

Primary Care Commissioning Committee

22 March 2017

Details	Part 1		Part 2		Agenda Item No.	6
Title of Paper:	Practice Merger Process & Request					
Board Member:	Dr Jeff Schryer, Clinical Lead (Primary Care)					
Author:	Rachele Schofield, Primary Care Manager					
Presenter:	Amy Lepiorz, Deputy Director of Primary Care & QIPP					
Please indicate:	For Decision		For Information	<input checked="" type="checkbox"/>	For Discussion	

Executive Summary

Summary	The following paper has been updated to reflect the comments received from Primary Care Commissioning Committee during February's meeting. It is now presented to the Committee for ratification of the formal arrangements.					
Risk	High		Medium	<input checked="" type="checkbox"/>	Low	
	Please indicate above the overall level of risk associated with the paper then state here what the risks are and how this paper aims to address them. If the above summary itself is around managing risk etc. state "Included in Summary". NB Risks can include failure to act and lost opportunities.					
	Risk		Mitigating Action			
	Conflicts of interest in both the Primary Care Workstream Group PCWG and PCCC decision making panels as, to be quorate, a Clinical Lead for Primary Care must be present		Any person in either Group who has an interest within one of the suggested merger practices be excluded from all decisions. If the conflict becomes too great, NHS England can be asked to make the decision re the merger on behalf of the CCG.			
	Merging a practice means one database which may impact on performance monitoring at a site level thereby making it difficult to isolate areas of underperformance within "branch practice"		PCCC discussion needed regarding strategic vision on performance/quality monitoring Currently exploring with vision a technological solution			
	Where newly merged practices choose to provide multiple sites then site specific data will be maintained for Quality/Performance Monitoring purposes. The emphasis will be on the practice to maintain this information.		PCCC discussion needed - is it acceptable to place this expectation on Practices or should this sit with the CCG?			
	A greater understanding of the impact that the Carr-hill formula has is needed as this has the potential to		NHSE/Finance to advise			

	increase contractual value dependant on which practice code is retained	
	A greater understanding of how financial implications of mid-year merges can be calculated is needed	Would recommend mergers are only supported at a quarter end point but further clarity is needed from NHSE/Finance re how entitlements would be calculated
Recommendations	The Primary Care Commissioning Committee are asked to: - Support the proposed Merger Process to be implemented at Bury CCG	

Strategic theme

To deliver improved outcomes and reduce health inequalities for patients through better preventative strategies		x
To deliver service re-design in priority areas through innovation		
To develop primary care to become excellent and high performing CCGs		x
To develop the CCG leadership to work with the Local Authority to be excellent integrated CCGs		
To develop robust and effective working relationships with all stakeholders and partners to drive integrated commissioning		x
To deliver long term financial sustainability through effective commissioning and innovative investment across the wider system		
To develop and influence the provider landscape through development of a Locality Care Organisation (LCO)		
Equality Analysis Assessed?		Supports NHS Bury CCG Governance arrangements

Practice Merger Process and Request

1. Commissioning Principles

Merging contracts is a complex matter which should not be approached lightly by either the Practices or the CCG. The final commissioning decision on whether contracts should be merged lies with the CCG and, in order to ensure the CCG is robust in its decision making process regarding the practice mergers and request process, the CCG will adhere to the Commissioning Principles laid out in the Primary Care Health & Wellbeing Strategy alongside the following subset of principles for Practice Mergers.

2 Practice Merger Commissioning Principles (Subset)

- The CCG is generally in support of practice merger requests (particularly if the merger absorbs a single-handed practice into a larger arrangement)
- The Practices wishing to merge may hold contracts with different financial arrangements:
 - In general terms contractual mergers should only be considered in the case of like for like contracts because of the potential differences in financial arrangements - Where this occurs, the merger would only be approved if both Practices agree to enter into a GMS arrangement / rate
- The CCG expects that any merger be cost neutral upon its completion (Car-hill formula implications will need to be clearly considered with the support of Finance) however, applications will be considered on a case by case basis e.g. where additional services need to be delivered
- The CCG are required to fund IT requirements in line with regulations.
- The CCG will pay estate reimbursement in line with the original costs provided that the proposed estates footprint is equal to or smaller than previously held. A merger will only be approved where there is no adverse impact on patients therefore, merging into one site could be potential grounds for refusal.
- All other costs associated with the merger will be funded by the practice/practices requesting the merger.
- Any approved merger will take place ideally at year end but in the absence of this at quarter end (All financial implications will need to be considered e.g. PMS transitional arrangements, QoF and all other entitlements)
- The new merged practice will be encouraged to provide all directed and locally commissioned services, regardless of previous delivery arrangements. A reduction in service will not be approved.
- The new merged practice will adopt the same, or enhanced, access model and opening times
- Where newly merged practices choose to provide multiple sites then site specific data will be maintained for Quality/Performance Monitoring purposes. The emphasis will be on the practice to maintain this information.
- The Merger process will be reviewed as a minimum annually by the Primary Care Work Stream Group before being returned to PCCC for ratification.

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Table 1

Practice submits Expression of interest to merge to the Primary Care Team (PCT)

PCT:

- Send merger application form and process to practice
- Advise practice they should obtain independent advice from their professional bodies e.g. LMC
- Arrange a meeting to understand rationale for merger; which P Code will be retained, as well as to ensure facilities have been considered e.g. building, phones, IT including clinical system suppliers, staffing and financial requirements.
- In order to preserve the contract and mitigate any challenge to procurement GPs are to be included on both contracts before merger takes place. (NHS E to vary contracts)

CCG/GMMS: scope/approve IT costs associated with merger

Finance: scope financial implications

- Carr-hill formula
- QoF
- Out of Hours Opt Outs
- Premises reimbursements

Practice

- Completes and submits Merger Application Form indicating:
 - Proposed date for merger
 - Practice name
 - Outcomes of Patient engagement - dependent upon the size of the practice this can take up to eight weeks so application can be considered by (PCWG) subject to the outcome of patient and stakeholder engagement
 - Outcomes of Staff engagement (as above)
 - Consistency of service delivery e.g. home visits, booking appointments, essential and additional services
 - IT & clinical systems
 - Telephony
 - Estates
 - Practice Boundary

PCT (within 4 weeks from receipt):

- review application (governance/risks/legal/procurement challenges)
- commence information gathering e.g. Environmental Impact Assessment; collation of any additional / follow up questions
- Produce recommendations for discussion at the Primary Care Workstream Group (PCWG)

NHS E:

- Engage with stakeholders attaching a copy of the application form
- Complete a postcode analysis where changes to the practice boundary are indicated
- Liaise with the CCG re issues / progress

PCT:

Requests any additional information from Practice

PCWG discuss and make recommendations to Primary Care Commissioning Committee for agreement (at the next available meeting)

Merger Supported

Merger Not Supported

Practice notified of decision

Practice notified of decision

Practice: Develops and submits a detailed implementation plan that must at least include;

- Communication strategy for patients and other stakeholders
- Staff strategy
- informs Clinical Systems supplier/s
- informs NHS Choices
- informs Prescriptions Pricing Authority (this must be authorised by the Medicines Optimisation Team)
- informs CQC – a new registration is required to reflect the new entity
- informs CCG IM & T Manager

NHS E:

The contract has already been varied to reflect the changes, a new contract is not therefore issued, the contract for the retained P Code goes forward. A revised financial schedule will be issued by finance. A contract variation will be issued to reflect any changes to the boundary and change of practice name if applicable.