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time to review your pension lifetime allowance

From 6 April 2016, the pensions Lifetime Allowance (LTA) will be reduced to £1 million. The LTA is the maximum amount of pension savings you can build up without being subject to an extra tax charge (the "Lifetime Allowance Charge"). This is relevant to members of the NHS Pension scheme, and is likely to impact on a significant number of GPs, consultants and other senior NHS members of staff.

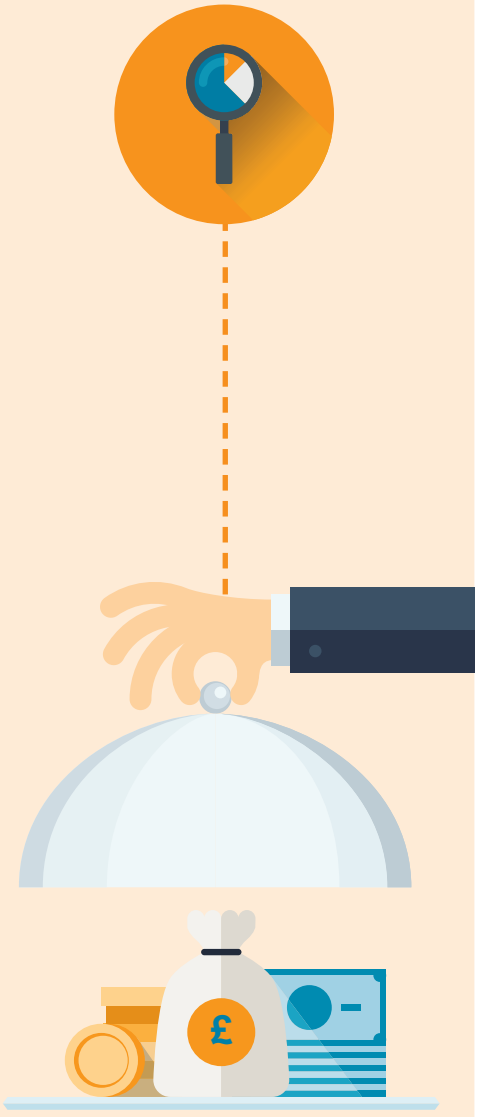
The recent reduction to the LTA continues the downward trend dating back to 2012/13, at which point the Lifetime Allowance was £1.8 million. The proposal from 2018, is that the LTA will be indexed to the Consumer Prices Index (CPI). The significant reductions that have already been applied to the LTA (a drop of over 44% since 2012/13) will mean that more and more healthcare professionals will be caught out over the coming years.

If your total pension benefits exceed the LTA, a Lifetime Allowance Charge will apply on the excess benefits over the LTA. The LTA charge is 55% if the excess is taken as a lump sum, or 25% if it is taken as a part of the pension (which would then be subject to income tax).

So, how do you find out if you are likely to be affected by the reduction in the LTA to £1 million? – This is relatively straightforward. You can request an estimate of your NHS pension scheme benefits from NHS Pensions in Fleetwood. Once you have this, the capital value of your pension (for LTA purposes) is calculated by multiplying the amount of pension you are expected to get in the first year by a factor of 20, and then adding the cash lump sum you are expected to receive on retirement. For example, if your pension is estimated to be £50,000 per year with a lump sum of £150,000, the capital value for LTA purposes is calculated by multiplying the £50,000 per annum by 20 (£1 million) and adding the lump sum of £150,000, giving a deemed capital value of benefits (for LTA purposes) of £1,150,000.

So what would happen if the capital value of your pension benefits exceed the LTA? - In this instance, when you retire, you would receive a statement from NHS Pensions telling you how much tax you owe on the excess. This is then deducted from your pension at the point that you are about to start receiving it. However, with forward planning, it may be possible to reduce your exposure to LTA tax charges, which is why it is important to review your pension position now.

Using the example above, a pension with a capital value of £1,150,000 is currently within today's (2015/16) LTA of £1.25 million, but it would be caught out by the reduced LTA from 6 April 2016. With this in mind, it is recommended that you seek guidance from an independent financial advisor, as there are steps that can be taken to potentially secure transitional protection against the reduction in LTA, and help you consider other tax planning strategies for retirement.



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new scheme to place 300 clinical pharmacists in general practice

NHS England is piloting a scheme to help GP practices recruit and retain clinical pharmacists. The scheme is part of the New Deal for General Practice, which is in turn part of the NHS Five Year Forward View announced by the Health Secretary in 2014. It will focus on GPs "under greatest pressure" and deliver £15 million of funding to participating practices over three year periods.

