

Health and Social Care Integration Directorate  
Primary Care Division



Dear Colleague

## GENERAL MEDICAL SERVICES STATEMENT OF FINANCIAL ENTITLEMENTS FOR 2012/13

### Summary

1. This Circular introduces a revised Statement of Financial Entitlements (SFE) for GMS Contractors and replaces PCA(M)(2011)16 issued on 25 October 2011.

2. The SFE has been agreed with the Scottish General Practitioner's Committee and details of changes to sections of the SFE are detailed at Annex A.

3. An electronic copy of the SFE can be found on the NHS website at:

[http://www.sehd.scot.nhs.uk/pca/PCA2012\(M\)13.pdf](http://www.sehd.scot.nhs.uk/pca/PCA2012(M)13.pdf)

### Action

4. NHS Boards are requested to bring this Circular to the attention of all GP contractors.

Yours sincerely

Frank Strang  
Deputy Director, Primary Care Division

22 November 2012

### Addresses

#### For Action

Chief Executives NHS Boards  
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#### For Information

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## Annex A

Amendments made to SFE effective retrospectively from 1 April 2012, issued on 22 November 2012.

### Amendments to Table of Contents

In Part 1, Section 2 (Global Sum Payments) the sub heading 'Vaccines and Immunisations' has been inserted after 'Contractor Population Index'.

In Part 1, Section 3 (Minimum Practice Income Guarantee) the 3<sup>rd</sup> sub heading has been amended to read 'Review and revision of Correction Factor Monthly Payments in respect of financial year **2012/13** and financial years thereafter.'

In the list of Annexes, the wording 'to be provided under Additional Services' has been removed from Annex J.

### Amendments to Introduction

This section has been updated to reflect the current dates and effective date of the SFE.

### Amendments to Part 1 Section 2 – Global Sum Payments.

Paragraph 2.3 has been amended to read

'The Scottish Allocation Formula, a summary of which is included in Annex B of this SFE, determines how the total Global Sum amount for Scotland is to be distributed to all practices in Scotland. Once the contractor's CRP has been established, this number is to be adjusted by the Scottish Allocation Formula. The resulting figure is the contractor's Contractor Weighted Population for the Quarter. It is on the basis of the Contractor Weighted Population for the Quarter, relative to the Scotland-wide Weighted Population for the Quarter, that the practice is allocated its share of the Scotland-wide global sum, not including the sums allocated for Temporary Patients Adjustments. From 1 April **2012** the global sum amount for Scotland is increased to **£389.7**million reflecting the increase in aggregate contractor registered populations from **1 April 2011 to 31 March 2012.**'

Paragraph 2.4 has been amended to read

'For comparative purposes only, this figure should correspond to the Contractors Weighted Population for the Quarter multiplied by approximately £70. This figure is calculated by taking the total global sum amount for Scotland (**£389.7m**), subtracting the total sum allocated for Temporary Patients Adjustments and then dividing by the Scotland-wide registered population for the Quarter. The resulting amount is then to

be divided by twelve, and the resulting amount from that calculation is the contractor's first Initial GSMP for the financial year.'

Footnote 3 has been amended to read

'The figure of **£389.7m** takes effect with this SFE on 1 April **2012** and includes non-GMS practices. The equivalent figure prior to 1 April **2012** was **£389.0m**. The new figure reflects the change to Scotland's registered populations for the period 1 April **2011** to 31 March **2012**.'

In Column 1 of the Table in paragraph 2.5, 'Vaccinations' has been replaced with 'Vaccines'.

Paragraph 2.18 has been amended to read

'The Contractor Population Index (CPI) of a contractor, mentioned in paragraph 2.16, is the contractor's most recently established CRP divided by **5198**. Where reference is made in this SFE to a contractor's CPI, that reference, unless the context otherwise requires, is to the most up-to-date version of the contractor's CPI at the time that the payment which is being adjusted in accordance with a calculation using the contractor's CPI falls due.'

