

# NHS Rotherham Clinical Commissioning Group

## Prescribing Incentive Schemes 2017/18 & 2018/19

|                        |   |
|------------------------|---|
| <b>Lead Executive:</b> | <b>Wendy Allott, Chief Finance Officer</b>        |
| <b>Lead Officer:</b>   | <b>Stuart Lakin, Head of Medicines Management</b> |

### Purpose:

To inform Primary Care Committee of:

The performance of the prescribing Incentive schemes for 2017/18

- Prescribing Financial Incentive Scheme
- Prescribing Quality Incentive scheme

The proposed prescribing Incentive schemes for 2018/19

- Prescribing Financial Incentive Scheme
- Prescribing Quality Incentive scheme

### Background:

#### The Prescribing Financial Incentive Scheme (pFIS)

The CCG has operated a financial prescribing incentive scheme (pFIS) for in excess of 10 years. The introduction of this incentive scheme was in conjunction with a review of the methodology for the setting of practice prescribing budgets. Practice prescribing budgets are entirely capitation based and the incentive scheme rewards practices for remaining within their allocated budget.

The original pFIS awarded practices up to £1.00 / patient for achieving an under spend or -5% or more. This was subsequently reduced to a maximum of 80p/patient and the payment was reclassified as practice income. Previously the payment had to be spent within the practice and have a patient benefit.

Current payment structure.

| % underspend  | Incentive payment |
|---------------|-------------------|
| 0% - 2.49%    | = 40p per patient |
| 2.5% - 4.99%  | = 60p per patient |
| 5% or greater | = 80p per patient |

In 2015/16 the incentive scheme was modified enabling practices that overspent their allocated prescribing budgets to receive a payment if they achieved on a number of financially orientated criteria (See pFIS Quilt) of 10p/patient for every two criteria achieved up to a maximum payment of 40p/patient.

#### 2018/19

The pFIS scheme for 2018/19 will operate the same payment/rewards structure. Some of the pFIS criteria have been changed (See pFIS 2018/19 Quilt baseline data attached).

#### Quality Prescribing Incentive Scheme (pQIS)

The pQIS is comprised of 10 criteria, pharmacological interventions that if enacted will either reduce mortality or reduce hospital admissions. There is a clinical evidence base to support each of the criteria. Practices are benchmarked against the Rotherham practice average and are rewarded if above or within 5% of the CCG average, this allows for variation around the true mean. The relevance of the criteria are reviewed annually.

The scheme has developed from the former PCT Health Inequalities Agenda and is designed to ensure that a Rotherham patient's chance of receiving evidence based pharmacological intervention that will decrease mortality or reduce the likelihood of a hospital admission, is not dependent on the practice that the patient is registered with.

The pQIS was launched in 2009/10. In the current scheme practices are paid 10p/patient for every 2 criteria achieved, the maximum payment = 50p/patient if all 10 criteria achieved.

#### 2018/19

The pQIS scheme for 2018/19 will operate the same payment/rewards structure. Some of the pQIS criteria have been changed.

### Analysis of key issues and of risks

Most of the neighbouring CCGs across SYB (South Yorkshire and Bassetlaw) operate prescribing incentive schemes, although there is a wide variation in how these are structured. Most prescribing incentive schemes form part of an overall CCG primary care Local Enhanced Service (LES) Agreement.

When compared against the incentive schemes operating in neighbouring CCGs, the Rotherham scheme has greater focus on financial management and the pQIS as a greater alignment to actual practice performance/improvement.

