Welcome

Primary Care Network
NHS Confederation

Thank you for joining us.

Due to the number of attendees, please ensure you remain muted and put any questions you have into the chat.

The session will be recorded and accessible to primary care members via our app.

For any queries or details on our membership, please contact us at primarycare@nhsconfed.org. You can also visit our website for membership information, upcoming webinars, the latest publications, our Care Closer to Home Conference, and more at www.nhsconfed.org/primary-care

A fairer way to fund General Practice: learning from LLR and Frimley ICSs

Dr David Shepherd and Caroline Farrar

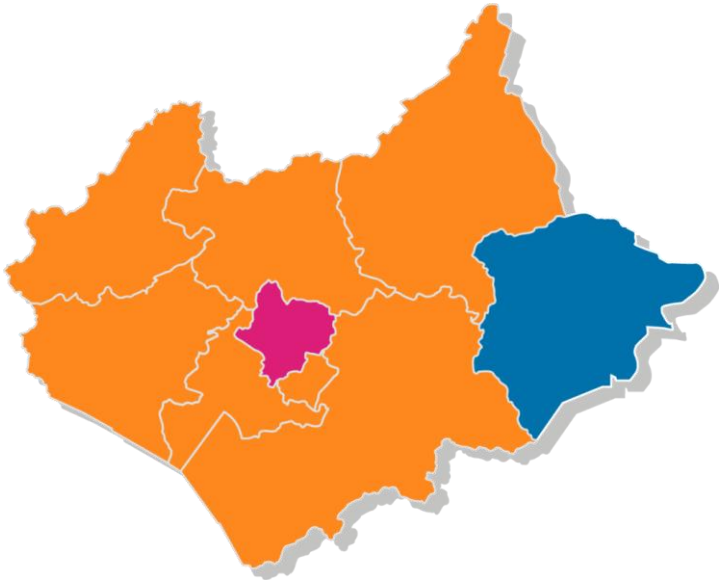
15 January 2025

Agenda

1. The problem we’re trying to fix
2. What we did – and the early impact
3. What we learned
4. What needs to happen next
5. Q&A

A tale of two systems…

Leicester, Leicestershire & Rutland:
- 1.1m population
- 3 places
- 127 practices



We share…

The experience of serving highly diverse communities, including extreme income disparities and ethnic diversity

A history of difficult and controversial PMS reinvestment decisions

A commitment to addressing health inequalities as part of the core purpose of Integrated Care Systems

The availability of comprehensive, whole system data on patient need through the Johns Hopkins ACG tool as a means to support our ambitions

Frimley:
- 835k population
- 5 places
- 68 practices

What's the good result we all want?

The ambition is right…

"distribute available resources in as equitable a way as possible so that all patients receive the same high-quality level of care and enjoy the same quality of access to services regardless of where they may live or their social background" *Philip Grant, Chair of the Formula Review Group 2007**

… but there's a longstanding problem

The Carr-Hill formula embeds inequality into core GP funding by: -

- inaccurate adjustment of patient need using outdated methodology
- not accounting for the effects of deprivation
- compounding the effect across other funding streams that use Carr-Hill weightings

* Review of the General Medical Services global sum formula Published January 2007 © NHS Employers and BMA 2007 https://nanopdf.com/download/review-of-the-gms-global-sum-formula_pdf

A long-standing challenge

Professor Carr-Hill 1998: “In the long run, as patient databases become more reliable and comprehensive, some of these problems (of funding allocation) may be overcome” (1)

NHS Employers and BMA 2007: “following the formula’s introduction in 2003 and concerns (were) raised at the time by some GPs regarding the fairness, robustness and reliability of data supporting the allocation of resources” (2)

BMA 2015: “The formula …lacks face validity; is unable to cater for the needs of atypical populations; very deprived populations are inadequately reflected; there is still no way to assess individual practice workload properly” (3)

Levene *et al* 2019: “The existing NHS practice payment formula has demonstrated very little redistributive potential and is unlikely to substantially narrow funding gaps between practices with differing workloads caused by the impact of deprivation” (5)

The Health Foundation 2021: “persistence of the inverse care law in general practice is a consequence of policies failing to allocate resource according to need” (4)

Lord Darzi 2024: “General practice …will need to expand and adapt to the needs of those with long-term conditions ...Financial flows must lock-in this change irreversibly or it will not happen” (6)