Footnote 4 is amended to read –

'The figure of **5198** takes effect with this SFE from 1 April **2012**. The equivalent figure prior to 1 April **2012** was **5188**. The new figure reflects the notional change in Scotland's registered population for the period 1 April **2011** to 31 March **2012**.'

After paragraph 2.18, a new subheading 'Vaccines and Immunisations' has been inserted and new paragraph 2.19

'2.19 The reference to-

- (a) childhood immunisations and pre-school boosters; and
- (b) vaccines and immunisations,

in column 1 of the Table in paragraph 2.5 are to the vaccines and immunisations of the type specified and given in circumstances which are referred to in Table 1 and Table 2 in Annex J.'

### **Amendments to Part 1 Section 3 – Minimum Practice Income Guarantee**

The Paragraph 3.10 heading has been amended to read

'Review and revision of Correction Factor Monthly Payments in respect of financial year **2012/13** and financial years thereafter.'

Paragraph 3.12 is amended to read

‘Once the baseline monthly figure amount of a contractor’s CFMPs has been established, that amount is to be updated

- (a) for the financial year **2012 to 2013** by 0%; and
- (b) for the financial year **2013 to 2014** and subsequent financial years, by-
  - (i) the percentage by which the amount specified in paragraph 2.3 is updated at or for the start of the new financial year (“the Uprating Percentage”), if it is to be updated, or
  - (ii) if the first amount specified in paragraph 2.3 is not to be updated at or for the start of the new financial year, by 0%.’

#### **Amendments to Part 2 Section 4 – Quality and Outcomes Framework: General**

Paragraph 4.6 has been amended to read

‘The clinical domain contains twenty **two** clinical areas, for each of which there are a number of indicators set out in tables in Section 3 of the QOF. These indicators contain standards against which the performance of the contractor will be assessed.’

In paragraph 4.7, the reference to ‘Section 2 of the QOF’ in the last sentence has been replaced with ‘Section 3 of the QOF’.

In paragraph 4.13, the reference in the second sentence to ‘Section 3 of the QOF’ has been replaced with ‘Section 4 of the QOF’.

Paragraph 4.14.1 has been amended from

‘With the exception of-

- (a) the indicator “records 23” in the records and information sub-domain (the percentage of patients aged 16 and over whose notes record smoking status in the past 27 months), and
- (b) the prescribing indicators in the quality and productivity sub-domain,’

the standards set relate to the task to be performed or an outcome to be achieved. The points available in relation to the indicators (other than those mentioned in sub-paragraph (a) and (b) are only obtainable in full if the task is in fact accomplished or the outcome achieved.’

to read

‘The standards set relate to the task performed or an outcome to be achieved. The points available in relation to the indicators are only obtainable in full if the task is in fact accomplished or the outcome achieved.’

Paragraph 4.14.2 has been amended from

‘Guidance on what is required to accomplish the task or achieve the outcome is given in Section 3 of the QOF. In particular, the quality and productivity achievement will be measured in accordance with that Section, and in the case of the prescribing indicators, also in accordance with paragraph 4.14B.’

to read

‘Guidance on what is required to accomplish the task or achieve the outcome is given in Section 4 of the QOF. In particular, the quality and productivity achievement will be measured in accordance with that Section.’

Paragraphs 4.14A and 4.14B have been removed.

‘ 4.14A “Records 23” has designated achievement thresholds and the standard of the performance of the contractor is to be assessed in accordance with Section 4.8 to 4.12.’

‘4.14B The quality and productivity prescribing indicators-

- (a) QP1 and QP2 have designated tasks to be performed and outcomes to be achieved and these are set out in Section 3,
- (b) will only result in the availability of points in relation to indicator QP2 where indicator QP1 has been fully accomplished,
- (c) will only result in an entitlement to a payment in respect of indicators QP3, QP4 or QP5 if QP1 and QP2 have been achieved, and
- (d) in respect of indicators QP3, QP4 and QP5 will be measured in accordance with the methodology set out in Section 3 and Health Boards will calculate the achievements for those indicators using PRISMS data.’

