerge with the implementation and maintenance of the PCN DES contract (PCN formation and the management of problems). This does not mean that the statutory LMC role of supporting each Practice, whatever its position on the PCN DES, is diminished.

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1) Current timescales, work specifications and funding of the PCN DES

The timescale for the implementation of the work specification of the PCN DES has been modified owing to the Covid-19 Pandemic. The work specifications have been formally put back form 1 April to 1 October 2020.

Sign Up & Auto Enrolment

The deadline for signing up to the PCN DES has not been put back from the 31st May.

The 31st May deadline is already a deferred deadline and NHS England, faced with calls to postpone the PCN DES until after the Pandemic, has insisted that sign up must take place by the end of May 2020. The original deadline for sign-up was postponed following the outcry that greeted the publication of the intended DES work specifications in December 2019.

Unlike the normal run of DES schemes, the PCN DES contract requires Practices to 'opt out' rather than 'sign up'. The PCN DES 2020/21 is the last of the five planned annual PCN DES contracts (2019-2024) to see Practices being asked if they wish to 'opt out'; In future years,

their participation will roll forward to future PCN DES' unless they decide to pull out within a tightly specified window of time.

Once a Practice has signed up to (i.e. not opted out of) the PCN DES 2020/21 contract, it cannot withdraw until its expiration and the forthcoming time window for opting out of the Network Contract Directed Enhanced Service 2021/22. The only exceptions to this requirement are: if the work specifications are changed midterm; if the Practice is expelled from its PCN; if the Practice splits/loses its core GMS/PMS contract; or if the Practice is subject to removal from participation by the Commissioner.

The normal run of other DES contacts has allowed a three-month notice period for Practices to withdraw.

Work Specifications

As noted above, implementation of the PCN DES work specifications has been formally postponed until 1st October. They have also been modified from those which first appeared at the end of December 2019, which were widely seen to be unachievable within the additional staffing resources available, and would require Practices to directly shoulder a substantial additional workload.

The revised specifications are now less prescriptive in respect of achievement targets; these are now tailored to allow uptake to match availability of additional staffs.

Elements of the Enhanced Health in Care Home (EHCH) specification have been activated recently under a request for additional care home support during the Covid-19 Pandemic. The responsibility for this, prior to the formal start of the PCN DES, is placed with CCGs. NHS England and BMA General Practitioners Committee (GPC) have stated that Practices responding now are not doing so under the obligations of the PCN DES.

The PCN DES EHCH specification, although formally commencing in October, does require some preliminary work up to the October start-date:

- 31st July: alignment of homes to PCNs; identification of a Clinical Lead; agreeing how the PCN will work with partner organisations;
- September 2020: set up of the care home MDT.

As in the case of any DES, and especially with the PCN DES, Practices should carefully evaluate the additional workload and/or responsibilities for work they are being asked to take on against the resourcing which they will receive.

Funding

The funding offered for the 20/21 PCN DES is as follows:

Funding stream	Practice Funding	PCN Funding
Network Participation Payment	£1.76 per weighted patient per year	
Core PCN Funding		£1.50 per patient per year
Clinical Director Payment		£0.72 per patient per year
PCN Support Payment (see below for details)		£0.27 per weighted patient over 6 months
Care Home Premium		£120 per CQC-registered bed (£60 in 2020-21)
Additional Roles Reimbursement		100% of eligible staffs employed (limits applied)
Extended Hours Payment		£1.45 per patient per year

Most of the funding for the PCN DES is channelled to the PCN via a Lead Practice. Beyond the Network Participation Payment, there is no further funding earmarked directly for Practices. Practices may, however, earn more from the PCN DES if they are commissioned by the PCN to undertake specific work arising from the specifications.

The PCN Support Payment is a temporary arrangement during the Covid-19 pandemic. In October 2020, it is expected to be replaced by the Investment and Impact Fund (IIF), which will be a parallel QOF-type arrangement for the PCN and its Practices. The original value of the IIF was to be £0.74 per patient in 2020-21.

The Care Home Premium was to be paid as £60 for each of two six-month periods; with the onset of the EHCH being delayed until 1st October, there will now only be one £60 payment in 2020-21. Many have called for the bed premium to be paid per occupant rather than a flat reimbursement. This may be something that is changed in future PCN DES', assuming the EHCH specification is retained.

The additional staffs taking up the additionally funded roles are set out in section 6 of the PCN DES 'Entitlements & Requirements' document (see Attachment 1, embedded at the end of this viewpoint document). The provision of 100% funding for these roles is an improvement on the original proposal of 70%.