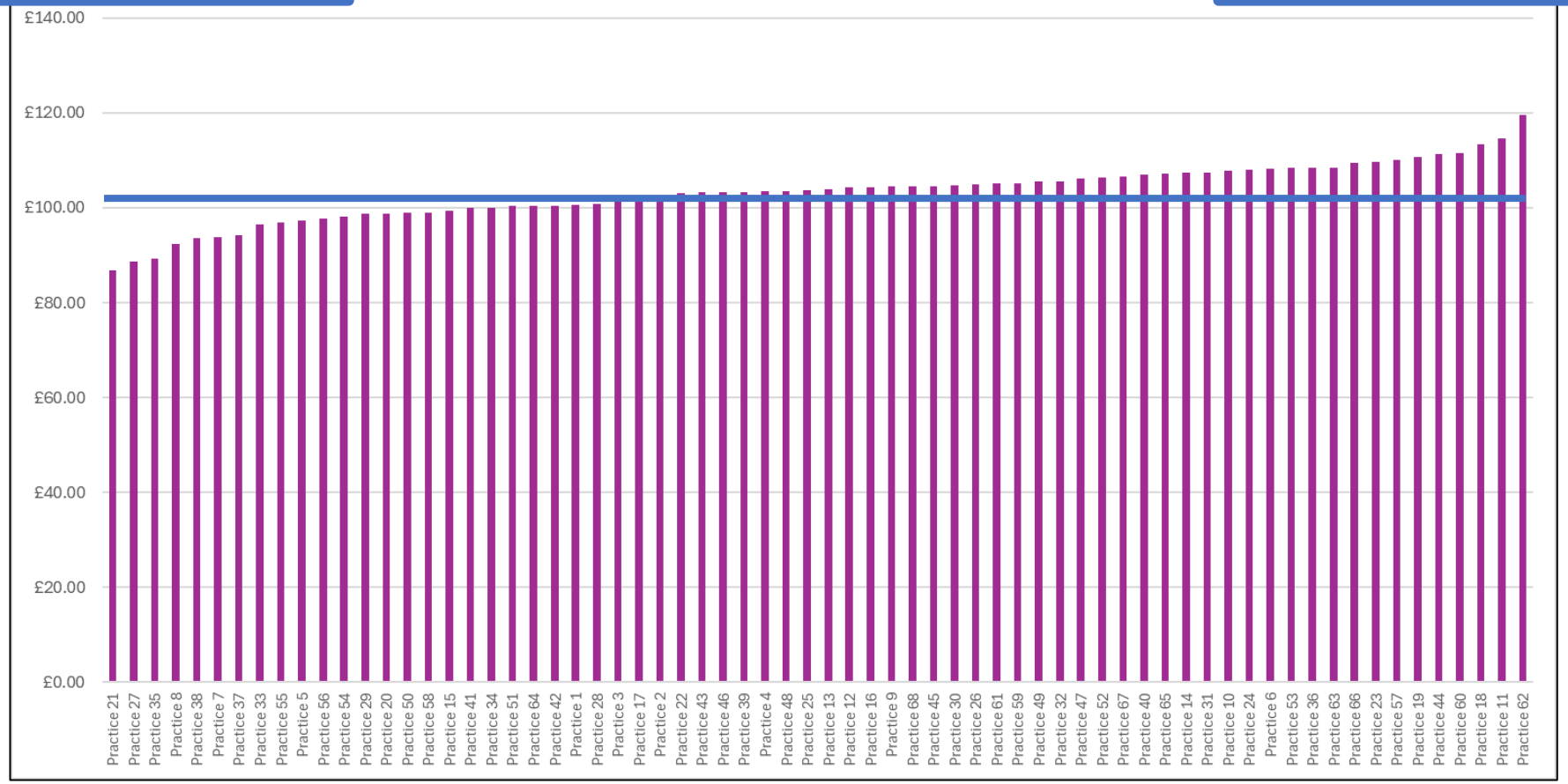
How Carr-Hill currently distributes funding – Frimley