In paragraphs 4.15 and 4.16, the references to ‘Section 4 of the QOF’ have been replaced with ‘Section 5 of the QOF’.

In paragraphs 4.17 and 4.21, the references to ‘Section 5 of the QOF’ have been replaced with ‘Section 6 of the QOF’.

## **Amendments to Part 2 Section 5 – Aspiration Payments**

In paragraph 5.13, ‘£130.38’ has been increased to ‘£133.47’.

## Amendments to Part 2 Section 6 – Achievement Payments

In paragraph 6.3, the following wording has been removed

‘(except in relation to achievement of points relating to QP3, QP4 and QP5 of the prescribing indicators in the quality and productivity sub-domain of the Organisational Domain)’

and the paragraph now reads

‘In order to make a claim for an Achievement Payment, a contractor must make a return in respect of the information required of it by the Health Board in order for the Health Board to calculate its Achievement Payment. Where a GMS contract terminates before the end of the financial year, a contractor may make a return at that stage in respect of the information necessary to calculate the Achievement Payment to which it is entitled in respect of that financial year.’

Paragraph 6.5 has been amended to read

‘The parts of the Achievement Payment that relate to the clinical domain (other than the area relating to palliative care **and indicators 7 and 8 in the area relating to smoking**) and the additional services domain are calculated in a different way from the parts relating to the other domains. As regards-

(a) the clinical domain (other than the area relating to palliative care **and indicators 7 and 8 in the area relating to smoking**), first a calculation needs to be made of an Adjusted Practice Disease Factor for each disease area. (In the case of a GMS contract that only has effect for part of a financial year, there are specific provisions, set out in more detail in Annex G, as to the Adjusted Practice Disease Factor that is to be taken into account in calculating the contractor’s Achievement Payment.) This then multiplied by **£133.47** and by the contractor’s Achievement Points total in respect of the disease area to produce a cash amount for that disease area. Then the cash totals in respect of all the individual disease areas in the domain are to be added together to give the cash total in respect of the domain. A fuller explanation of Adjusted Practice Disease Factors, and of the provisions that apply in the case of a GMS contract that only has effect for part of a financial year, is given in Annex G; and

(b) the additional services domain, the Achievement Points total in respect of each additional service is to be assessed in accordance with the guidance in Annex F, and a calculation is thereafter to be made of the cash total in respect of the domain in the manner set out in that guidance.

The part of the Achievement Payment that relates to the palliative care **and to indicators 7 and 8 in the smoking area** of the clinical domain will be calculated in accordance with paragraph 6.6.’

In paragraph 6.6, ‘£130.38’ has been increased to ‘£133.47’.

Footnote 6 has been amended to read

**'The amount specified in paragraph 6.6 in respect of the financial year 1 April 2011 to 31 March 2012 was £130.38.'**

### **Amendments to Part 3 Section 8 - Childhood Immunisation Scheme**

In paragraph 8.8, in the three places it occurs, the number 61 has been increased to '63'.

In paragraph 8.18, in the three places it occurs, the number 57 has been increased to '58'.

### **Section 13 (Seniority Payments)**

Paragraph 13.15 has been amended with new additional wording to read

'For these purposes, a GP provider's Superannuable Income Fraction is the fraction produced by dividing –

(a) NHS Superannuable profits from all sources for the financial year to which the Seniority Payment relates, as reported on his certificate submitted to the Health Board in accordance with paragraph 22.10, excluding any amount in respect of Seniority Payments; by

(b) the Average Adjusted Superannuable Income.