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2) Sefton LMC Viewpoint on the PCN DES

GP Practice Networking and the PCN DES'

It is important to keep in mind that that GP Practice collaboration/ networking is not entirely and exclusively initiated or defined by the PCN DES 2020/21 nor any other in the series of DES' that will be produced over the next 4 years.

Practices have collaborated previously with remarkable results for the enhancement of local health care without the framework of a prescribed DES. Well before the appearance of the PCN DES in 2019/20, Practices around the country engaged in networking and collaboration with positive outcomes. In Sefton, the innovations and achievements of networking and collaborative action have demonstrated that Practices engaging with one another can resolve local health issues and enhance the quality of patient care.

Along with most of our Practices, Sefton LMC sees networking by Practices and collaboration between GP networks and other primary care organisations as an integral part of the step forward from the current fragmented nature of primary care.

The PCN DES is a contractual mechanism for directing funding to practice networks and their mobilisation to achieve certain service level improvement over and above the core requirements of GMS and PMS contracts. The particulars of the current PCN DES on offer, whether they are agreeable or not, and whether the contractual obligations are light/ onerous/ dangerous, both immediately and in the long term, require careful consideration by each Practice.

Benefits of Signing Up to the PCN DES 2020/21

The PCN DES in 2019/20, and now the PCN DES in 2020/21, came with a condition that the only way more central funding could come to General Practice would be via the PCN DES route.

The £1.76 Network Participation Payment can be spent as each Practice wishes.

As a member of a PCN, a Practice may be able to earn from the money which goes to the PCN, although these amounts are low. Practices which do not sign up are expressly excluded from taking up any of the work which the PCN needs to carry out.

Engaged practices remain core network members and remain in control of the PCN. Other organisations which join are not considered to be core members.

The change to the Additional Roles Reimbursement Scheme, which now provides 100% funding for the actual (but not administrative) cost of employing additional staff, removes the 30% funding liability from the PCN and its core Practices that was imposed by the PCN DES 2019/20.

Signing up to the PCN DES allow a Practice to have some control over how the specified PCN services will be delivered to its patients.

Risks and Concerns of Signing Up to the PCN DES 2020/21

a) Adequacy of the Deal and Control of GP-PCN Collaboration

The PCN DES specifications set out the priorities that the PCN must address. This removes much of the ability for the engaged Practices to decide how best to support the needs of their local patient populations. Whilst there is a need for some common priorities, the scope for local determination has been effectively excluded.

The top down, highly prescriptive nature of the original versions of the specifications with unrealistic targets has demonstrated a lack of concern for any ground floor generated initiatives. In addition, the lack of flexibility in the specifications allow little freedom - as is now provided in core contracts - for Practices to determine how to deliver services. This freedom has been the successful hall mark of networking and collaboration thus far. Through the PCN DES 2020/21 and the DES' to come, the organisation of the PCNs and their activities are largely centrally determined and controlled. There must be some central involvement and specification of goals if the whole system is to cohere; the question is, whether or not the approach of the PCN DES' is overtly controlling.

The £1.50 per patient Core PCN Funding the PCN DES 2020/21 does not seem adequate to support the real costs of the infrastructure of PCNs. Should this be exhausted, Practices may find themselves subsidising the clinical and administrative staff time. A detailed analysis of the PCN DES by anther LMC, based on an assumption of a 44,000 patient PCN population, has concluded that there are 21.5 sessions of clinical time and 27.5 hours of Practice Manager administrative time unfunded by the DES funding stream.

Restrictions on how the funding for the Additional Roles can be used limits how efficiently PCNs can operate.

It is difficult to corroborate the claim that the PCN DES is oriented to reducing workload in General Practice. Under the revised PCN DES 20/21, the eventual number of Additional roles staff has increased from 22000 (described in the PCN DES 2019/20) to 26000 by 2024. This is around 21 posts for a typical PCN. However, these extra staff seem to be of little use to Practices. Two of the extra 3.5 per typical PCN are Pharmacy Technicians and one is for a role that overlaps with the Social Prescriber. There are no new Clinical Pharmacists on offer in the 2020/21 agreement.

In addition, the PCN DES Specifications appear most geared towards reducing unplanned hospital attendances rather than solving General Practices' workload problems.

Although more activity-based funding is promised in later years of the PCN DES sequence, the current cost/reward benefit of the PCN DES 2020/21 to PCNs and Practices is not well balanced. Any chance that the Specifications and Investment and Impact Fund can be locally

rebalanced to produce a different income equation between PCN and Practices is explicitly ruled out by the DES.

