

Developing a GP Federation Initial exploratory meeting Scott McKenzie





HELLO



Scott McKenzie – NHS Consultant BW Medical Accountants

"Scott is recognised as a specialist provider of support to the NHS with all aspects of commissioning and providing services; offering management support to Local Area Teams, Clinical Commissioning Groups and both groups and individual General Practices. His goal is to deliver transformational change in the NHS, working across primary, secondary and community services, in support of the integrated care and care closer to home agendas."





AGENDA



- RCGP 2022
- Marketplace
- Commissioning impact
- Marketplace Competitors
- GP Federation
- What to do
- Examples
- Opportunities

- Expenditure
- Key benefits
- How contracts will work
- Typical phases of activity to form a GP Federation
- Frequently asked questions
- Next steps





"It's better to look ahead and prepare than to look back and regret."



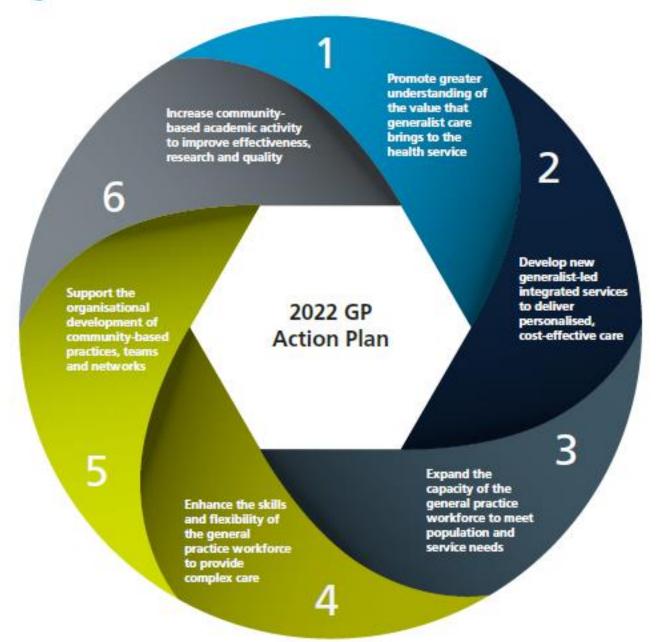
Jacki Joyner-Kersee, Athlete



Figure 1: The 2022 GP Action Plan



"These changes will influence the role and responsibilities of the GP; the development of the practice team, the approaches to care we adopt, and the training, education and resourcing of the workforce"





IN 2022 – THE GENERAL PRACTITIONER



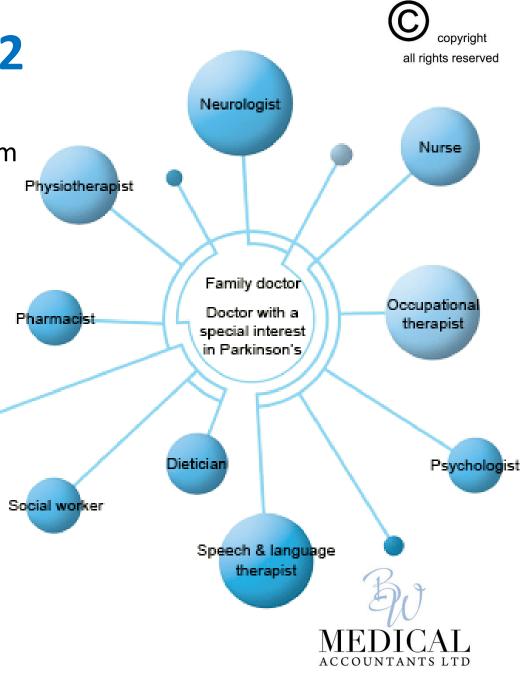
- expert generalist physician
- routinely structure care around multimorbidity
- extended roles in areas of clinical care public health community development, education, training and research
- deliver coordinated care
- lead service planning and quality improvement
- continuity of relationship
- coordinate services
- deliver health-promotion and disease-prevention
- act as 'gatekeeper' and 'navigator' to specialist services
- be an independent advocate
- remain at the heart of his or her patients' communities





THE GP PRACTICE TEAM IN 2022

- community-led, multidisciplinary, flexible, integrated team
- work in federated organisations, with interconnected clusters of practices
- be contracted under a range of different flexible arrangements
- work in purpose-built premises able to deliver the range of clinical and diagnostic services
- manage inappropriate variability in the quality of health care
- work closely with specialists and third-sector, private and NHS providers
- include a range of community-based generalist professionals



THE NHS MARKETPLACE



- Patient choice
- £20-£50bn efficiencies, QIPP.
 - At least 2018 before we see any new investment.
- Outpatient activity £7.5bn
 - 20% savings to be made.
- The Nicholson Challenge
 - Service redesign;
 - Acute to Primary switch;
 - Focus on prevention.





THE NHS MARKETPLACE



Contract mechanisms:

- LES and practice specific contracts reduced/removed;
- Emergence of Any Qualified Provider (AQP);
- Invitation To Tender (ITT);
- No NHS exclusivity.





THE NHS MARKETPLACE



"PCTs have largely commissioned the service through Local Enhanced Service (LES) agreements with General Practice providers. However, local authorities will not have access to LES agreements and will now have to commission the NHS Health Check programme in the same way as any other service. This provides Health and Wellbeing Boards with an opportunity to assess the merits of using GPs or commissioning other providers of the NHS Health Check, such as pharmacies, community trusts and wider commercial, third sector and voluntary providers."