**Save that in a year when the GP provider retires and as a result his superannuable profits relate only to part of the year, then the Average Adjusted Superannuable Income should be adjusted so that it is pro-rata for the period to which the superannuable profits relate.'**

### **Section 18 (Dispensing)**

In paragraph 18.1 the second sentence has been amended to read

**'In this and the following paragraphs "appliances" means appliances listed in the Drug Tariff (ie the Statement prepared by Scottish Ministers under regulation 9 of the National Health Service (Pharmaceutical Services) (Scotland) Regulations 2009, as amended.)'**

In paragraph 18.3, sub paragraph i. has been amended to read

**'the basic price. For proprietary preparations this is the List Price as defined in the Drug Tariff. For non-proprietary items the basic price is the Tariff price as listed in Parts 7 and 9 of the Drug Tariff or, when not so listed, the price as determined in**

accordance with paragraph **13** of Part 1 of the Tariff. The price of appliances shall be that listed in the Drug Tariff.

Paragraphs 18.5a and 18.5b have been removed

'18.5 a For the dispensing period 1 April- 30 June 2011 only Unless a dispensing practice is registered with Customs and Excise for Value Added Tax (VAT) purposes (normally when a registered pharmacist is employed for dispensing), a VAT allowance shall be paid to cover the VAT payable on the practice purchases of drugs and appliances and containers. The allowance shall be calculated as a percentage both of the basic price less any discount applicable under schedule 1 and of the container allowance equivalent to the rate of VAT in force on the first day of the quarter in which the items are dispensed.

18.5 b A one off VAT registration support payment of £3000 will be paid to all dispensing practices, who were both dispensing practices and not registered for VAT at 1 April 2011, and who are not subject to the discretionary arrangements detailed in subparagraph 18.6 with their April 2011 dispensing payment.'

Paragraph 18.5c has been renumbered as the new 18.5a and amended to read

'18.5 a For the dispensing period 1 July 2011 onwards A VAT allowance shall be paid to cover any VAT payable on the purchase of any products listed below for personal administration under a GMS contract:

- vaccines, anaesthetics and injections;
- the following diagnostic reagents: Dick Test; Schick test; Protein Sensitisation **Test** Solutions; and Tuberculin Tests (i.e. Koch Test, Mantoux Test, Patch Test and Diagnostic Jelly);
- intrauterine contraceptive devices (including drug- releasing IUCDs, contraceptive caps and diaphragms);
- pessaries which are appliances; and
- sutures (including skin closure **strips**).

No allowance will however be paid for any item which is centrally supplied as part of a programme such as the Childhood Immunisation Programme or any programme against a Pandemic Influenza Virus.'

Paragraph 18.5d has been renumbered as the new 18.5b and has been amended to read

18.5 **b** Where after making any enquiries as it deems necessary and after consulting the GP subcommittee of the Area Medical Committee, the Board anticipates that the requirement on a practice to dispense will be time limited, for example an application has been made before 30 June 2011 to open a pharmacy to serve the patients currently served by the dispensing practice concerned, the Board may agree to temporarily continue to make payments in accordance **with the arrangements set out in the SFE 2011-12** at sub paragraph 18.5a.'



Paragraph 18.14 has been amended to read

'In order to ensure that the annual surveys of practitioners' practice expenses carried out by **HM Revenue and Customs** are as accurate as possible, practitioners should ensure that their actual expenditure on drugs and appliances are shown 'gross' in their accounts. Payments under this paragraph should be brought to account 'gross' as 'income'.'

Paragraph 18.15 has been amended to read

'The provisions set out in paragraphs 18.1 to 18.5 do not cover remuneration and reimbursement arrangements for dispensing and non dispensing practices in respect of the provision of influenza vaccine. Specific arrangements in relation to the reimbursement costs and fees for provision of vaccines for the **2012-13** influenza season are detailed in NHS Circular PCA(M/P)(**2012**)1 issued on **11 January 2012**.'

### **Amendments to Annex A – Glossary Part 2 Definitions.**

The 'Childhood Immunisations and Pre-school Boosters' definition has been amended to read

“'Childhood Immunisations and Pre-school Boosters' is to be construed as a reference to the Childhood **Vaccines** and Immunisations additional service referred to in the 2004 Regulations.’