Around 300 pharmacists are expected to be recruited overall.

Under the scheme, participating practices will directly employ pharmacists and receive a proportion of the costs incurred from NHS England for the first three years of the employment. This will be 60% over the first year, reducing to 40% over the second year and 20% over the third year.

NHS England expects pharmacists to be involved in providing advice and expertise about treatments, developing bespoke medicine plans for individual patients and monitoring patients with long-term conditions such as diabetes and hypertension. This will also include, managing repeat prescriptions and suggesting alternative medication to reduce medicine shortages.

The scheme will enable GPs to benefit from help with their workload and improved communication between practices, hospitals and community pharmacists.

The New Deal for General Practice is expected to place 5,000 staff in GP practices within the next five years, including pharmacists, district nurses and practice nurses. A separate pilot scheme will make 1,000 physician associates available to GP practices by September 2020.

Read more about the pilot scheme at: http://bit.ly/1i7Pbtx

NHS England considers how to encourage GPs to join MCPs and PACSs

Incentives for GPs to opt out of the national contract and instead join a multi speciality community provider (MCP) or primary and acute care system (PACS) have been outlined by NHS England. Both these new models of care are intended to provide a more integrated care service. MCPs are led by GPs and designed to move specialist care out of hospitals and into the community. PACSs are hospital led models that link GPs and hospital, community and mental health services.

According to an NHS England document on how to set up MCPs and PACSs, persuading GPs to abandon national contracts in favour of the new care models will be a "complex issue". Working out how to incorporate GP practice budgets into the new care models is also expected to be difficult. In order to encourage GPs to make the transition, NHS England suggests that "simple and attractive" transfer methods are developed, including "rights of return".

MCPs and PACs are two of seven new care models set out in the NHS Five Year Forward View. Other models include enhanced health in care homes, a model of care intended to offer older people joined up health and social care, and urgent and emergency care networks, designed to improve coordination of urgent care and reduce pressure on accident and emergency departments.
By September 2015, almost 40 "care vanguards" had been approved to test the new care models. Examples include Northumberland Accountable Care Organisation (a PACS vanguard), Better Health and Care for Sunderland (an MCP vanguard) and West Yorkshire Urgent Emergency Care Network.

Read more about the new care models at: http://bit.ly/1Oriilp

in brief...

Fit for Work goes live across England and Wales

The Fit for Work service, which is designed to help working people facing long-term sickness absence return to work more quickly, is now available to all employers in England and Wales, following trials across England and Wales in recent months. Under the Fit for Work service, GPs in England, Wales and Scotland can refer employees who have been on sick leave for at least four weeks for a free occupational health assessment to identify any issues that may be preventing their return to work. It also provides a free telephone advice service for employers. http://bit.ly/1Ft6ppU

GP's voice concern for practice premises

A survey published by Cogora, a health analytics company, has revealed that 10% of GP practices have premises hazards which could affect the health of their patients. The causes of the potential hazards were sewerage problems, holes in roofs, the presence of asbestos, not complying with fire regulations and 'infestations'. In addition, 58% of survey respondents stated that they do not have the space to take on additional staff despite the current workforce crisis and 44% said that they had insufficient space for their current levels of staff. Other concerns raised by GP practices include the impact that space constraints were having on the services they are able to offer. GPC deputy chair Dr Richard Vautrey said, *"It is a real concern that the lack of investment by NHS England and their predecessors have left so many GPs worried that their practice premises could pose a safety risk to patients."* http://bit.ly/1irRFCO

Care homes to stop paying GP retainers

Care England, the largest representative body for independent care providers in England, has suggested that care homes should stop paying retainer fees to GP practices. Many care homes in England opt to pay a retainer to GPs to visit residents, and according to Care England the practice does not match the principle of a free health service for all. Care England accepts that "enhanced" GP services should be paid for but called for clarification of the differences between a basic and enhanced service. Professor Martin Green, Chief Executive of Care England said, *"Our members will no longer pay retainers to GP practices; this should be no surprise to GPs as we have been making arguments regarding their unfairness for many years."* http://bit.ly/1Ft6HNw