Lowest funded practice £86.87

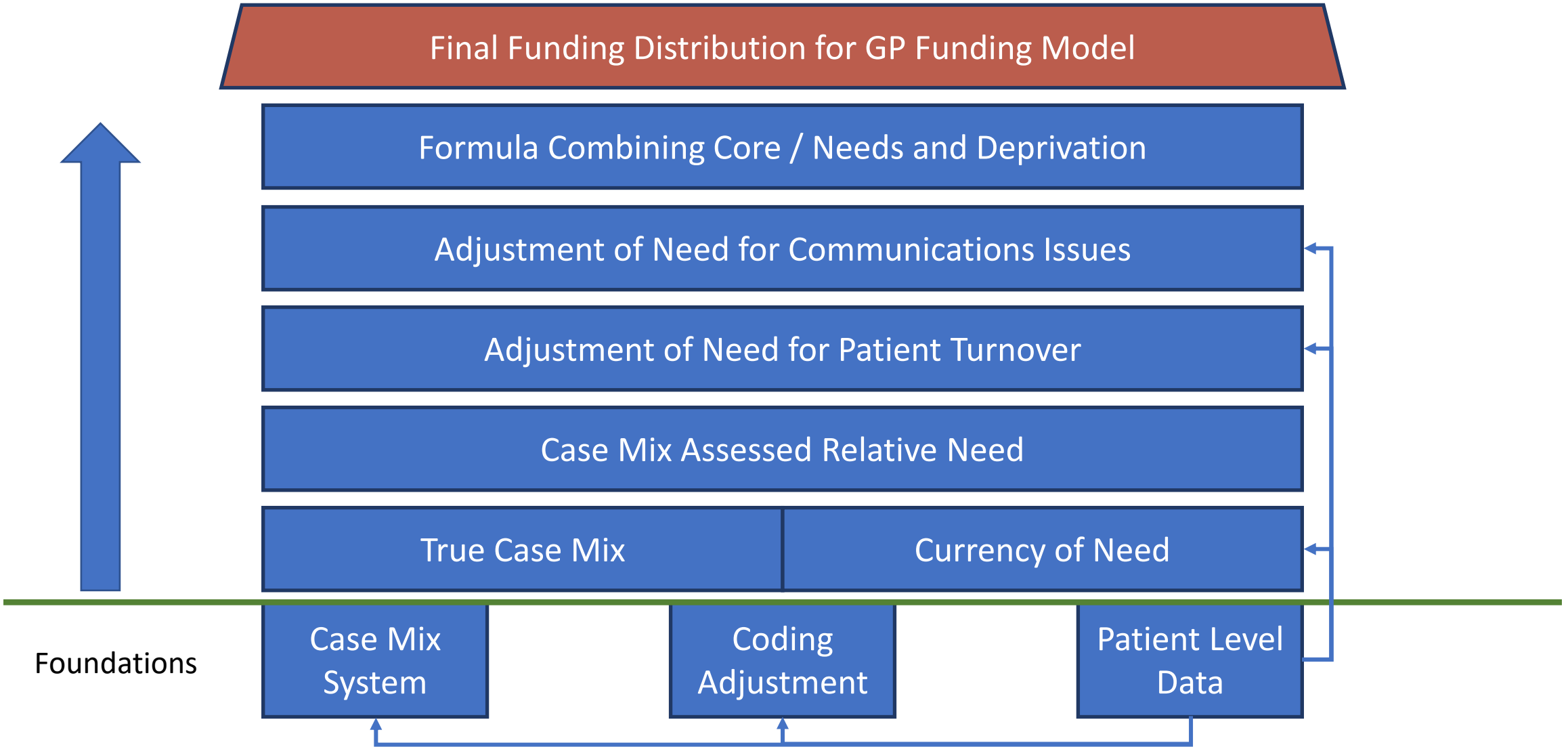
Highest funded practice £119.54

Average £103.19

What would a similar exercise show for your system?



