



LMC View on the PCN DES

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Introduction

We are aware that a number of LMCs have published their view on the DES, including if they think practices should sign up. We believe that there is not a simple one size fits all answer that we can give practices in Beds & Herts as to how they should act in this situation, as there are a number of factors that make the DES more or less attractive. These factors are dependent on the individual circumstances of the practice, the maturity and stability of the PCN they are currently part of, and the additional funded services that local CCGs may try to attach to the PCN DES. Therefore, what follows is aimed at helping practices to make the decision that is best for them.

Part 1: Clarification of Changes, Timelines and Finances

General Practice is a complex system both from a contractual and delivery point of view. Added to this the crisis in workforce and workload, rapid changes in ways of working, uncertainty for the future and the current COVID-19 pandemic, it is understandable that decision making about signing up for this particular DES is difficult. In this section we will clarify some of the points that there has been confusion about.

Sign-up vs Auto-enrolment

Practices have until 31 May 2020 to decide if they want to sign up to the PCN DES this year. There is no automatic sign-up to the DES this year; you will have to actively sign up or opt out. Auto-enrolment starts from April 2021.

In order to be able to identify potential areas where a single practice or a group of practices may decide not to sign the DES, or where there are changes in the make-up of a PCN, NHSE has asked CCGs to ask practices or PCNs to signal their intention in advance of the 31st May deadline. While this is understandable from a commissioning point of view, **we would reiterate to practices that they are under no obligation to share their intentions prior to 31st May and should not feel pressurised into doing so.** As we will discuss below, at the time of writing, some elements of the implementation of the DES are unclear, and so practices should take as much time as is needed to reach the decision that is correct for them.

Notice Period of the DES

Unlike previous DESs which usually had a three month notice period so a practice could choose to stop providing it mid-year, signing up to the PCN DES this year will tie a practice in for 10 months (June to March) meaning that the earliest a practice could choose to withdraw from the DES is April 2021. If a practice wanted to stop providing the DES before April 2021, they would have to have permission from the CCG.

An exception to this is where the DES specification is changed mid-year – if that happens, practices can have a month in which to withdraw from the DES if they do not like or agree with the changes.

Structured Medication Review Specification

The implementation date for the Structured Medication Review service requirements has been postponed until 1 October. This date will be kept under review.

Early Cancer Diagnosis Specification

Networks are expected to make every possible effort to begin work on the Early Cancer Diagnosis specification as planned unless work to support the COVID-19 response intervenes, and the contractual start date for this work is 1st October in recognition of this possibility.

Enhanced Health in Care Homes Specification

The specification for the Enhanced Health in Care Homes service have the following deadlines:

- July 31st for aligning homes to PCNs, agreeing a lead, and agreeing how to work with partner organisations
- September 30th for setting up the MDT
- From October 1st start weekly ward rounds and care planning
- By March 31st to have agreed protocols for record sharing

Care Home Specification – Important Update

While the statement above sets out what is written in the DES specification, in an NHS England bulletin sent to practices on 29th April 2020 it was announced that:

“To further support care homes, the NHS will bring forward from October to May 2020 the national roll out of key elements of the primary and community health service-led Enhanced Health in Care Homes service. Further detail will be set out shortly.”

This situation has now been further clarified by NHS England who say that this does not mean that the timelines in the PCN DES have changed or been brought forward, but that all CCGs have to make sure that care homes have appropriate support from primary and community care where this is not already in place. The details of what is required are set out [here](#), and include requirements for a weekly “check-in”, medical input, a MDT, personalised care plans and a PCN clinical lead – all of which are requirements of the PCN DES. Therefore, while NHSE says it has not changed the terms of the DES, it is certainly requiring CCGs to make sure these elements are in place by the middle of May.

Our concern is not related to the idea of providing additional support to patients in care homes at this time of crisis, but to NHS England’s willingness to unilaterally make additional demands on PCNs only a month before practices are being asked to sign up to the DES. Although this has been re-phrased by NHS England as being separate to the PCN DES, the reality is that it is in effect bringing forward these requirements that PCNs had understood would start later in the year. We believe that the ability and willingness of NHS England to make such changes without consultation makes it incredibly difficult for practices to make an informed decision as to what they will be committing themselves to as part of the delivery of the DES.

Impact and Investment Fund

The introduction of the Investment and Impact Fund (IIF) has been postponed for at least six months. An IIF payment will be paid on the basis of a PCN’s weighted population at 27p per weighted patient for the six-month period to 31 September 2020.