LEVELS OF AMBITION



Prevention Primary Care Secondary Care Specialist Care

Sickness Led Silo Working

Prevention Primary Care Secondary Care Secondary Care

ال MEDICAL

NEW NHS TO THE NHS MARKETPLACE



- Virgin;
- The Practice;
- Care UK;
- Serco;
- Social enterprises;
- Federations;
- GP companies.





GP FEDERATIONS / GP PROVIDER COMPANY



- Loose affiliation of practices;
 - Cannot bid for services.

- Practices configured within a legal entity to trade with each other;
 - Opens the door to AQP and ITT
- "Super-Practice"
 - Would still require a legal entity for AQP and ITT



WHAT TO DO?



GET ORGANISED?	DO NOTHING?
Collaborative working: O Back office;	Wait for others to get organised;Support them;
o AQP;	Accept lower earnings!
ITT;Commissioning Support;	
Super Practice	



KEY LEARNING



EXAMPLE 1	EXAMPLE 2
Unsuccessful bids at first; No accreditation; Rival GP companies split market;	Formed by GPs; LES bids; Walk-in Centre; Ownership issues — reformed; Now able to bid for and retain services.



KEY LEARNING



EXAMPLE 3	EXAMPLE 4
Practice Managers run the company;	1 practice 1 vote;
GP practices own the company;	Successful ophthalmology AQP;
Internal trading between members –	A few practices participate;
back office;	Needs partner for new bids.
Significant opportunity for future	
bidding.	



OPPORTUNITIES



Reducing expenses

- 1. Insurance
- 2. Utilities
- 3. Consumables
- 4. Phones
- 5. Locum/Bank staff GPs, Nurse, PMs, office staff;
- 6. Business cases
- 7. Policy development

Increasing income

- 1. QOF
- 2. Developing new services
- 3. Tendering for services
- 4. Improving local service integration
- 5. Being able to better compete with private providers
- 6. Contracts currently undertaken by other parts of the health economy;
- 7. Contracts out of area;

Back office function

- 1. Avoiding duplication
- 2. Jointly gaining efficiency savings and economies of scale
- 3. Federation of some back office functions.

Commissioning support

- 1. Possible partnership approach with local CSU
- 2. Strengthening clinical governance, quality and safety
- 3. Developing training and education capacity.



EXPENDITURE



• Start up costs:

- Formation of company
- CQC registration.

• Running expenses:

- Business Manager
- Administration
- Rent
- Directors' remuneration
- Insurance/indemnity
- NHS superannuation.

On-going contract costs;

- AQP bids
- Full tender bids.



KEY BENEFITS

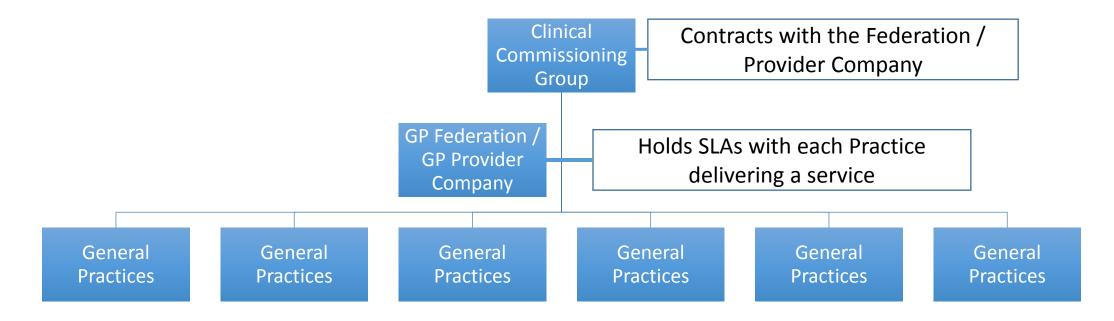


- ✓ Provides a vehicle and skills to successfully bid for services;
 - > Forming a legal entity is the only way for some contracts.
 - > Loss of income much greater than initial investments
- ✓ Company allows us to compete with other providers
- ✓ Protection of GP income streams.
- ✓ Keep out the corporate competition.
- ✓ Support practices in providing quality services for all our patients.
- ✓ Using size as a strength to reduce expenses and avoid duplication.
- ✓ Ability to deal more easily on behalf of the Practices through one organisation
- ✓ Provides a platform for innovation
- ✓ Locally run, by local GP Practice stakeholders, to meet local needs.



HOW THE CONTRACTING WORKS







DEVELOPMENT



1. Initial Exploratory meeting

Gain commitment

2. Development Workshops

Agreeing the company format

Developing the vision

3. Launch Meeting

Agreeing to proceed to form the company

Finalising principles

GP Provider Federation / Company



FAQs



- Will every practice have to join the Federation?
- How much will it cost to set up the Federation?
- Who will run and manage the Federation?
- How much work will I have to do for the Federation?
- Will I be paid for time spent developing the Federation?
- What happens to the money generated by the Federation?
- What are my liabilities as a shareholder?





NEXT STEPS...



- Form a small work group to develop the principles for developing the company.
 - Two/three workshops
 - Documentation shared with all interested parties
 - Deadline set for joining
- Lawyer then incorporates the company
 - Share capital invested







"When everybody tells you that you are being idealistic or impractical, consider the possibility that everybody could be wrong about what is right for you."

Gilbert Kaplan





WEBSITE

www.scottmckenzieconsultancy.com

EMAIL

scott@scottmckenzieconsultancy.com

TELEPHONE

Scott - 07980 973 596





www.bw-medical.co.uk / 0191 653 1022 / E bwmedical