

Meeting	Direct Commissioning & Contract Panel
Date of Meeting	15 March 2017
Report Title	York Bridge (P81085) and Bay Medical Group (Y01008) Practice Merger
Author	Lancashire North / NHS England
Presented By	Lancashire North CCG
Purpose of Paper	<p>The purpose of this report is to present to the Primary Care Co-commissioning Joint Committee the application received from two practices to merge with effect from 1 April 2017.</p> <p>This report details the enablers to achieve the desired outcome.</p>

Summary / Background

The purpose of this report is to present the application received from:

- York Bridge Surgery - P81085
- Bay Medical Group – Y01008

to merge and terminate P81085 following the inclusion of all of the GPs onto each of the respective contracts. The process of the addition of partners onto the respective contracts is an administrative merger with no formal approval required.

Practice	P Code	Contract Type	List Size as at December 2016	Number of GP partners
York Bridge Surgery	P81085	GMS	6,821	2 partners
Bay Medical Group	Y01008	GMS	54,074	25 partners 9 salaried

The practices are located at York Bridge Surgery, 5 James Street, Morecambe, LA4 5TE and Bay Medical Group, 1 Heysham Road, Morecambe, LA3 1DA and both hold GMS contracts.

The application from York Bridge Surgery advises that merging the two existing practices into one team will allow them to support the 5 year Forward View by coming together to explore new, innovative ways of delivering Primary Care at scale.

At York Bridge, one partner retires in March 2017, leaving just one partner – Dr Wimborne. The practice has been trying to recruit a partner now for 3-4 years with no success and also is struggling to get salaried GPs to join the practice. Therefore, due to this recruitment problem, the practice feels that merging with the neighbourhood practice, Bay Medical Group (three recently merged contracts), would help York Bridge Surgery to function and stay open as a GP practice. Working as one large practice will help staff and patients and provide an improved service to our patients.

Also, under the Vulnerable Practices Scheme, there has been a grant of £25,000 from NHS England/Lancashire North CCG to help with recruitment, which may, in turn, help sustain the practice through a merger.

The practice plans to transfer clinical data in June 2017.

Benefits to Patients

The merged practice would be able to offer patients better access to appointments, including GP appointments, chronic disease appointments, acute on the day appointments, etc. In future, patients could have choice as to which site they wish to be seen, and this may be closer to home or more beneficial in terms of transportation links.

It is also hoped that telephone access to the practice would be improved for the patients in the long-term. Additionally, more clinicians working together will provide a safer and more efficient service to the patients of Morecambe.

Patients will be able to see GPs with differing special interests and who offer different enhanced services. This would mean patients would not need to be referred externally for certain services meaning they receive a much more efficient and convenient provision of service.

Hours and Boundary

The practices have confirmed that the hours of service will remain the same, including the provision of extended hours.

The boundary has been confirmed as the furthest point of each current contract's boundary.

Benefits to the Practice

GP practices face increasing pressures and it has become clear to the practice that it cannot stay the same and they have explored many options to ensure the long-term longevity of the service. It feels that creating a new model of GP practices working together will be better equipped to deal with the changes to the NHS. This will ensure sustainability and continuity of service provision as well as excellent opportunities for the future, for both patients and staff, whilst maintaining the traditional values of GP care.

York Bridge is also a training practice and finds it difficult to comfortably mentor its students/GPST2s/registrars when down to one full-time GP. Being part of the merged practice will give these medical students/registrars etc. the training and support that they need within the organisation.

The merger also aims to provide career opportunities and development for staff within the organisation.

Consultation

Consultation is required in regards to the contractual changes. The practices have been engaging with patients via newsletter, patient questionnaire and there have been updated notices in practices, on the website, with PPG and practice staff briefed to

answer patient queries.

Patients have been informed of the merger via displays/messages on prescriptions, leaflets, website and posters at the practice and verbally informing patients who attend reception.

The practice produces a monthly newsletter. The newsletter advertising the merger has been on display for a couple of months so as many patients as possible can be made aware of the changes.

100 newsletters and questionnaires are produced. Newsletters and questionnaires are placed in the waiting room for patients. Patients also have the opportunity to join the PPG if desired.

Posters are placed on notice boards in the waiting room advertising the newsletters and questionnaires.

York Bridge Surgery will either email or post (as preferred by the patient) the questionnaires and newsletters out to patients in PPG.

The PPG contacts the practice by either letter or using the practice website and the practice responds to the patient individually if required.

The practice manager has made availability for patients to speak to if required.

Once approval for the merger is received, the practice will engage in a high profile campaign to ensure that all patients are aware of the merger and the benefits and how the new practice will operate.

The LMC supports the application.

Financial Implications

As they are both GMS contracts, there are no financial implications in relation to the merger of the two contracts and clinical systems. There are no MPIG or PMS premium implications with these two practices.

Risks

- Inefficiencies in running separate contracts if P Code termination is not approved.
- May impact on benefits to patients noted above.

Policies

Contract Variations

- Chapter 6 – *Contract Variations* of the Policy Book for Primary Medical Services

The underlying principle for the CCG to consider when any such proposal is made to them is what the benefit is for the patients and what the financial implications for the CCG are.

This policy describes the process to determine any contract variation, whether by

mutual agreement or required by regulatory amendments, to ensure that any changes reflect and comply with national regulations so as to maintain robust contracts.

The policy focuses on primary medical care contracts in their various forms and has been developed in line with national legislation and regulations.

General Medical Services (GMS) arrangements are governed by the GMS Contract Regulations (SI No.2004/291, as amended from time to time).

Variations to contracts fall broadly within three categories: changes to the detail of the contracting parties/organisational structure, alterations in the service provision covered and/or changes to the payment mechanisms. In determining all variations the following guidance, legislation and regulations are considered:

- *GMS regulations.*
- *PMS regulations and guidance.*
- *APMS directions.*
- *Statement of Financial Entitlements.*
- *NHS Act(s).*
- *EU procurement legislation.*
- *The public contracts regulations.*
- *Department of Health procurement guide.*
- *Principle and rules of co-operation and competition (issued by the*
- *Department of Health).*

There are three ways in which practices can propose to merge contracts:

1. each contractor becoming a party to the other contractor's contract (through variations of the contracting parties); or
2. terminating one existing contract, continuing the other contract but varying it to include the other contractor as a party to the contract; or
3. by terminating the two existing contracts and creating a single organisation or partnership which will enter into one new contract;

In the case of the two practices concerned, they will proceed with option 2, becoming parties to each other's contracts, then requesting a formal merger and termination of one P code, as indicated above, to operate under one single contract.

Option 1	Approve the application to merge contracts, terminating P81085 and operate both practices under one GMS contract Y01008.
Option 2	Do not approve the application to merge or terminate P81085.

Recommendation

The Committee is requested to approve option 1, the application to merge contracts, terminating P81085 and operate both practices under one GMS contract - Y01008.

The application meets all relevant regulatory requirements and is consistent with the Policy Book for Primary Medical Services which requires consideration in relation to the benefits to patients and the financial consequences.