Increased GP indemnity costs

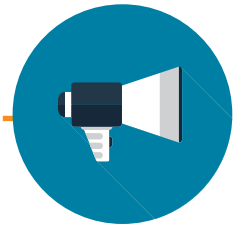
The General Practitioners Committee (GPC) has claimed that GPs are being charged higher medical indemnity fees to cover seven-day working because the additional hours are being assessed by policy providers as if they were urgent out of hours work rather that routine non-emergency care. The GPC is currently in discussions with the providers of medical indemnity policies in an attempt to resolve the issue. However, GPs have been advised to be clear about the details of their work when organising their indemnity cover. The Medical Defence Union responded to the claims by stating, *"We tailor our subscriptions to our individual member's needs. If members have any queries about their subscriptions we would encourage them to contact us."* For more information go to: http://bit.ly/1lT3ZBa

Health regulation must be improved

The Professional Standards Authority's recent report Rethinking Regulation suggests that the regulatory framework for health and social care requires substantial changes, and warns that the current regulatory system will fail to meet future pressures from an ageing population and a global shortage of health and care workers. The report makes many recommendations to reshape and improve regulation, including: shared objectives for system and professional regulators; transparent benchmarking to set standards; a reduced scope of regulation and a proper risk assessment model. http://bit.ly/1JQzvDC

Performance review of General Dental Council published

The annual performance review of the General Dental Council (GDC) has been published by the Professional Standards Authority. The review indicates that the GDC is performing well in the areas of guidance and standards, education and training and registration. However, the review also highlights the need for reform in its processes for assessing fitness to practice. Evlynne Gilvarry, Chief Executive of the GDC said, *"The GDC has set out a clear vision that puts the patient at the heart of its work. The Professional Standards Authority report recognises much of the excellent work being done by the GDC on a daily basis. We are not complacent however, and are fully focussed on the need to see through our current reforms and deliver improvements in the area of fitness to practise."* http://bit.ly/1i7NhsS



independent clinics in Scotland

From April 2016, Healthcare Improvement Scotland will begin to inspect and regulate the country's independent clinics, defined as clinics where services are provided by doctors, dentists, dental care professionals, nurses or midwives. This definition includes private dental practices and beauty salons where regulated healthcare professionals carry out non surgical cosmetic procedures. Regulation of independent clinics is part of a phased plan for regulating non surgical cosmetic procedures set out by the Scottish Cosmetic Interventions Expert Group (SCIEG). It will provide Scottish patients with similar protection to their counter-parts in England, where GP and dental practices are regulated by the Care Quality Commission.

The SCIEG set out its three stage plan to regulate non cosmetic surgical interventions in July 2015, explaining that the phased approach builds on existing legislation and allows for a "co ordinated response" throughout the UK.

The SCIEG recognises that regulating independent clinics will not protect patients from non regulated practitioners, such as beauticians and hairdressers, who provide non surgical cosmetic procedures. The second stage of the SCIEG plan will address this by changing the law so that certain high risk cosmetic procedures, particularly dermal fillers, can only be carried out by regulated practitioners or on their behalf. The SCIEG recommends that an equivalent restriction is introduced simultaneously in England, Wales and Northern Ireland, to reduce the risk of patients travelling to another country in order to receive treatment from a non regulated practitioner. A compulsory local authority licensing system for anyone delivering cosmetic procedures will also be introduced. The third stage will involve considering an accreditation scheme for certain types of healthcare professional. Currently, implementation dates for the second and third stages have not been confirmed.

Read more on first stage at:
http://bit.ly/1XBA8rT

The SCIEG report is available at:
http://bit.ly/1K1XtNG

Chief Inspector hints at light touch CQC regime for GPs

The Chief Inspector of General Practice at the Care Quality Commission (CQC), Professor Steve Field, has suggested that the CQC may relax GP practice inspections from September 2016, once every practice in England has been inspected. This lighter touch approach would be achieved by the introduction of "place-based inspections," focusing on the overall provision of services in an area rather than individual service providers.

The CQC's current practice inspection regime has faced criticism from the medical profession. For example, at the 2015 Local Medical Committees conference the Chair of the General Practice Committee, Dr Chaand Nagpaul, called for practice ratings to be scrapped.

Place-based inspections are currently being tested as part of the CQC "quality of care in a place" pilot.

CQC inspectors in Northern Lincolnshire and Greater Manchester are looking "more closely" at how well health and care services work together in a community. In particular, their results will inform the public about the quality of their local services and how well providers work together. Inspectors will also advise providers and commissioners where they need to improve, and highlight examples of joint working that have benefited service users.

A spokesperson for the CQC said it would be consulting on individual practice and place-based inspections next year, but also stressed that its current focus "remains on monitoring, inspecting and rating all general practices using our existing approach".

Read more about the CQC proposals at: http://bit.ly/1VIODIw

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