

AG

ALBERT
GOODMAN

CHARTERED
ACCOUNTANTS



PRACTICE NEWS from Albert Goodman

Welcome to the latest issue of the Albert Goodman e-Update specifically for medical practices.

If you have any feedback on the contents of this newsletter, or would like to discuss how this may affect your practice please click on the feedback link. Likewise, if you are not a client of ours and would like to see if we are the right team for you please forward [Keith Miller](#), our medical practice specialist, your details and he will be delighted to get in touch for an informal chat.

Thank you for taking the time to read this newsletter.

Keith Miller

keith.miller@albertgoodman.co.uk

01935 423667

Contents

[GPs face more cost cuts](#)

[GPs warn of cuts](#)

[GPs' insurance work income drops](#)

[Lesson for QOF from California](#)

[Salaried GP seminars to help salary talks](#)

[Buying power saving GP practices thousands](#)

[Data breaches could cost GPs thousands](#)

[Defence body muscles in with THP advice to Doctors](#)

[GPC members vote against GP boundary changes](#)

[Doctors' leaders want talks with new health secretary](#)

[Feedback](#)

[Register a colleague](#)

[Unsubscribe](#)

GPs face more cost cuts

GPs face more cost cutting and demands for better management under new health secretary Andrew Lansley's NHS.

Outlining his plans for the future he said the Government intended to bring 'consistent, stable reform' which enabled it to improve quality of care to patients.

He said he was determined to have an NHS where the patient shared in making decisions and where quality standards were evidence-based and formed the basis of the design of services and their management.

'To achieve this in the current financial crisis requires leadership and highly effective management', said Mr Lansley. 'The NHS will be backed with increased real resources but with this comes a real responsibility. We will need progressively to be more efficient, to cut the costs of what we do now, to innovate and re-design, in order to enable us to meet increased demands and to improve quality and outcomes.

'This will not happen in a top-down, bureaucratic system. Decisions must be taken with patients, close to patients and with clinical leadership at the fore'.

[Top of page](#)

GPs warn of cuts

21/04/2010

55% of GPs say health service cutbacks are being made in their areas.

Another third believe their areas face cuts in the summer, according to a survey by Pulse.

Community nurse and health visitor losses, cutbacks in services to the terminally ill, and a drop in support for things like dietetic and nutrition services are all steadily increasing pressure on GP practices.

BMA council chairman Dr Hamish Meldrum said: 'The financial challenges facing the NHS are considerable but cutting clinical staff or frontline services would be disastrous. During a time of financial difficulty, healthcare becomes more, not less, important'.

He said managers were under fierce pressure to make savings, but it was unacceptable that important local services were being cut when huge amounts of money had been spent on poor-value contracts with private providers.

Dr Meldrum denied the BMA was opposed to service change. But he said it had to be driven by the needs of patients, evidence-based, and follow the professional advice of clinicians. 'It can make sense for certain services to move from hospitals to the community, if the primary care sector has the capacity and resources to deal with them'.

[Top of page](#)

GPs' insurance work income drops

10/05/2010

The UK's largest insurer has cut the number of doctor reports requested for life insurance applications by 60%.

Aviva revealed this has been achieved by capturing extra medical information using nurses and underwriters to speak to customers.

The initiative, called Improving Customer Underwriting (ICU), places the emphasis on underwriters making faster and better decisions which, the insurer claims, are often not helped by collecting doctors' reports.

Aviva argues the benefits of its initiative has a number of advantages including reducing the need for busy GPs to deal with insurance-related queries.

The insurer said the move saved time, enabling customers to get faster cover as well as saving advisers' time on administration and chasing-up doctors.

It said it would still need some doctors' reports but the number would be kept to an absolute minimum.

Richard Verdin, protection director, at Aviva, said: 'We constantly look for opportunities to lead and grow the market. One of the main delays experienced when setting up life insurance policies is gaining evidence from a customer's doctor, which in a large number of cases doesn't even change the underwriting decision.

'This can be slow, due to the level of other work GPs have, and providing this information understandably can be less of a priority to a GP.

'We have taken the decision to lead the market whilst managing risk effectively. These changes show a new understanding of what is actually needed, developing our processes in the best interest advisers and our customers.'

[Top of page](#)

Lesson for QOF from California

12/05/2010

Dropping financial incentives attached to measures of clinical quality is associated with slight drops in performance levels, according to research published on bmj.com today.

Since 2004, UK GPs have received payments based on a range of indicators of clinical quality, eight of which are due to be removed in 2011. While existing research indicates that financial incentives lead to improvements in quality, there are few data on the effect of their removal.

Researchers evaluated the effect of financial incentives in 35 Kaiser Permanente facilities in California, which provided both general and specialty care. They examined quality indicators for diabetes retinopathy screening, cervical cancer screening, glycaemic control for diabetes, and hypertension control.