The 'DES Directions definition is amended to read

“'DES Directions' means the Primary Medical Services (Directed Enhanced Services) (Scotland) Directions **2012**.’

### **Amendment to Annex B – The Scottish Allocation Formula (SAF) for General Medical Services**

Paragraph B.5 has been amended to read

'The relative need for GMS will to a significant extent depend on the age and sex structure of the GP practice population. The population groups that are relatively intensive users of GP services are children, young women and older patients. The SAF includes a series of age and sex 'weightings' to allocate a greater share of resources to practices with greater proportions of high-user patient groups than the

Scottish average. The 'weightings' **which will be applied from 1 April 2012 to 30 September 2012** are summarised in the following table:

	0-4	5-14	15-24	25-44	45-64	65-74	75-84	85+
Male	2.86	1.00	1.28	1.52	2.17	3.42	4.45	4.91
Female	2.51	1.21	2.71	2.89	3.17	3.81	4.66	5.09

Note that **these** SAF age-sex 'weightings' are based on 2004/05 year data from the Practice Team Information (PTI) practices and are expressed relative to a male patient aged 5-14.

The 'weightings' which will be applied from 1 October 2012 are summarised in the following table:

	0-4	5-14	15-24	25-44	45-64	65-74	75-84	85+
Male	2.85	1.00	1.21	1.46	2.09	3.23	4.36	5.44
Female	2.57	1.18	2.57	2.83	2.98	3.68	4.71	5.28

Note that these SAF age-sex 'weightings' are based on 2010/11 year data from the Practice Team Information (PTI) practices<sup>1</sup> and are expressed relative to a male patient aged 5-14.'

Paragraph B.6 has been amended to read

'The relative need for GMS will also depend on the socio-economic status of the GP practice population. People from deprived backgrounds typically have poorer health outcomes, higher morbidity and greater health needs. The SAF includes an index of deprivation and mortality to 'weight' the GP practice population on the basis of the following indicators:

- The unemployment rate.
- The proportion of elderly people claiming income support.
- The standardised mortality rate amongst people under the age of 65.
- Households with two or more indicators of deprivation.

A GP practice population with a higher proportion of high user patient groups - as defined by the above set of indicators - will receive a greater additional need 'weighting' under the SAF. The exact nature of the formula that 'weights' a practice list for deprivation and mortality is:

Practice List \* [(0.94\* (109.04 + 3.09 \* Index) + (0.06\* (82.46 + 4.89 \* Index)))]

Where, *Index* denotes the index of deprivation and mortality. Note that this adjustment is also split between **94** per cent surgery contacts and **6** per cent home contacts.

### **Amendment to Annex E - Quality and Outcomes Framework**

A new replacement Annex has been inserted.

### **Amendments to Annex F – Calculation of Additional Services Achievement Points**

In paragraphs F.5 and F.6, '£130.38' has been increased to '£133.47'.

### **Amendments to Annex G - Adjusted Practice Disease Factor Calculations**

Paragraph G.4 (b) has been amended to read

'once the cut-off has been applied, re-basing the contractor figures around the new national Scottish mean to give the Adjusted Practice Disease Factor (APDF). For example, an APDF of 1.2 indicates a 20% greater prevalence than the mean, in the adjusted distribution. The rebasing ensures that in the period commencing on 1 April **2012** and ending on 31 March **2013** the average contractor (i.e. one with an APDF of 1.0) receives **£133.47** per point, after adjustment;'

New Footnote 214 has been inserted to read

'The amount specified in paragraph G.4 (b) in respect of the financial year **1 April 2011 to 31 March 2012** was **£130.38**.'

Paragraph G.4 (c) has been amended to read

'thus, adjusting via the factor the contractor's average pounds per point for each disease, rather than the contractor's points score. For example, a contractor with an APDF of 1.2 for CHD in the period commencing 1 April **2012** and ending on 31 March **2013** will receive **£160.16** per point scored on the CHD indicators.'

### **Amendment to Annex J – Vaccines and Immunisations**

A new replacement Annex has been inserted.