How our model works



A key enabler

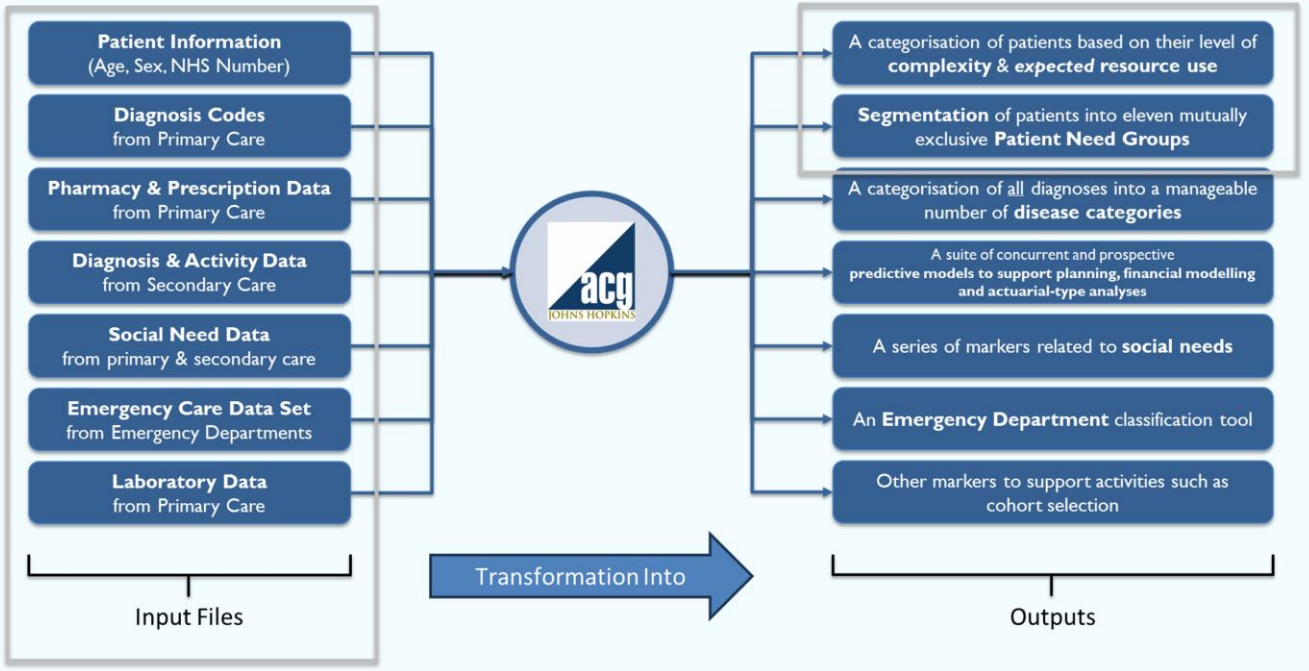
A comprehensive, whole system view of data on patient need is a key enabler

We used Johns Hopkins ACG – other tools are available

Such tools also have wider benefits in supporting patient segmentation to enable population health management and transformation efforts

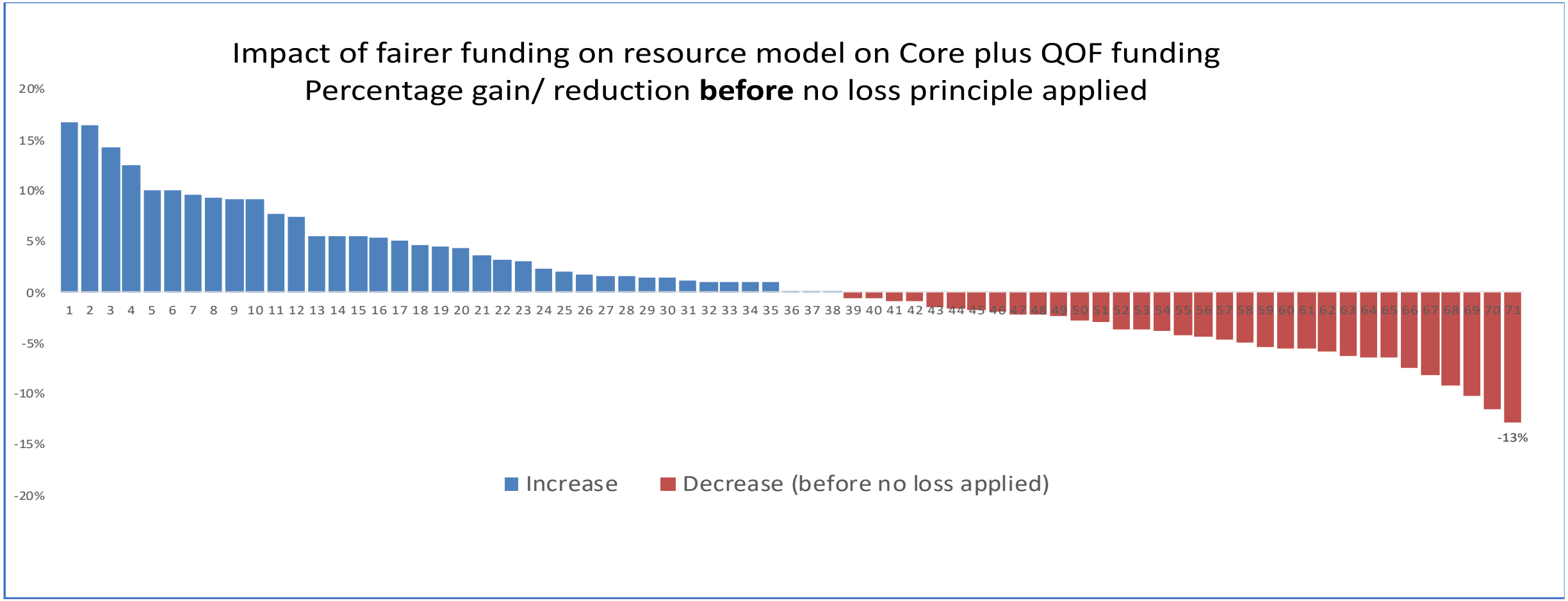
The Johns Hopkins Adjusted Clinical Groups (ACG®) System is a comprehensive population health analytics solution that transforms data (ICD/SNOMED/Read/Dm+d) that exists in primary and secondary care records into a series of meaningful patient-level and patient-centric markers.