Additional Roles Reimbursement Scheme

The Additional Roles Reimbursement Scheme will continue as planned: offering 100% reimbursement of actual salary and defined on-costs, up to the maximum amounts, for ten PCN roles. The requirement for PCNs to submit their workforce plans for 2020/21 has been postponed until the end of August, and to submit indicative plans for 2021/22 to 2023/24 has been postponed until the end of October

Finances

Below is a breakdown of the funding available to individual practices and the PCN.

Funding Stream	Practice Funding (per weighted patient per year)	PCN Funding (per registered patient per year)
Network Participation Payment	£1.76	
Network Support Payment		£1.50
Clinical Director Payment		£0.722
Investment & Impact Fund		£0.74*
Care Home Bed Premium		£120 per bed**
Additional Roles Reimbursement		Dependent on staff employed
Extended Hours		£1.45

*Investment & Impact Fund – the intention was that this would function like a PCN-QOF. However, for 2020/21, due to the COVID-19 pandemic, 27p will be made available to PCNs for the period April- September.

**Care home funding for 2020/21 is £120 per bed per year, (£60 for the half year, August to March) payable monthly from 1st August to 31st March = £7.50 per bed per month. The start of this funding may change, as the Enhanced Health in Care Homes specification has been brought forward. We do not yet have information on this.

Part 2: Our view of PCNs and the PCN DES

It is easy to treat PCNs and the PCN DES as one and the same, however, we believe there is an important distinction to be made between the two.

Primary Care Networks

- We as an LMC believe the original concept behind PCNs is a positive one, practices working together cohesively to support each other and to address local health issues for their population, sharing best practice and pooling resources where appropriate.
- The concept allows practices to maintain their independence while working with like-minded practices to deliver services that they may not have been able to do alone. This in turn could allow practices to play an active role in the local ICSs as they develop.
- There is sufficient evidence, both locally and nationally, to show that where there is a local health issue that needs addressing, a group of engaged practices and appropriate funding, primary care networks not only can deliver high quality, patient centred services, but can also do it far more efficiently than other providers due to the unique position general practices hold in the care of patients.

Many networks of local practices existed prior to the implementation of the DES last year, offering a range of collaborative services (see the Primary Care Home website for examples). **Regardless of whether practices decide to sign up to the DES or not, they are still free to work in networks.**

The PCN DES

Background to the Network DES

The Network Directed Enhanced Service (PCN DES) is a contractual mechanism for standardising how PCNs are structured and for channelling funding into the network. The BMA fought for this to be delivered through a DES in order to keep the funding within general practice (CCGs must offer DESs to general practices; they cannot choose to commission this from another provider unless practices choose not to provide the DES). However, unlike other DESs, most of the funding does not go directly to general practices but via an intermediary (usually the Lead Practice) to be paid against specific work.

It was introduced in 2019 with a very short time for implementation and considerable pressure on both practices and CCGs to ensure 100% sign up by June 1st. As a result of this rushed

implementation, some practices were forced into forming PCNs with practices they did not have a history of working with. This went against the evidence on which the concept of PCNs was based, which had been derived from groups of practices which had formed naturally and organically, in order to address specific local issues.

In addition, the rushed approach meant that several serious issues soon became apparent that had not been thought about before implementation and have continued to be unanswered since, which means there remains considerable uncertainty and confusion within PCNs. These include:

- The inability for payments to be made into a new bank account set up for the PCN. All payments had to go through an existing (usually the lead practice's) bank account.
- Tax implications for practices (particularly lead practices) on being part of a PCN such as VAT and money unspent by the end of the financial year.
- Employment liabilities and responsibilities in relation to staff employed by a PCN.
- The legal status of a PCN as an entity – it is not an entity in its own right, so all payments have to go through one of the practices (or another organisation).
- Uncertainty about the employment status of the Clinical Director.

At the same time, it was introduced with the promise of investment and promoted by both NHSE and the BMA as the only way for more money to come into general practice. Practices therefore were under pressure to sign up or risk “losing” the opportunity for additional investment. However, the only additional money going directly to practices as a result of signing up was £1.76 per weighted patient. All the additional money went into the PCN and was linked to existing or additional work (e.g. £1.50 for set up and running costs, money to pay for the Clinical Director's time, money for continuing to deliver Extended Hours, money to part fund the employment of pharmacists and social prescribers).

Nevertheless, all practices in Bedfordshire and Hertfordshire signed up to the DES (or wanted to sign up but were unable to join a PCN). The situation now, therefore, is for all practices to decide whether they want to continue to be signed up to the PCN DES for 2020/21.

