Overview of Expiring APMS contracts in Ealing

Future provision of primary care services to registered patients

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1. Background

The following three APMS contracts are due to come to end during 2017.

1. Featherstone Road Medical Centre, Hartington Road, Southall, UB2 5BQ
2. Woodbridge Medical Centre, Jubilee Gardens, Southall, UB1 2TJ
3. Broadmead Medical Centre, Grand Union Village, Taywood Road. UB5 6WL

For each of these contracts NHS England and Ealing CCG must make a decision about the future provision of primary medical services to the patients currently registered at these practices when the contracts expire.

At the extraordinary private primary care joint committee on 26th October the committee discussed the options. It was agreed that a preferred option would be proposed for each of these contracts and patient and stakeholders would be asked to put forward their views on the proposal before a decision is taken by the Joint committee in December.

The proposed options, put forward at the meeting on 26 October, are summarised in the table below:

<table>
<thead>
<tr>
<th>Practices</th>
<th>Proposal</th>
<th>Rationale</th>
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</thead>
</table>
| Featherstone Road Medical Centre | Appoint a provider for the continuation of primary care to these patients through a competitive tendering process. | • The practice has a larger than average patient list and there are concerns about the ability of surrounding practices to safety register large numbers of patients.  
  • The practice occupies space in high quality, purpose built premises. |
| Woodbridge Medical Centre      | Appoint a provider for the continuation of primary care to these patients through a competitive tendering process. | • Although the practice has a lower than average practice list size, there are concerns about the ability of local practices to safely register large numbers of patients.  
  • The practice has a growing list size  
  • The practice occupies space in high quality, purpose built premises. |
| Broadmead Surgery             | Ask patients to register with an alternative existing practice of their choice. | • There are 16 practices within a mile of Broadmead and 3 of those practices are located within Grand Union Village Medical Centre.  All have open lists and are registering new patients.  
  • The closure of Broadmead Surgery would allow other practices within Grand Union Village to expand into the premises vacated by Broadmead Surgery. This will enable a more efficient use of space and improve |
the ways in which services are delivered to patients.
- The number of patients registered at the practice is relatively low and therefore we may find it difficult to find other providers interested in providing this service.

2. Process for decision making
2.1. The attached papers set out the options available for each of these contracts. Decisions will be based on an assessment of the opportunities and risks associated with the following considerations;

- Current Contract terms and procurement rules/standard financial instructions
- Financial and practical viability of each option.
- Quality and availability of existing premises
- Quality and Capacity of the surrounding practices
- Current Service provision at the practice including CCG commissioned services
- The views of patients and stakeholders

2.2. For each of these contracts, the Joint Committee is asked to agree the option for implementation.

2.3. In making these decisions the committee must have regard for legislation governing public contracts and procurement, patient choice and competition. Relevant regulations include;

- Public Contract Regulations (2006; amended 2009). Which sets out that that public contracts must make the best use / accountability of public money, give all providers the opportunity to bid and give patients the best available service
- National Health Service (Procurement, Patient Choice and Competition) Regulations 2013 which states that commissioners must act in a transparent and proportionate way, and treat providers equally and in a non-discriminatory way, including by not treating a provider, or type of provider, more favourably than any other provider, in particular on the basis of ownership.

3. London APMS procurement programme and the London APMS standard Contract

3.1. NHS England London Region has an extensive programme of GP practice procurements. We are currently commencing Tranche 5 of procurements as part of the programme, with the aim of contracts within this tranche commencing on or soon after October 2017.
3.2. As part of the programme a new standard APMS Agreement has been developed by NHS England London Region in parallel with a new National APMS Agreement with a standard fixed pricing regime, common service specification and standard suite of KPIs.

3.3. Key features of the service specification include;

- Minimum opening hours of 8am to 6.30pm Monday to Friday and 9am to 1pm Saturday (Saturday hours can be re-provided during the week if a hub arrangement is already in place)
- Same day or next day appointments and the ability to book up to four weeks in advance.
- A range of booking options available: in person at reception; by telephone; or online via the surgery website.
- Minimum 72 appointments with GP or NP per 1000 patients per week (75% minimum with GP) and 25 appointments with Nurse or HCA per 1000 pts per week. (75% minimum with nurse)

3.4. The suite of KPIs covers a range of measures, including public health, access and patient experience indicators. The KPI framework sets a minimum expected standard, with opportunities for additional payments if providers perform over and above the minimum standards and penalties if providers fall below these standards. The maximum additional payment for full achievement of the KPIs is £5.35 per normalised weighted patient.

3.5. Providers have the opportunity to participate in the Quality and Outcomes Framework (QOF) and all Directed Enhanced Services (DES) with the exception of the Extended Hours DES.