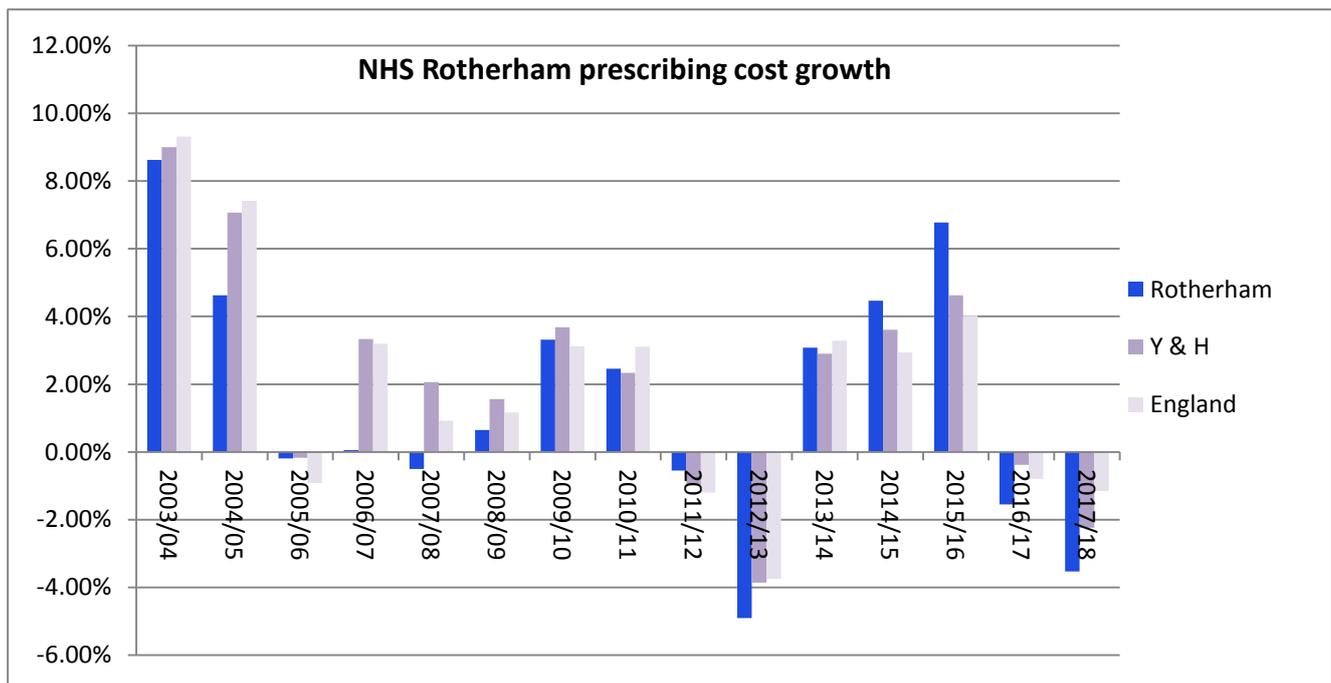
### SYB Comparison

| CCG              | Incentive scheme in operation | Potential reward  | Comments   |
|------------------|-------------------------------|---|--|
| <b>Bassetlaw</b> | ✗                             |   |  |
| <b>Barnsley</b>  | ✓                             | £4.90/patient   | Practice archives all the criteria to receive a payment. Combination of financial and quality outcomes.<br><b>Payments to be spent in the practice</b> |
| <b>Doncaster</b> | ✗                             | Awaiting details  | Incorporated into larger incentive scheme it is not a standalone MM scheme.  |
| <b>Rotherham</b> | ✓                             | £1.30/patient   | All outcome measurable contains both financially and quality derived outcomes.<br><b>= Practice income</b>   |
| <b>Sheffield</b> | ✓                             | £1.25 /practice + 50% of the locality underspend if CCG underspends | Totally financially driven.<br><b>Payments to be spent in the practice</b>   |

### Prescribing Financial Incentive Scheme (pFIS)

**Total payment 2017/18 = £179,681 (85.4% of the £210,416 maximum)**

Rotherham has benefited from a prescribing cost growth that in 10 of the last 15 years has been below the England and Y&H average. In most years Rotherham's prescribing cost growth has been below that of neighbouring South Yorkshire CCGs.



The current prescribing incentive scheme forms an important part of NHS Rotherham CCG's strategy for containing prescribing cost growth. Practices receive performance updates throughout the year which maintains their focus and engagement.

2017/18 was a very challenging year financially for prescribing. In Q1 & Q2 significant NCSO issues (No Cheaper Stock Obtainable) resulted in significant cost pressures and a potential over spend at year end. By Q3 the NCSO issues had resolved the medicines waste initiatives where delivering (approximately 2 million savings) Most practices were forecast to underspend their prescribing budgets and consequently practices then disengaged from part two of the pFIS.

**Prescribing Quality Incentive Scheme (pQIS)**

**Total payment 2017/18 = £101,530 (77.2% of the £131,510 maximum)**

In 2017/18 the CCGs performance improved on all but one of the criteria in the 2017/18 QIS.

In April 2016 in a number of former pQIS criteria (Diabetes & Cardiovascular) were transferred to the CCG's Quality Contract (QC). In the two years post the transfer of these criteria, the performance has been mixed. Of the 10 criteria transferred to the QC, 4 are showing improvement, 5 have deteriorated slightly and 1 has remained the same.

The payment structure per criteria via the QC is more generous than via the pQIS but this does not appear to affect practice performance.

**Patient, Public and Stakeholder Involvement:**

None

**Equality Impact:**

None

**Financial Implications:**

The pFIS forms an important part in incentivising prescribers to take ownership of the cost effectiveness of their prescribing. Rotherham's prescribing cost growth in most years out performs (is lower) that of England and the Yorkshire and Humber Region and Right Care Cluster to which Rotherham belongs. The current investment of £0.2m/annum does deliver a return, in that Rotherham's cost growth continues to be competitive when benchmarked against neighbouring CCGs and CCGs in our Right Care cluster.

The pQIS can demonstrate continued improvement in prescribing interventions that have an evidence base to decrease mortality or reduce hospital admissions the annual investment of £0.15m can demonstrate continued health gain and reductions in inequity.

**Human Resource Implications:**

None

**Procurement:**

None

**Approval history:**

Primary Care Sub Group – 5<sup>th</sup> September 2018

**Recommendations:**

1. Primary Care Committee note the practice payments for the performance measures in the 2017-18 pFIS and pQIS.
2. Primary Care Committee note the criteria for the pFIS and pQIS for 2018-19 and the proposed remuneration scheme.