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CHARTERED ACCOUNTANTS

Focus on Healthcare

February 2017 Edition

Going digital pays for pharmacies

Plus

- Returning GPs to receive cash incentive
- Partner earnings rise but salaried GPs see drop in pay
- Compliance costs for dentists are 'out of control'

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Welcome to our latest Focus on Healthcare

Welcome to the latest edition of our Healthcare Bulletin, designed to keep you up to date with the very latest developments in the healthcare sector.

In this edition, we look at bursaries available to GPs returning to the profession, latest figures from NHS Digital which highlight the differences in pay between salaried GPs and partners, SCR payments available to pharmacists and how compliance costs are spiralling out of control for dentists.

For more information on any of the issues covered in this newsletter, please contact [David Belbin](#), [Philip Redhead](#) or [Neil Windley](#) for matters relating to doctors, dentists and opticians, or care homes.

Returning GPs to receive cash incentive

NHS England has announced the overhaul of its 'Induction and Refresher scheme' to encourage GPs to return to the profession by offering them a monthly bursary of £3,500 while they retrain.

This is a rise of more than £1,000 to the £2,300 offered on the existing scheme, which helps doctors who are returning from a career break or time abroad, and there will be additional funding to cover indemnity and professional registration costs. The scheme will also support GPs with the completion of paperwork, occupational health assessments and co-ordinating their placements.

The funding includes a £1,250 bursary, available until 31 October 2018 to help with indemnity costs. It also offers £464 towards membership of the General Medical Council (GMC). In addition, there will be new funding so that assessments can be run bi-monthly instead of quarterly.

According to NHS England, the new scheme will be more flexible and has new requirements, such as that 'suitably trained and experienced GPs' will not need to go through its processes.

This is an improvement, as after the scheme began in 2015, many GPs were put off by needing further assessments. In fact, only one out of the 108 who completed the initial assessment then returned to practice.

NHS England has said that over the next few months, they will develop a new framework 'so that suitably qualified and experienced doctors can be added to the Medical Performers List without the need to complete the I&R process.'

As a spokesman for the British Medical Association (BMA) pointed out, one of the key factors undermining general practice



in the past few years has been the mounting workforce crisis that has left many GP practices without enough GPs to deliver an effective service to patients.

An important issue has been the ongoing and unavoidable barriers that are put in place of GPs returning to work after taking career breaks or leaving the NHS for short periods. The BMA has therefore worked with the Government to design fresh induction and retention schemes that are properly funded.

Partner earnings rise but salaried GPs see drop in pay

According to the latest figures from NHS Digital, GP partner earnings rose by almost two per cent in the 2014/15 tax year, hitting an average of £101,500, while the income of salaried GPs dropped by almost the same percentage to £53,600.

However, although partners' incomes have remained flat in cash terms, they have fallen sharply in real terms, having risen negligibly from the £100,170 earned on average in 2004/05.

The earnings for salaried GPs decreased because the practice earnings to expenses ratio hit 6.2 per cent over the period, up 0.7 per cent on the year before and up 8.2 per cent from 2005/06, the second full year of the General Medical Services (GMS) contract.

Salaried GPs saw their pay fall by £1,800 in 2014/15 from the year before; in fact the descent has been marked since 2006/07, when it reached £62,604, a whopping 14.3 per cent higher than in 2014/15. However, because the data included income details

from both full-time and part-time GPs, the decrease could reflect a rise in part-time working.

Interestingly, the figures show that the income of GMS partners rose faster in cash terms over the period than that of Private Medical Service (PMS) partners. The average income for a GMS partner rose from £96,000 to £98,000, while that of PMS partners only rose from £106,800 to £108,000.

The statistics also illustrate a disparity in pay on a regional basis; partners' average income across GMS and PMS contracts was £103,800 in England but only £90,700 in Wales. Unsurprisingly, partners in the South East enjoyed the highest income, earning £108,500 before tax in 2014/15. In the South West, however, the average was 22 per cent lower at £84,500.

These statistics mean that it is even more important to manage your practice finances and Clemence Hoar Cummings can work with you to plan forward and model alternative outcomes to decisions you may need to make.

Going digital pays for pharmacies

Pharmacies that do not register for a government approved training event will miss out on a £200 government allowance.

It has been estimated that around ten per cent of independent community pharmacies have not yet sent a representative to a free government-approved Summary Care Record (SCR) briefing event, according to the Pharmaceutical Services Negotiating Committee (PSNC.)

Before a pharmacy can access digital records a representative must have attended an NHS Digital approved training event.

When a pharmacy then begins using SCR, it is able to claim back a one-off £200 SCR payment. However, the clock is ticking and pharmacies only have until 31 March to begin accessing the SCR and be eligible for this payment.

Utilising SCR is one of the key criteria pharmacies need to meet in order to recoup money lost as a result of the Quality Payments Scheme funding cuts.