A completely new addition to the PCN DES 2020/21 is the power granted to the Commissioner (now the Sefton CCGs) to, if necessary, force a PCN to accept a Practice into its organisation (see Section 4.9 of Attachment 1, embedded at the end of this viewpoint document). This clearly foresees circumstances in which a group of Practices in a PCN do not support the advent of another; however, the system requires 100% coverage so the hand of PCNs may be forced. This power seriously erodes the voluntary character of PCNs and GP control of their collaboration, and is a matter of considerable concern.

b) The PCN DES Contract and Core Contracts

The PCN DES 2020/21 and its successors are claimed to be the only means by which central investment into General Practice will be made. The opening statements in the PCN DES document make it clear that the PCN DES is part of a long-term package of GP Contract reform (see Section 1.4 of Attachment 1, embedded at the end of this viewpoint document).

Elements of the PCN DES point to an eventual unification of contracts into a PCN-structured contract. In the PCN DES, there is a blurring of contractual schemes; the Investment and Impact Fund is, as noted above, a parallel QOF.

If central funding will only be made via the PCN DES' then Practices will become ever more dependent on them for additional income. Local Quality Contracts and locally-commissioned activity independent of the PCN will wane.

The PCN DES looks forward to 2024 when the Additional Roles funding will become part of the Practices' global sum.

The contractual conditions of the PCN DES, set out below, could mean that Practices become performance-managed by the PCN, which is itself performance-managed by the CCGs & NHS England in the short-term & in the long term, by the Integrated Care Organisations that are intended to replace the regional NHSE and CCG structure.

There are a number of LMCs who perceive that this direction of travel will lead to the erosion of the GMS contract as Practices become unable to survive purely their GMS funding. Furthermore, they believe that the PCN DES 2020/21, and those to come, will lead to the erosion of the 'independent contractor model' of General Practice.

It is necessary to take such dramatic views with caution; the end of independent contractor status has been prophesied before. It is the case, however, that that the PCN DES is part of the implementation of the NHS Long term Plan, which will lead to a place based, capitation-outcome funded organisation of primary care.

The insistence of NHS England to gain agreement to the PCN DES now, without stopping to allow Practices time to deal with the Covid-19 Pandemic and to settle down before making

the choice, is seen by many to demonstrate the determination to drive the agenda of contract and system reform.

The contractual conditions involved in the PCN DES give cause for some concern:

- When accepted, the PCN DES will vary the Practice GMS/PMS contract so that it encompasses the obligations of the DES as well as the core essential & additional services (see Section 3.1.2 of Attachment 1, embedded at the end of this viewpoint document). The provisions of the PCN DES Specifications then become part of the Practice's Primary Medical services contract (see Section 3.1.3 of Attachment 1).
    - This is not new; other previous DES' have also become part of the core contract, which serves as the contractual vehicle for the specified activity payments involved. What is new in the PCN DES is that the contractual obligations of a Practice as a member of a PCN are far wider and more profound.
- The PCN DES stipulates that 'where this Network Contract DES Specification sets out a requirement or obligation of a PCN, each Core Network Practice of a PCN is responsible for ensuring that requirement or obligation is carried out on behalf of that PCN (see Section 3.1.1 of Attachment 1). Later in the Attachment, it also states:
    - Section 8.1.3: A PCN further acknowledges that as the provisions of this Network Contract DES Specification are part of a Core Network Practice's primary medical services contract, the commissioner is able to take any action set out in the relevant primary medical services contracts in relation to a breach of this Network Contract DES Specification
    - Section 8.1.6: The commissioner acknowledges that the action plan is intended to be a first step towards remedying the breach. If:

        a. the commissioner, acting reasonably, determines that an action plan is not appropriate.

        b. an action plan cannot be agreed within a reasonable timescale; or

        c. a breach is not remedied by an action plan,

        the commissioner may take any appropriate action set out in the Core Network Practice's primary medical services contracts in relation to the breach. This may include issue of a breach or remedial notice, withholding of payments or termination.

The possibility that a Practice might find its core GMS/PMS contract in jeopardy owing to a deemed breach of the PCN DES has understandably raised concerns and doubts.

Senior figures in the GPC have sought to diffuse concern over the risk this considerable contractual lever entails. It has been suggested that a Commissioner would not find it in its interest to withdraw a Practice's core GMS/PMS contract. Additionally, they have noted that there is a considerable process to be undertaken before that action could be taken.