During the study period – 1997 to 2007 – financial incentives were removed for diabetic retinopathy screening and cervical screening. Over the five years where financial incentives were attached to it, retinopathy screening rates rose from 84.9% to 88.1%. Over the following four years without incentives they fell year on year to 80.5%.

Rates of cervical screening rose slightly over the two initial years when financial incentives were attached, and fell during the five years when they were removed. Incentives were then reattached for two years, and rates began to climb once more.

Diabetes glycaemic control was not incentivised during 1999 and 2000 when levels of achievement were 44.2% and 46.85% respectively. Performance continued to improve following the introduction of incentives in 2001. Hypertension control was incentivised throughout the study period, but data was only available between 2002 and 2007, during which time performance improved.

The researchers point to limitations in the study, for example at Kaiser Permanente, doctors' income is not affected by the incentive, unlike the UK.

But they conclude that if further research confirms that the removal of financial incentives means performance levels – and potentially patient care – decline, there may be practical implications for policy-makers, doctors, and patients.

[Top of page](#)

Salaried GP seminars to help salary talks

27/04/2010

Salaried GPs are being targeted for a series of seminars around England covering their contracts and pay.

The BMA events will look at employment rights for nGMS, PMS, APMS and PCO-employed GPs.

Subjects to be covered include sickness, maternity, redundancy, and contract rights.

Speakers will give tips for successful negotiations on salary, terms and conditions, and contract changes for use with current and new employers, with practice sessions.

Seminars are 4 June BMA House, London; 7 September Bar Convent, York; 20 September Birmingham Medical Institute, Birmingham; 11 October Park Inn Hotel, Brighton; 25 October Park Plaza Hotel, Nottingham; 9 November Manchester Conference Centre, Manchester; 15 November Southampton Solent University, Southampton.

The BMA is charging £46 (£80.50 for non-members).

Doctors can get details from BMA Conferences on 020 7383 6605/6137.

[Top of page](#)

Buying power saving GP practices thousands

05/05/2010

GP practices claim to be saving thousands of pounds by taking advantage of deals on offer through a buying federation.

A variety of day-to-day purchases and consumables are being purchased at discount prices through a tie-up between LMCs and the LMC Buying Groups Federation.

The latest GPs to be able to take advantage of the scheme are in the London area. Londonwide Enterprise Ltd, a subsidiary of Londonwide LMCs, joined the Federation last month.

A Londonwide LMCs' spokesman said: 'London's practices now have access to a large range of supplies and services, from flu vaccines and stationery, to medicals supplies and utilities, at considerably discounted rates.

'Practices already using the service have reported savings, on average, of £1100 and £2750 per annum on medical consumables and even greater sums on locum insurance'.

The LMC Buying Group Federation has 15 member LMCs.

Former GPC negotiator Dr Michelle Drage, joint chief executive of Londonwide LMCs and Londonwide Enterprise Ltd said: 'Practices will continue to be at the sharp end of a tough financial climate within the NHS and this means they have to look hard at their costs.

'Their membership of the Londonwide Buying Group offers some compensation by providing practices with a means of getting more value for money on their regular purchases. The more practices benefiting from the deals negotiated by the buying group, the lower the prices. It's a no brainer really.'

Chris Locke, chief negotiator of the Nottingham-based LMC Buying Groups Federation, said: 'In the present financial climate every practice wants to reduce their expenses. LMC Buying Groups can save practices thousands of pounds per annum on goods and services they regularly purchase and membership is free.

'The launch of the Londonwide Buying Group will give us even more negotiating clout and further money-saving deals are already in the pipeline.'

Organisers of the initiative say the sole purpose of LMC Buying Groups is to save their member practices money by negotiating discounts on goods and services which practices regularly buy.

The Federation says: 'They do not actually buy anything or supply practices directly. By coming together with others, as part of the LMC Buying Groups Federation, we have been able to centralise much of the activity this entails, namely negotiating with suppliers and identifying approved suppliers who guarantee our practices significant discounts over what they would otherwise pay for their services, in return for our endorsement and help in bringing what they offer to our members' attention'.

All practices paying the LMC statutory/administrative levy or equivalent are automatically eligible but if they stop paying their LMC levies then they will be denied access to the benefits.

www.lmcbuyinggroups.co.uk

[Top of page](#)

Data breaches could cost GPs thousands

21/04/2010

Lawyers are warning GPs to be aware that from this month they can face fines of up to £500,000 for any serious data breach.

Fines would not be covered by insurance, they say.

Solicitors Lockharts suggest GP practices should review their approach to data protection in the light of the new fines which have been introduced for carelessly losing patient's sensitive information.

