

Appendix 1

Title: LES Review approach to financial modelling

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1. Background

The LES specifications have all now been reviewed and new revised BNSSG wide specifications have been developed and shared with the membership for:

- Anticoagulation
- Recognition and support for people with dementia
- Insulin Initiation
- Specialised Medicines Monitoring (formerly known as Near Patient Testing)
- Supplementary Services

Further work is needed to finalise the specification for support to care homes and the findings of the Minor Injuries review are due to be presented to the Primary Care Commissioning Committee in the New Year.

In addition, a new LES is to be offered to practices - DVT pathway for patients presenting in general practice - which is to be offered at £30 per d-dimer and approximately £10 for each Point Of Care testing kit used (CCG to recommend a Point of Care testing kit). This is to be funded through changes to the existing secondary care pathway.

The following enhanced services have been reviewed and decisions have been made not to continue with these from April 2019:

- Bristol Primary Care Agreement
- South Gloucestershire Compact

The decisions for the Bristol Primary Care Agreement and South Gloucestershire Compact have been made in public meeting of the PCCC and formally notified to practices. PCCC has committed to investing in LTS Phase 3 in place of these and this will be a consistent offer across BNSSG.

It was agreed at the September PCCC meeting that financial tariffs would be considered as a package at the conclusion of the review period so that decisions could be made considering the combined impact on the CCG and on practices.

2. Financial Modelling

The general approach and principles used to underpin the financial modelling is set out below:

- Developing a consistent tariff for each LES with consideration of the following factors:
 - Overall cost to CCG
 - Requirement to set tariff at a level that will incentivise practice sign up whilst providing a value for money service
 - Likely impact on practice level income, and risk of de-stabilising individual practices
- Developing more sophisticated costing structures to reflect workload where possible
- Comparison of equivalent activity in secondary care to test Value for Money
- Recognition that LES funding is a contribution to providing an enhanced level of service, and should not be a duplicate payment for service covered in core contracts

2.1 Forecast Impact of 2019/20 LES proposed tariffs (Locality Level)

Proposed revised tariffs have been applied to forecast 2018/19 activity levels to calculate the impact in total cost to the CCG, and the potential income change to practices (summarised in the table below at locality level).

A number of assumptions have been made in this modelling, which are outlined below:

- Where Practices are already signed up to Local Enhanced Services, 2018/19 forecast activity has been used as the basis for modelling 2019/20 reimbursements, ensuring **only tariff changes are reflected** in changes to CCG cost / practice income.
- For newly offered LES (Recognition and support for people with dementia in North Somerset and South Gloucestershire, and Insulin Initiation in South Gloucestershire), 100% practice sign up is assumed
- No changes have been made to the supplementary services LES tariffs
- Proposed tariffs for each of the revised specifications for LES to be offered in 2019/20 are set out in detail in section 3.

Table 1: Forecast Locality Level increase / decrease in income based on proposed 2019/20 LES tariffs:

	Anti-Coagulation	Dementia	Insulin Initiation	Specialised Medicines Monitoring	Support to Care Homes (1)	TOTAL
Inner City & East Bristol	£2,480	£0	-£15,765	£345	To be confirmed	-£12,940
North & West Bristol	£3,560	£0	-£8,355	£105		-£4,690
South Bristol	£10,000	£0	-£14,955	-£572		-£5,527
Bristol Total	£16,040	£0	-£39,075	-£122		-£23,157
Woodspring	-£7,595	£42,922	-£1,017	-£7,149		£27,161
Worle Weston Villages	-£5,708	£43,954	-£250	-£7,103		£30,893
North Somerset Total	-£13,303	£86,876	-£1,267	-£14,252		£58,054
SG Locality	£13,680	£94,143	£19,600	£16,269		£143,693
South Glos. Total	£13,680	£94,143	£19,600	£16,269		£143,693
Grand Total	£16,417	£181,019	-£20,742	£1,895		£178,589

(1) One of the key requirements of the specification is that practices map out which practice will support which home. This therefore means that we will not be able to accurately complete locality / practice level impacts for financial modelling until this mapping has been done.

The tariff for 'Support to Care Homes' is still being derived, but could be offered based on a single tariff price that doesn't distinguish between care homes (with nursing) and residential homes (without nursing) or as 2 separate tariffs.

In addition to the above, DVT will represent new income to those practices that sign up to this enhanced service across BNSSG.

3. Current LES Tariffs (2018/19) v Proposed LES Tariffs (from 1st April 2019)

Anti-Coagulation LES	Current Tariffs (2018/19)			Proposed Tariff (2019/20)
	NHS Bristol	NHS North Somerset	NHS South Gloucestershire	BNSSG
Basic Level (Level 1)	£57	-	£60 *	£57
Advanced Level (Level 4)	£120	-	-	£160
Active ambulatory patients	-	£170	-	-
Active domiciliary patients	-	£111	-	-
New ambulatory patients	-	£125	-	-
New domiciliary patients	-	£115	-	-

* no payment for first 10 patients

Dementia LES	NHS Bristol	NHS North Somerset	NHS South Gloucestershire	BNSSG
Practice Sign Up	£515	Not Currently Offered	Not Currently Offered	£515
Diagnoses	£169			£169
Review	£41			£41

Insulin Initiation LES	NHS Bristol	NHS North Somerset	NHS South Gloucestershire	BNSSG
Insulin Initiation	£250	£175	Not Currently Offered	£175
Insulin Follow-Up / Review	-	£50		Removed from specification
GLP-1 Initiation	£120	-		

Specialised Medicines Monitoring LES	NHS Bristol	NHS North Somerset	NHS South Gloucestershire	BNSSG
Per Patient, per quarter	£85.24	£85.00	£75.00	See Below

Specialised Medicines Monitoring LES Payment Structure:

Practices will be paid an annual sum of £350 per 10,000 patients when signing up to the LES to reflect that there will be a number of patients newly initiated onto the medications

covered by the LES each year and some of these patients have slightly increased monitoring requirements during year one of therapy.

Payment Level	Amount of annual monitoring	Drugs currently included	Practice Payment	Practice Payment (quarterly)
0	1		None as considered part of annual patient disease monitoring and management	None as considered part of annual patient disease monitoring and management
1	2-3	Denosumab (Prolia)	£50.00	£12.50
2	4-5	Azathioprin	£70.00	£17.50
		Leflunomide		
		Sodium aurothiomalate		
		Methotrexate		
3	6-8	Mercaptopurine (oral)	£100.00	£25.00
		Sulfasalazine (oral)		
4	9-12	Penicillamine (Rheumatology)	£120.00	£30.00

4. Next Steps

- Financial modelling for support to care homes to be concluded in January
- Practice level implications to be shared with the Primary Care Commissioning Committee in closed session at the 29th January meeting
- A finance modelling tool can be provided to practices in February along with the contracting Expressions of Interest process which will support practices to model their potential income