

Gateway Ref: 17573

To: PCT Directors of Finance

Quarry House
Quarry Hill
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LS2 7UE

Copy: SHA Directors of Finance
SHA Primary Care Leads

17 May 2012

Dear Colleagues

QM AS UNDERPAYMENTS – ACTION FOR PCTs TO CORRECT PAYMENTS MADE IN RESPECT OF 2010/11 FINANCIAL YEAR

The Department previously wrote out to PCTs (Gateway Reference: 15473) following identification of an error within the Quality Management & Analysis System (QM AS), that calculates payments to GP contractors under the Quality & Outcomes Framework (QOF). This error resulted in GP contractors being underpaid for their achievement under the QOF additional services indicators since 2004/05.

The Department provided PCTs with additional funding so that they could make good the underpayments that had occurred. The letter setting out the full details of this work is available on the DH website here:

http://www.dh.gov.uk/en/Publicationsandstatistics/Lettersandcirculars/Dearcolleagueletters/DH_124179

In that letter, the Department originally estimated the underpayments due for 2010-11, and agreed to calculate the exact 2010-11 payments when QOF achievement data was made available.

Action for PCTs

The final adjustments for 2010-11 have now been calculated and PCTs are now required to take action to make the adjustments which are set out in the attached spreadsheet accompanying this letter.

In making these adjustments, the legal advice we have received is clear that PCTs must make good any underpayments to practices and have no discretion around this.

However, where a GP contractor has been overpaid, PCTs have the discretion over whether they reclaim these payments or not. For example, if the amount

of overpayment is less than the administrative expense in reclaiming the payment, a PCT may decide not to reclaim the payment.

No additional revenue resources will be made available to make good the underpayments. However, the total effect of reclaiming all underpayments would generate around £1.1m which would be a net benefit to PCTs baselines.

Adjustments to payments need to be actioned using the NHAIS (Exeter) system and should be made before the end of June in line with the deadline for approval of 2011-12 QOF achievement payments.

PCT Directors of Finance should copy this letter to PCT colleagues who need to see it, for example where the PCT has a Primary Care Director / Lead / Contact.

Contact point

Any queries or questions on this should be directed to Peter Burke in the first instance either by email to peter.burke@dh.gsi.gov.uk or telephone 0113 254 6874.

Yours sincerely



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