In this section we have identified what we see as the benefits and risks to a practice of remaining signed up to the PCN DES in 2020/21.

Benefits of Signing Up to the DES

As stated above, the LMC supports the idea of practices working together in networks. The DES does offer opportunities for this and is part of a wider change in service delivery across the whole health economy. Below are some positive features of the current DES specification, which could greatly enhance the delivery of services at PCN level.

- The DES is a source of additional investment into primary care, with each practice receiving the £1.76 per weighted patient directly as income. This money is for practices to spend as they wish, in exchange for agreeing to participate in the DES.
- There may be the opportunity to earn additional income as a member of a PCN from the funding that goes to the PCN (although the amounts available are low) as well as any additional funding that may be available from the CCG for additional work.

- Core network members continue to be the General Practices that form the PCN. Other organisations can join but are not considered core members. This means that General Practices remain in control of how the PCN functions.
- Community services will also have contractual changes which will force them to align more to PCN footprints. Given that General Practice remains in control of the PCN, this should give GPs greater control of community workforce with associated increased community service input into aligned care homes. This could allow for the rebuilding of community teams around practices that has been missed for many years.
- In 2020/21, the Additional Roles Reimbursement Scheme has been altered to cover 100% of salaries and on-costs for specified roles (Clinical Pharmacist, Social Prescriber, First-Contact Physio etc.), as well as an increased funding pot overall. This will allow for an increase to the PCN workforce to cover the increasing workload demands in General Practice. GPC has emphasised that the practices within the PCN determine what work the Additional Roles staff carry out and that primarily this is to support General Practice first, and to fulfil the other requirements of the DES second.
- The Additional Roles skill mix remains firmly under the control of the PCN, allowing it to take into account both local needs and financial risk.
- The delivery expectations of the various elements of the DES specification are based on actual PCN clinical capacity, there are no arbitrary targets set.
- It is now clarified that, if all the practices in a PCN hand back the DES, the CCG will transfer staff under TUPE to another provider, e.g. another PCN or an NHS community provider. NB: This only applies if all the practices in a PCN stop providing the DES.

Risks of Signing Up to the DES

Below are our concerns about the current PCN DES. Some of these risks were also present in 2019/20:

- The DES specification sets out the priorities that PCNs must address (extended hours, care homes, medication reviews, early cancer diagnosis) thus removing the ability for PCNs to decide how they can best support their patient population. While these priorities may be appropriate, in some situations the PCN may have other areas it would prefer to work on.
- The DES specification sets out parameters for the services which may not be in line with current ways of working in a CCG, or match how the PCN would like to deliver them. There is little flexibility in the specification for practices to determine how to deliver the services. This undermines the freedom allowed by the GMS contract for practices to determine how services are delivered.
- While it has always been the case that DES specifications determine how a service is to be delivered, previously each service was a separate DES and so a practice could choose which to deliver. The PCN DES brings together multiple services and so there is no choice for a practice signing up to the DES to decide which of the services they deliver.

- From April 2020 the CCG will have the ability to allocate a practice to a PCN. For the majority of PCNs this will not be an issue, but where there are disagreements within a PCN leading to a practice being expelled or leaving, or where there remains a practice that has been unable to join a PCN, this could mean a PCN being forced to accept a practice that it does not wish to work with and a practice being forced to work with a group of practices it does not wish to work with.
- The restrictions on how the funding for the additional roles reimbursement can be used limit how efficiently the PCNs can operate.
- The funding for running costs remains at £1.50 and we are concerned that as the expectations on PCNs increases, this will not cover the real costs to the PCNs in carrying out the work. This lack of funding to properly support the infrastructure of the PCNs means that often practices end up subsidising the PCN via the unfunded time of clinical and administrative staff
- The issues relating to tax and employment liabilities remain unsolved. The lack of acknowledgement of, and willingness to address many of these problems by NHS England, or to pause the rate of development of PCNs until suitable solutions are found, especially in light of COVID-19, raises concerns about the political motivations behind PCNs
- The direction of travel indicates that new money invested into primary care is likely to be via the PCNs rather than the core contract. If this trend continues then we are likely to see an erosion of the GMS contract, with practices unable to survive purely on their GMS funds and therefore becoming reliant on PCN funding. This shift would ultimately undermine the “independent” contractor model. (It should be noted that similar concerns had been raised when the GMS contract came in in 2004, with a plethora of DESs, NESs and LESs. It is noticeable that over the years the number of DESs has reduced with most of the related funding eventually going into the core contract e.g. patient participation, avoiding unplanned admissions).
- While the service is being commissioned as an annual DES, the growing number of staff employed by the PCN each year, and integration of the delivery of the specification may make it harder to withdraw from the PCN DES in future years.
- While the additional roles reimbursement funding has been increased to 100%, for many practices this money does not cover the true cost of employing the staff.
- Unlike previous DESs which usually had a three month notice period, the PCN DES makes it clear that except in exceptional circumstances practices will not be able to opt-out after signing up. If you sign up by May 31st you are then committed for the rest of the year. You would need permission from the CCG if you wanted to withdraw before March 31st 2021.
- An exception to this is that if NHS England changes the DES specification mid-year, you would have a month window from the date of the notice of the change to opt out. Given that NHS England have recently shown that they are willing to make decisions which impact on PCNs without full consultation (such as the decision to introduce some of the Care Home elements from an earlier date), it is possible that further changes will be made and practices will have to make a decision quickly about whether these changes mean they wish to withdraw.