The Department for Health, as part of its 2016/17 funding package, will offer £640 worth of incentives to pharmacies who meet the new SCR objectives. The PSNC has recommended that any pharmacy which has still to send a representative to a training event should do so in the final round of events.

Information on approved locally organised events in London, Essex and the South are available from psnc.org.uk.



Compliance costs for dentists are ‘out of control’

The cost of compliance to the average sole practitioner practice has increased by a staggering 1086 per cent in the last decade, the National Association of Specialist Dental Accountants and Lawyers (NASDAL) has reported.

According to a recent investigation, the “culture of compliance” has increased dentists costs at an unfeasible rate.

Ten years ago, a dentist would need to fulfil basic, albeit essential, requirements, such as a one-off registration fee to the General Dental Council, and an annual retention fee and registration with the Information Commissioner’s Office.

But as the demands of compliance built up over the years, so did the fees.

NASDAL estimates that it costs a single handed practitioner £15,150 a year to meet the requirements of CGC and compliance alone.

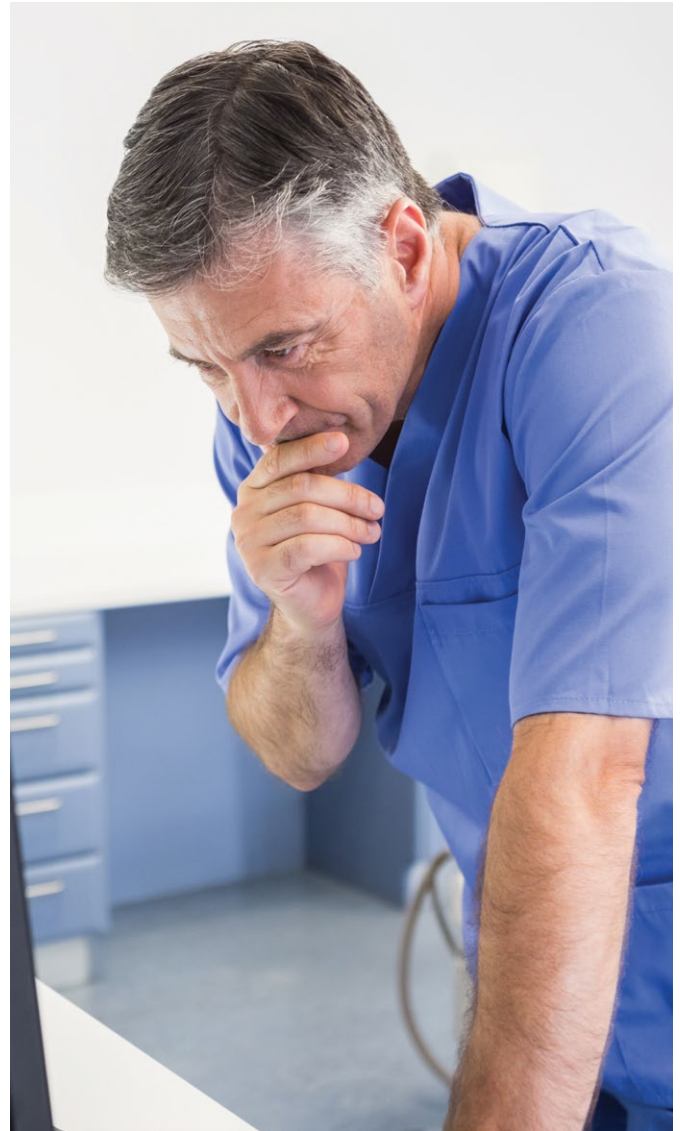
Combine this with the various mandatory registration fees and indemnity, the figures stands at a jaw-dropping £21,875 – a 1086 per cent rise compared to the £1,844 in 2006.

Nick Ledingham, Chairman of NASDAL, said, “While there has had to be a certain amount of conjecture in calculating staffing costs and training in an average practice, we have strived to be conservative throughout this investigation. We hope that by demonstrating the burden of costs faced by practice-owners that sensible policy decisions will be made.”

The estimated annual costs of meeting the demands of compliance include the time the team spends on decontamination and maintaining records, data protection and financial compliance as well as any time spent upon administration and staff training, the report adds.

Commenting on the figures, Simon Thackeray, full-time practitioner and CQC Special Advisor, said: “It now seems that almost every meeting that I have will involve some element of compliance. It can be difficult to carry out a complete time and motion study but I think it is not unreasonable to suggest that one full day of a full-time member of staff’s week will be spent dealing with compliance related issues.

“The cost of indemnity has more than doubled in a three year period. These seem to be spiralling out of control as our society



becomes more litigious and we are able to offer more and more advanced treatments.”

Clemence Hoar Cummings’ experience in working with dentists means that we are ideally placed to provide expert advice when responding to financial and other challenges, to help achieve stability, growth and development for your practice. To find out how we can help you, please contact us.

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