'The Government has handed the Information Commissioner new powers to impose these heavy fines, known as civil monetary penalties, in amendments to the Data Protection Act 1998. Prior to this, practices which lost patient data only faced limited sanctions from the Information Commissioner such as an enforcement notice or, in limited circumstances, a criminal prosecution', said the law firm.

Dr Nick Clements, of the defence body the Medical Protection Society, said 'It is important for practices to have robust systems in place to ensure the appropriate management of data' but it is 'highly unlikely' that any such breaches would attract the maximum fine'.

He added: 'Since most GP practices are small compared with a hospital trust, we would hope that any penalty would fall towards the lower end of the spectrum'.

Lockharts is recommending practices to be increasingly vigilant about patient data to minimise the risk of breach and thus incurring liability. Practice data reviews should cover responsibility for confidentiality, data protection and security, training and systems for keeping track of laptops and memory sticks where relevant.

[Top of page](#)

Defence body muscles in with THP advice to Doctors

23/04/2010

A defence body is trying to cash in on the HMRC's Tax Health Plan.

The Medical Defence Union has launched a free advice service for members who are worried about their tax affairs

It is using Taxwise, which it claims is 'one of the UK's leading providers of advice on tax and VAT', to give members the opportunity to consult on problems.

GPs are promised help from a 'team of professionals with many years of experience within both HMRC accountancy practice'.

The MDU, which is the largest defence body, said its Taxwise telephone helpline would be available in office hours until 30 June 2010.

MDU deputy head of advisory services Dr Michael Devlin said: 'We know that HMRC is now carrying out targeted investigations aimed at medical and dental professionals who they believe have not made a full declaration. We anticipate that this will be a concern for doctors, even if they have nothing to declare, and they may need to seek advice on how to respond to an approach from an HMRC inspector.

'At the same time, those who have already notified HMRC that they plan to make a declaration may need advice about how to do this. We are delighted to be able to offer this service through our partners at Taxwise and expect it will be invaluable during the coming months.'

MDU members who wish to use the service are being asked to call Taxwise on 01455 852 589 and quote the reference TXMDU1, as well as their MDU membership number. The helpline is open between 9.00am-5.30pm, Monday to Friday.

[Top of page](#)

GPC members vote against GP boundary changes

27/04/2010

GPs' representatives from across the country have rejected proposed removal of general practice boundaries.

The latest full meeting of the GPC passed a motion concluding that boundary changes would increase NHS costs and introduce inefficient and ineffective demands on resources.

After debating the Department of Health's consultation on how the removal of practice boundaries would be done, members said they put the quality of patient care and patient safety at risk.

And they added that the plans, announced last year, would also undermine continuity of care and disrupt practice-based commissioning.

[Top of page](#)

Doctors' leaders want talks with new health secretary

12/05/2010

Britain's doctors' leaders will be pushing for talks with new health secretary Andrew Lansley as soon as possible.

They have invited him to work with them to protect frontline services.

BMA council chairman Dr Hamish Meldrum said: 'The formation of a new Government is an opportunity to continue the spirit of

co-operation and pragmatism, exemplified by their coalition agreement, which will be needed in the tight financial climate we face in the health service.

'We look forward to working constructively and positively with the new health secretary, and his ministerial team, to discuss how the BMA can assist with the development of health policies that will maintain and improve the quality of patient care, a difficult task given that the NHS will be facing serious financial pressures'.

Dr Meldrum, a GP, said there were extremely difficult decisions ahead and, more than ever, doctors needed a period of stability and a working environment that encourages partnership and co-operation.

He added: 'There is intense pressure to make savings, but cutting clinical staff or frontline services would be not only short-sighted, but could also cause irreparable damage to the NHS.'

'Doctors will want to play a central role in shaping the delivery of healthcare and we would encourage the new Government to work with us to ensure that this can happen.'

[Top of page](#)



Keith Miller

Keith joined Albert Goodman in 2006 from a local Somerset firm of Accountants where, having qualified as a Chartered Accountant in 1988, he had been a Partner since 1990. He recently went on to achieve further success becoming a Certified Financial Planner in 2006.

Although best described as a General Practitioner, providing financial and taxation advice to an expanding portfolio of high net worth individuals, limited companies, sole traders and partnerships, Keith specialises in assisting medical practices and solicitors on all aspects of financial and taxation advice. He leads our GP medical team and is a member of AISMA, the Association of Independent Specialist Medical Accountants.

As a qualified Certified Financial Planner, he is ideally suited to obtaining a detailed understanding of the issues facing proprietors and their personal objectives in order to make a key contribution on strategic and tax issues, as well as dealing with the very complex areas of Capital Gains Tax and Inheritance Tax planning.



www.albertgoodman.co.uk

Taunton
01823 286096

Yeovil
01935 423667

Chard
01460 64646

Weston-super-Mare
01934 642222

Sedgemoor
01278 663546