- ***Diagnoses/drugs***
  recorded, last 12 months
- ***Long-term conditions***
  in health record, last 5 years
- ***Hospital activity***
  last 12 months



For additional information including case studies, global applications of the ACG System, bibliography and customer training resources, visit www.HopkinsACG.org.

Revised funding distribution – Frimley

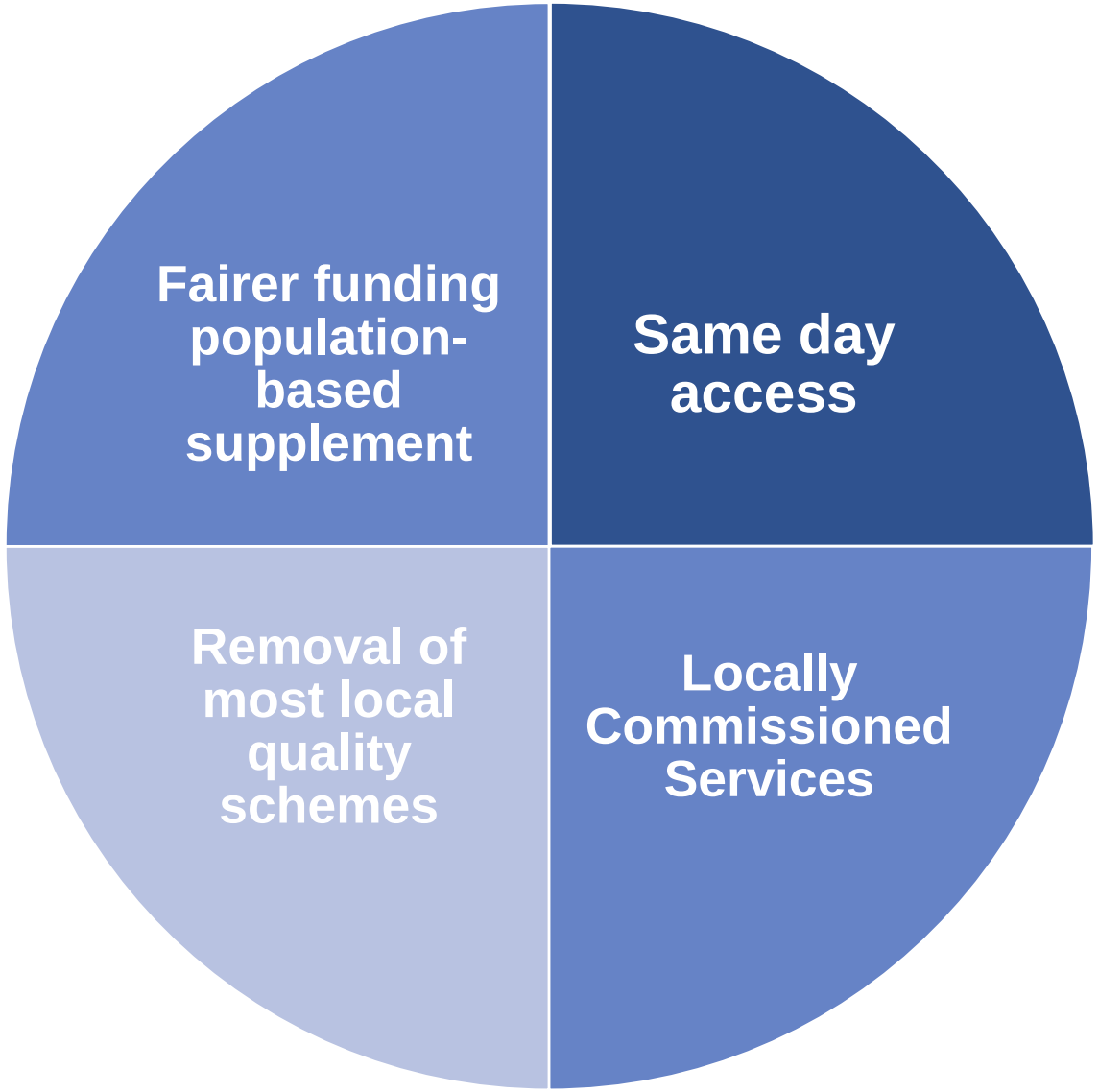


Biggest gain – 17.3%

Range of payments £1,300 to £195,750 per year **– total cost £1.9m per year**

Biggest "loss" – 11.8%

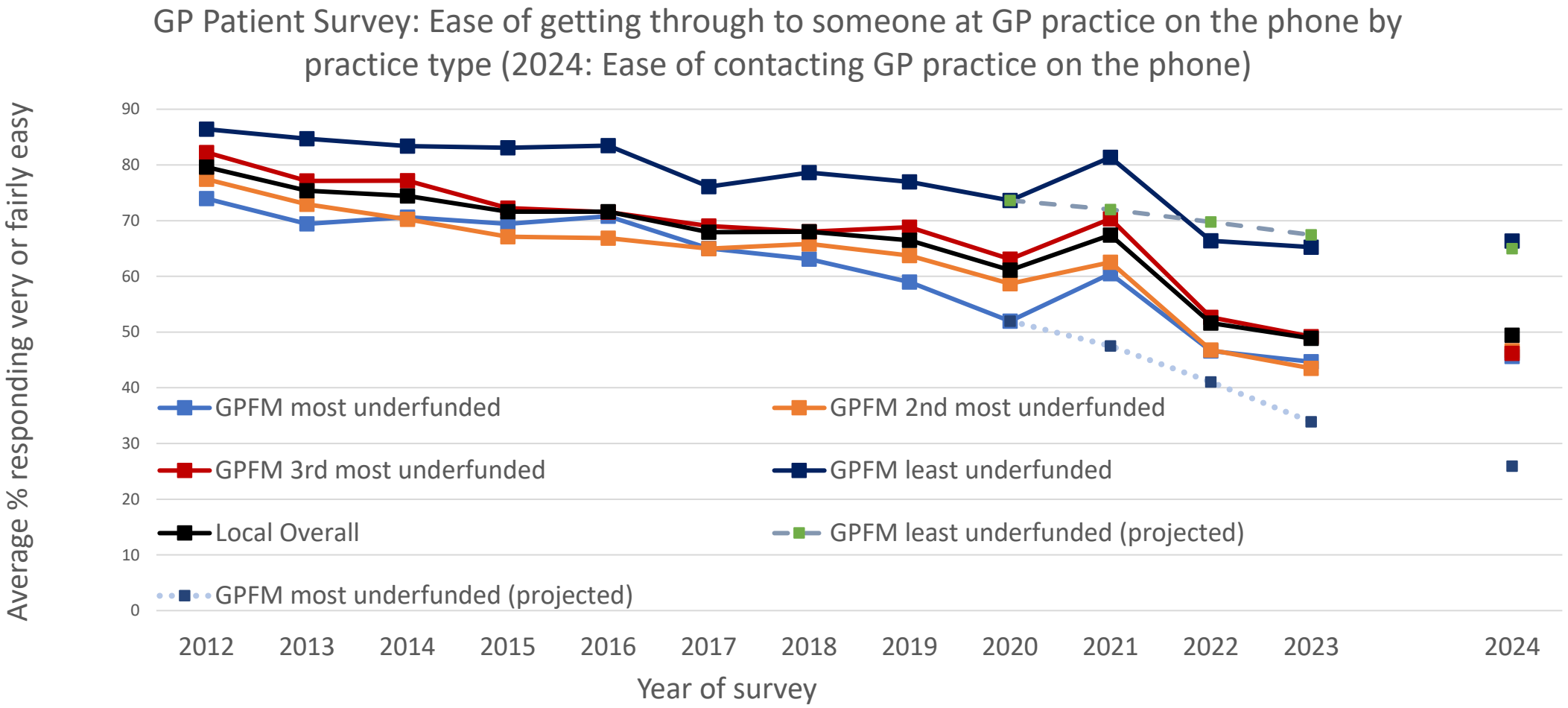
Making best use of our investment



Overall benefits