The view has also been advanced that the 'termination' referred to means only termination of participation in the DES, and reliance for this view is cited as section 8.1.7 of Attachment 1, embedded at the end of this viewpoint document).

Hempsons Solicitors have issued a legal opinion, which confirms that 'a Practice is in breach of its own core contract if it breaches its DES obligations; that 'Commissioners can take action under one or more of the core contract penalties; and that 'the termination of the core contract could happen'.

Clearly, the approach of the Commissioner now and in the long term to DES contract management is a critical factor. At the moment, the Sefton CCGs maintain a supportive and facilitative approach but this might change in the future, when the Commissioner becomes more remote and unfamiliar with the locale and its dynamics.

The Position of the English LMCs

At a Special Conference on 11th March 2020, convened by the GPC to debate and endorse the PCN DES 2020/21, the verdict of the GPs at the conference was, by a substantial majority vote:

> Motion 18 – Proposed by Derbyshire LMC
> That conference is concerned that, despite a radical overhaul of the PCN service specifications, there remains a significant funding gap, and demands:
>
> I. to know as soon as possible whether an impact assessment, including PCN level and practice level modelling, was carried out by the BMA prior to the agreement of the GP contract
> II. that there is an urgent costing exercise undertaken which will better inform primary care networks as to the financial viability of signing up to the scheme
> III. that the deadline for practices to sign up to the 2020 / 21 PCN DES be deferred until 1 October 2020 to allow time for all associated details to be published
> IV. a moratorium of one year on the implementation of all specifications within the DES to allow time for PCNs to begin to develop the required workforce, and to scope the required workload for feasibility and viability in the longer term.

The motion was carried in all parts

> Motion 23
> That conference believes the PCN DES is a Trojan horse to transfer work from secondary care to primary care and that:
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> I. this strategy poses an existential threat to the independent contractor model
> II. there should be immediate cessation of LES and DES transfers from practice responsibility to that of PCNs
> III. GPC England is mandated to urgently survey the profession to get feedback on whether they intend to sign the new PCN DES
> IV. GPC England must urgently negotiate investment directly into the core contract as the only way to resolve the crisis in general practice is by trusting GP partners with realistic investment
> V. the profession should reject the PCN DES as currently written.

The motion was carried in all parts.

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3) Factors to Consider When Making Your Decision

Some of the questions you will need to consider when making you decision include:

(i) How well is our PCN functioning?

- What proportion of time is focussed on issues relating to patient care vs. internal PCN matters?

(ii) How supportive is the CCG?

- As the Commissioner under the DES, the CCG is not allowed to vary or supplement the DES even if it wished to. Its approach to the interpretation of the DES will be crucial. The approach of the CCG now, and the Commissioner in the long term, is a key factor given the powers it will be given to force PCNs to admit a Practice against its wishes, and to invoke core contract sanctions to discipline Practices that are deemed in breach of the DES.

(iii) How organised and responsive are the CCG & NHSE payment teams now and in the future?

- DES funding will be managed by the CCG and NHSE; what is your experience of the management of payments?

(iv) How reliant on the PCN funding is/will your Practice be?

- What would be the impact of not signing up to the DES and its £1.76 per weighted patient Network Participation Payment?

(v) Are there adequate arrangements for the employment of the additional staffs and the management of their employment?

(vi) How much capacity does your Practice have to undertake additional work now and in the future?

- As with all DES', the PCN DES requires additional work over and above the core GMS/PMS contract. When Practices signed up for the PCN DES in 2019/20, there was a reasonable understanding of the workload demand over the following year. The demands of Covid-19 and the example of the highly prescribed specifications that accompanied the original version of the 20/21 DES, mean that Practices will be unable to foresee with such certainty the impact of the DES on Practice workload.

(vii) What if we change our mind later?

- Once the 31st May 2020 deadline has passed, you are in! You will not be able to change this until 31st March 2021.
- Signing up to a DES is a Practice entitlement and CCGs have been instructed that any Practice wishing to be part of a PCN and to participate in the PCN DES must be allowed to do so. If this aspect of the PCN DES specification continues, it means that Practices choosing not to sign up this year will be able to do so next year. This might give those which are unsure more time to see how PCNs fare in the current year.

We hope you will find this document helpful. We will be available to discuss any element of the above with you and any other query arising about the PCN DES.

Joe Chattin – Honorary Secretary

David Smith - Chairman

Attachment 1:

Network Contract Directed Enhanced Service
Contract specification 2020/21 - PCN Requirements and Entitlements
March 2020

network-contract-des
-specification-pcn-req