**Contract Viability**

3.6. Contracts where the patient list size is below 6000 patients are not usually considered viable for procurement on the London standard APMS Contract. This is because the pricing of the London APMS contract is based upon either breaking even or making a very small profit where the list size is 6000, with average fixed costs.

3.7. If the list size falls below 6000, the fixed costs remain the same, which means that the cost per patient of delivering the standard service specification goes up. This in turn may make the contract unviable without an additional Price Support Supplement and therefore unattractive to potential providers. If the list is higher than 6000, or has the potential to grow, it is more attractive to potential providers as it offers economies of scale so providers can invest more in services offered to patients.

**4. Financial Considerations**

4.1. The 2016/17 core contract pricing structure of the London standard APMS contract is set out in the table 2 below.
### Table 2: London APMS Price per patient

<table>
<thead>
<tr>
<th>Description</th>
<th>Price per annum</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Global Sum</strong></td>
<td>£80.59</td>
</tr>
<tr>
<td><strong>London Adjustment Price</strong></td>
<td>£2.18</td>
</tr>
<tr>
<td>Paid for APMS contracts based on weighted list</td>
<td>Per normalised Weighted Patient per annum</td>
</tr>
<tr>
<td><strong>Total GMS Global Sum</strong></td>
<td>£82.77</td>
</tr>
<tr>
<td><strong>APMS Mandatory Terms &amp; Services Price</strong></td>
<td>£12.57</td>
</tr>
<tr>
<td><strong>Total APMS Core Services Price</strong></td>
<td>£95.34</td>
</tr>
<tr>
<td>Maximum additional KPI payment</td>
<td>£5.35</td>
</tr>
<tr>
<td><strong>Total APMS Price inclusive of maximum KPI payment</strong></td>
<td>£100.69</td>
</tr>
</tbody>
</table>

4.2. In addition to the core contract price a Price Support Supplement (PSS) can be considered for practices with list sizes of fewer than 6000 patients. The lower the practice list size the higher the PSS rate will be. This is calculated using a range of inputs including estimated additional income (QOF and enhanced services) and estimated staffing costs.

4.3. Table 3 below demonstrates the comparative cost of the two options being considered.
Table 3: Comparative costs of dispersal and procurement

<table>
<thead>
<tr>
<th>Contract Name</th>
<th>Raw List</th>
<th>Weighted List</th>
<th>Approximate cost of dispersal assuming patients register with a GMS contractor (GMS core price @80.59 pwp plus extended hours payment@£1.90 pp)</th>
<th>Option 2: Cost of procuring a new contract</th>
<th>Provisional Price Support Supplement (One off year 1 cost) 01/07/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadmead Surgery</td>
<td>4,248</td>
<td>3,982.85</td>
<td>£329,049</td>
<td>£401,033</td>
<td>£21,651</td>
</tr>
<tr>
<td>Featherstone Road Health Centre</td>
<td>8,206</td>
<td>7,136.53</td>
<td>£590,724</td>
<td>£718,577</td>
<td></td>
</tr>
<tr>
<td>Woodbridge Medical Centre</td>
<td>5,126</td>
<td>5,049.17</td>
<td>£416,652</td>
<td>£508,401</td>
<td>£26,200</td>
</tr>
</tbody>
</table>
5. Patient and Stakeholder Engagement

5.1. NHS England and Ealing CCG undertook a 4 week period of engagement during November with the patients and other stakeholders on the proposed options for these practices, the other options available and the details of the services proposed in future. These stakeholders were encouraged to express their views as to any concerns they may have and suggestions for changes or improvements. The following groups/individuals were written to and asked to give their views:

- Registered patients aged 16 and over
- All Ealing GP practices
- All Ealing Community Pharmacists
- Ealing MPs
- Ward Councillors
- Chair of Overview & Scrutiny Committee (OSC)
- Director of Adult Social Care for Ealing
- Chair of Health & Wellbeing Board (H&WBB)
- Healthwatch Ealing
- Londonwide Local Medical Committees
- Ealing Local Medical Committees
- Londonwide Local Pharmaceutical Committee

5.2. For the practices where the preferred option was to procure a new contract patients were asked to give their feedback on the services they receive, what they value from the services and what they would want improved. This survey was available online or in paper form at the practice. Patients were also encouraged to give their views at engagement events at each of the practices.

5.3. For practices where the preferred option was to ask patients to re-register with other local practices, patients were asked to give their views on the proposal via a feedback sheets, on email or face to face at engagement events.

6. Next Steps

6.1. If the committee decides to procure a new contract these procurements will be part of the London APMS procurement programme led by NHS England, with support from London CCGs. Adverts for tenders will be published in early January 2017, responses to the Invitation to Tender (ITT) will be expected in February and the preferred bidder will be announced in June 2017.
6.2. If the committee decides to ask patients to register at other local practices, a practice closure process will be followed to ensure a safe and managed process is followed. This will include working closely with the closing practice and receiving practices to support patients to re-register.