

Publications Gateway Reference 05277

For the attention of:

NHS England Directors of Commissioning
Operations

Clinical Leaders and Accountable Officers, NHS
Clinical Commissioning Groups

NHS England
Quarry House
Quarry Hill
Leeds
LS2 7UE

Copy:

NHS England Regional Directors
NHS England Regional Directors of Finance

0113 825 0000

england.primarycareops@nhs.net

16 May 2016

Dear colleagues

Implementing Personal Medical Services (PMS) Reviews

As you know local teams embarked on a review of all PMS contracts over the two year period ending 31 March 2016 and the outcomes for local contractors are now being implemented. This letter provides further guidance on the management of funding changes arising.

In summary, local commissioners will need to ensure that:

- Clinical Commissioning Groups have published proposals for reinvesting the funding potentially released from PMS reviews in line with national principles (summarised below); and,
- No funding is released from PMS practices facing reductions until reinvestment proposals have been confirmed.

We are working to ensure the additional funding received in local PMS contracts is fairly and transparently linked to quality of care for patients or the particular needs of the local population. The [national framework](#) is clear that any additional investment in general practice services, whether it is deployed through PMS or released for reinvestment through other contractual routes:

- reflects joint strategic plans for primary care that have been agreed with the relevant CCG(s);
- secures services or outcomes that go beyond what is expected of core general practice;
- helps reduce health inequalities;
- offers equality of opportunity for GP practices in each locality (i.e. if one or more practices in a given locality are offered the opportunity to earn extra funding for providing an extended range of services or meeting enhanced quality requirements, other practices in that locality capable of providing those services or meeting those requirements should have the same opportunity);

- supports fairer distribution of funding at a locality level.

It is important that any funding changes are managed in a way that does not risk destabilising general practice and we set out three key principles to support this as part of the PMS review framework. They require that:

- additional funding to be released should be reinvested in general practice
- reinvestment remain within the CCG area (unless CCGs agree otherwise)
- the process should be implemented over a period of time (minimum of four years, year one counting from 2014/15) to allow practices to adjust to new funding levels and new income opportunities

We have been clear on the need to ensure PMS practices can plan for the net impact of these funding changes by ensuring any funding reductions can be set against local proposals for reinvestment. However this communication of new earning opportunities is not happening universally in all areas and PMS practices in those instances will understandably be concerned.

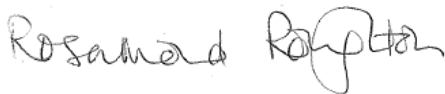
We are therefore requesting that all local commissioners ensure these reinvestment proposals are confirmed locally to PMS practices before any actual reductions to funding are made to PMS practices who are facing reductions in funding.

The immediate priority should be on confirming reinvestment plans for 2016/17 and, where possible, 2017/18. This information should be made routinely available to PMS practices for the period of time PMS review funding changes apply.

Monitoring

All local teams will be required to report on progress of any outstanding reviews and we will work with Heads of Primary Care to agree the arrangements to achieve this.

Yours sincerely,



Rosamond Roughton
Director of NHS Commissioning
Medical Directorate
NHS England