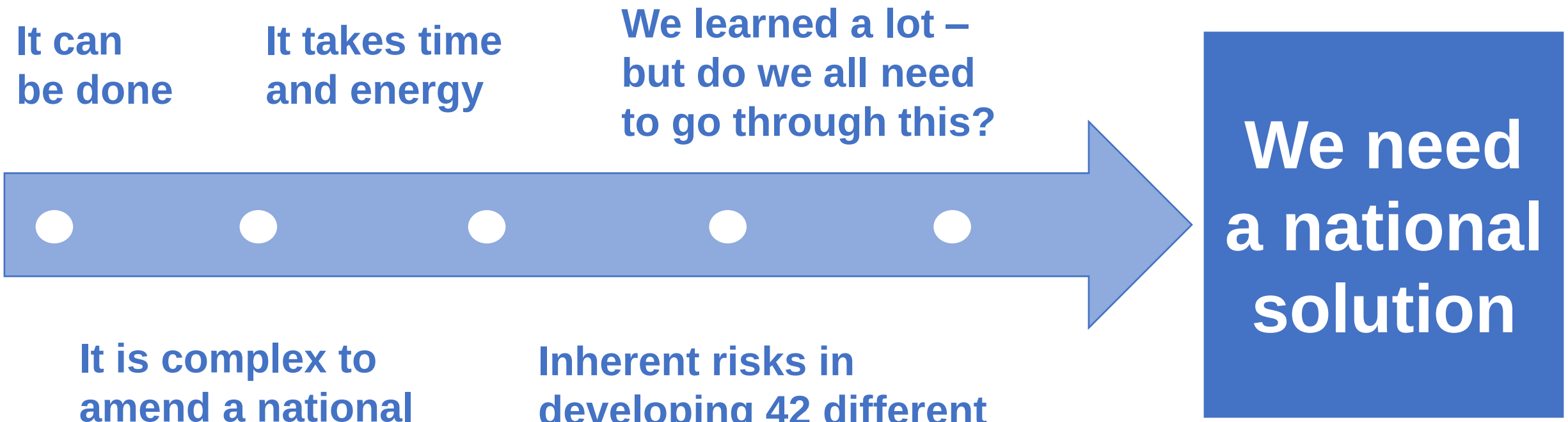
- ✓ **Aligned with the needs of our population and our system strategy and ambitions**
- ✓ **Clearer, consistent, fairer**
- ✓ **Simplified payment and contracting model**
- ✓ **Greater certainty and longevity enabling practices to invest in workforce and other changes**
- ✓ **Maintained our system commitment to investing in general practice**

Early outcomes – LLR



https://www.gp-patient.co.uk/

What we've learned



What needs to happen next?

A national process to develop a new funding formula

Linked to wider contract reform with improved accountabilities and levers

Clearer links to outcomes

Reform of national quality schemes with element of local discretion

Sufficient core funding aiming to eliminate local system “top-ups”, with wide variation

Regular review mechanism to include taking account of evolving practice

Our challenge to you

Local

Do you understand the impact of general practice funding inequity in your own system?

What work can you do to understand this?

National

Together we are stronger, and now is the right time for action

JOIN IN making the case for fairer funding for general practice

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