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<b>Date</b>	Tuesday, 20 March 2018
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<b>Title of paper</b>	<b>GP at Hand – Contractual and Financial Implications</b>
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<b>Confidential</b>	<b>Yes</b>	<input type="checkbox"/>	<b>No</b>	<input checked="" type="checkbox"/>	Items are only confidential if it is in the public interest for them to be so
<b>Assurance Level Agreed by Responsible Director</b>	<b>Good</b> <input type="checkbox"/>	<b>Adequate</b> <input type="checkbox"/>	<b>Limited</b> <input type="checkbox"/>	<b>Unsatisfactory</b> <input type="checkbox"/>	

**The Committee is asked to:**

**The Primary Care Commissioning Committee is asked to:**

- **Note** the potential financial implications associated with the list size increase of the GP at Hand practice.
- **Note** the emerging contractual implications associated with out of area activity for GP at Hand registered patients.
- **Note** the emerging system challenges generated by the GP at Hand practice model

**Summary of purpose and scope of report**

**1. Financial Implications of GP at Hand**

**What we have seen so far**

- Practice list size has grown from 2,500 in April 2017 to 24,621 on 5<sup>th</sup> March 2018. The growth has occurred mainly since the marketing campaign launched in

November 2017 and has averaged c4,000 registrations / month

- So far, more than 75% of the new registrations are from patients resident outside NWL. This segment is expected to grow faster than the NWL cohort, given the opening of sub-contracted sites near Euston, Victoria, and Canary Wharf. Only 6% of the growth so far is from patients registered as living outside London.
- Almost all of the new patients are in the 20-64 age group, with three quarters under 35
- The increase in registrations represents a 10% increase in the H&F registered population in 5 months
- Based on the recently revised CCG core allocations, but adjusted for the growth seen so far, H&F has already moved from 5.3% above target to 4.8% below
- There have already been further subcontracting applications lodged for sites elsewhere in London and the provider has indicated they will seek to expand to sites outside of London in July 2018.

### Impact on primary care, acute and other allocations

The GP at hand business is in its infancy and the exponential growth in registrations makes it difficult to project forward with any confidence. The CCG has done some simple extrapolations based on:

- A baseline, with no further growth and
- A continuation of growth at 4,000 per month

and has estimated the related primary care and acute costs based on experience so far. The CCG is also seeing an impact from other community and mental health services, but is not yet in a position to quantify this.

The estimated additional costs and the impact on distance from target, are:

Additional costs	a) Baseline – no further growth	b) Straight line growth at 4,000/month
	£m	£m
Primary medical services budgets, delegated by NHSE	1.9	3.4
Acute spend	3.5	7.2
Community and mental health services, prescribing, etc.	tbc	tbc
Total additional costs	5.4+	10.6+

Projected distance from target capitation funding	(4.8%) below target	(13.4%) below target
Projected distance from target for primary care delegated budget	(14.2%) below target	(21.9%) below target

These additional costs represent a windfall gain for the CCGs losing patients, which are predominantly (at present) inner London CCGs

#### **Impact on primary care delegated budget**

- The baseline scenario, representing the growth so far absorbs almost all of the primary care headroom for 2018/19. Any further growth will push the primary medical services budget in to deficit. The straight line growth scenario would see the primary care budget in deficit by approximately £1.3m
- There are no automatic adjustments to primary care allocations in year to compensate for rapid changes in list size

#### **2. Contracting implications**

GP at hand patients are accessing a range of community and mental health services close to home or their place of work. In addition to the cost of additional non contract activity, this is resulting in additional transaction costs for the CCG, associated with putting in place bespoke cross charging arrangements. The costs associated with these activities are difficult to quantify at this stage but are anticipated to increase in line with list size growth of the practice.

#### **3. System challenges**

Registration Authorities and Smartcards. In order to accommodate the growth in list size, the practice has a rolling programme of recruitment which is putting additional pressure on the team responsible for issuing smartcards. The NW London RA service met with Babylon on 5<sup>th</sup> March to discuss how the team can accommodate this increase in demand for smartcards and agreed a series of actions, both to ensure that the list of registered smartcard users is current and to enable the team to plan future capacity to accommodate on-going requests for smartcard access.

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**Quality & Safety/ Patient Engagement/ Impact on patient services:**

. The on-going assurance of the GP at Hand practice is being undertaken by the CCG and NHS England – updates will continue to be provided to the Primary Care Commissioning Committee.

**Finance, resources and QIPP**

- The financial implications of the GP at Hand practice list size growth are detailed within this briefing.

**Equality / Human Rights / Privacy impact analysis**

- The practice met with the CCG regarding the EQIA screening tool on 23<sup>rd</sup> February and has agreed to undertake a full Equality Impact Assessment (EQIA).
- The practice has completed the EQIA screening tool and has committed to undertaking a full EQIA and is seeking expert advice to support them with this.

<b>Risk</b>	<b>Mitigating actions</b>
<p>The list size growth associated with the GP at Hand practice is not accommodated within the CCGs core and primary care allocations for 18/19, creating significant cost pressures resulting in the CCG failing to meet its statutory requirement to deliver financial balance.</p>	<p>The CCG has raised the issue with NHSE (London) and is exploring options to enable in year adjustments to its allocation.</p>

**Supporting documents**

**Governance and reporting**

(list committees, groups, other bodies in your CCG or other CCGs that have discussed the

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Committee name	Date discussed	Outcome
Name	DD/MM/YYYY	