Part 3: Factors to consider when making your decision

Given the information above, we believe that for many practices the benefits of the DES will outweigh the drawbacks, however, this will not be the case for all practices. Each practice will need to make a decision based on the best interests of their practice and the patients they serve.

Below is a list of questions that we believe are important when considering if signing up to the DES is right for your practice.

How well do you function as a group of practices within the existing PCN?

What proportion of PCN time is focused on issues related to patient care vs internal PCN issues? If there are issues within the PCN, do you think these can be easily overcome or are they likely to be a continued distraction?

How supportive is your CCG?

The DES is a national specification so cannot be altered by the CCG, though it may be interpreted in different ways that could be advantageous or disadvantageous to practices. What additional support does your CCG provide to PCNs in terms of additional funding and personnel? What is the overall relationship with your commissioner – is it one of mutual trust and respect? The relationship your PCN has with its local commissioner is likely to have an impact on how much a PCN can achieve.

How organised and responsive is your CCG and NHSE payments teams?

The funding will be managed by the CCG and NHSE – what has been your experience of this over the last year? Have the payment processes worked smoothly in your area?

We have seen a number of examples of lead practices struggling to get timely payment or reimbursement for additional roles. As the number of additional staff employed by the PCNs grows, delays in payment could present significant cash flow risks to practices (especially those taking on the role of lead practices).

How much of the work in the current DES specification do you already do?

Some of our members tell us that many of the specification requirements falls within the care they already provide (e.g. some areas already provide a weekly ward round to care homes), while for others the requirements of the specification will be new work.

How reliant on the PCN funding are you?

What would the financial impact of not signing up to the DES be on your practice? Beyond the £1.76 participation payment, consider the support your practice may receive from staff funded by the PCN and any additional funding that your local CCG will provide to those practices who sign up to the DES.

How much capacity do you have to do additional work (bearing in mind the impact of COVID-19)?

As with all DESs, the PCN DES represents additional work over and above the GMS contract. When practices signed up for the DES last year, they had a reasonable understanding of the workload

demands of the following year. We are now in a very different world, with the full impact of the COVID-19 pandemic on general practice still unclear. It is likely that for some practices, the PCN may present the best opportunity for managing the post COVID-19 workload in new and innovative ways. While for others, PCNs may serve as an additional unnecessary distraction from delivering their core GMS work.

What if you change your mind later?

Sign up to a DES is a practice entitlement, and CCGs are instructed that any practice wishing to be part of a PCN and to participate in the PCN DES must be allowed to. Assuming that this element of the DES specification doesn't change for 2021/22, this means that practices that choose not to sign up this year would be able to next year. This would give practices that are unsure more time to observe how PCNs fare in the current year.

While all the information above was correct at the time of writing, we are very conscious that there are a number of areas where clarification is being sought, either locally with CCGs or nationally with NHS England. As new information becomes available, we will continue to provide regular updates to practices.

We hope that you have found this document useful. As you go through the process of making a decision about the DES please remember that the LMC remains open and available, and we are happy to discuss these (or any other) issues with individual GPs, practices or PCNs.

Best wishes



Dr Nicky Williams
 Co-Chief Executive Officer



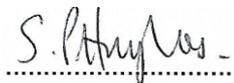
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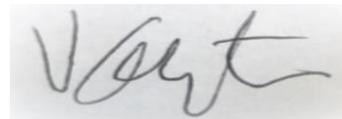
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