

Joint Health Overview and Scrutiny Committee (JHOSC): Babylon GP at Hand update

20 January 2020

Summary	This document provides an update on Babylon GP at Hand.
Date	20 January 2020
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Babylon GP at Hand: Briefing for JHOSC

1. Background

- 1.1 Babylon GP at Hand is a GMS practice in Hammersmith and Fulham, contracted to the CCG to provide services under a standard GMS contract to its registered population. It is a digital first practice that offers services to patients within Hammersmith and Fulham and in a range of other geographic locations.
- 1.2 The practice started offering digital first services in November 2017. The practice list size has increased from 2,500 to 74,358 as at January 2020. This is made up of 72,640 on the main list and 1,718 for Birmingham.
- 1.3 The practice has been authorised to provide services in a number of locations across London and Birmingham in line with contract variations approved by the CCG's Primary Care Commissioning Committee and NHS England.
- 1.4 In November 2019 Babylon GP at Hand submitted a contract variation to provide services in Manchester. This was considered by NHS England and an objection to the application was issued at the end of November 2019. The grounds for the objection were that the variation to the Sub-Contract would currently put the safety of BGPaH's patients at serious risk and that the sub-contractor would be unable to meet practice's obligations under their GMS Contract
- 1.5 The CCG is therefore currently working with the practice and colleagues in Manchester to address the quality assurance issues that were addressed as part of the development of service in Birmingham with a view to reviewing the variation request in due course.
- 1.6 In November 2019 the CCG's Primary Care Commissioning Committee discussed a proposal to lift the list size growth restriction put in place for Birmingham that was set when the contract variation was first approved. The Committee was not fully assured that all the clinical pathway work had been

completed and asked for more assurance. At the Committee meeting in December 2019 the Committee received the additional assurance and agreed to lift the restriction on list size growth on the basis that Babylon GP at Hand:

- would confirm before reaching 2600 patients that the first extract of Diabetic Eye Screening recall patients had taken place;
- would confirm that the first patients recalled for cervical screening had received requested appointments.
- would, in the slightly longer term, liaise with the local breast screening services to identify their first cohort of women becoming eligible for failsafe screening and confirm recalls are in place

1.7 In June 2018 the CCG and NHS England commissioned an independent evaluation of the service. This was undertaken by Ipsos Mori and published in May 2019. <https://www.hammersmithfulhamccg.nhs.uk/news,-publications-policies/publications-policies.aspx?n=9446>. The key areas of enquiry focussed on:

- What is the impact of BGPaH on registered patients?
- What is the impact of BGPaH on the wider health system?
- What is the impact of BGPaH on the workforce?

1.8 The headline conclusions were:

- The sustained growth in list size shows an appetite for ‘something’, that was not being met by traditional general practice
- Satisfaction is high for most Babylon GP at Hand patients and more so than a matched sample of other patients with their own practices
- These patients have chosen a model on the basis of access and convenience; i.e. 24 hours a day within 2 hours
- GPs working for Babylon GP at Hand stated a consistent set of motivating factors for doing so; primarily they were attracted by the potential of a better work-life balance
- These GPs were also positive about the support and development opportunities provided

1.9 NHS England recently consulted on proposals for the future commissioning arrangements for digital first practices in order to ensure that there was a level playing field for potential providers and clear/transparent mechanisms for funding those CCGs where digital first practices are established in the future. The key lines of enquiry in the consultation were:

- should there be reform of out-of-area registration rules to fit better with the world of digital-first providers and primary care networks, and if so, how?
- should there be improvement to the responsiveness of CCG allocation adjustments to reflect in-year patient flows, and if so how?
- should there be change the current premium for new patient registration?

- should patients be allowed to choose to register with a wider array of new digital-first providers, and if so, could this be done in a way that helps under-doctored areas and tackles health inequalities, and also avoids current and future transaction costs of local APMS procurements?

1.10 The key outcomes from the consultation were:

- NHS England and NHS Improvement will take forward the proposal to disaggregate a patient list and create a new APMS contract when a provider registers a certain number of out-of-area patients in another CCG
- The threshold will be set at 1,000 patients
- NHS England and Improvement will make a CCG adjustment based on the age and gender of the patients registering with digital first practices, plus the practice they were previously registered with
- NHS England and NHS Improvement heard significant concerns and it has been decided not to take forward the proposal in this area and to leave arrangements on the new patient registration premium unchanged
- There was broad agreement NHS England and NHS Improvement should not create new opportunities for providers to set up new digital-first services anywhere in England and instead for targeting these opportunities in areas of greatest need e.g. under-doctored areas, which is the proposal that will now be taken forward

2. Hammersmith and Fulham Position

2.1 Hammersmith and Fulham CCG and the North West London Collaboration of CCGs submitted a response to the NHS England consultation on digital first and have been directly involved with the process by which NHS England is planning to deal with the issue of exceptional list size growth. The CCG is continuing to work on the assumption that the full costs arising in Hammersmith and Fulham will be fully mitigated. Our current view is that this will be in the region of £24m. However, there is a potential unmitigated risk to the CCG based on the approach being proposed by NHS England following the conclusion of the consultation.

2.3 The CCG has assessed the potential impacts following the NHS England consultation and identified that:

- The disaggregation of patient lists and creation of new APMS contracts when a provider registers over 1000 out-of-area patients in another CCG area will have the most significant impact for Hammersmith and Fulham CCG. This falls into two main categories; financial and Primary Care Network (PCN) configuration.
- With the overall financial consequences of the Babylon GP at Hand development still subject to discussions with NHS England in respect of full mitigation, this 'burden' will be in part transferred to other CCGs. However, if

Babylon GP at Hand continues to expand into other areas by using a sub-contract variation of the Hammersmith and Fulham CCG contract, the responsibility of ensure appropriate clinical and corporate governance, i.e. clinical assurance and contractual implications, will remain with Hammersmith and Fulham CCG until such time as the proposed 1000 registrations are reached.

- Currently there are 18 other CCGs each with over 1000 residents registered to Babylon GP at Hand. In total this equates to around 46,000 patients. If this level of registered patients is disaggregated away from Hammersmith and Fulham, the Babylon GP at Hand PCN will have a registered list of fewer than 30,000, which is below the NHS England stipulated list size for a PCN. This could lead to a reconfiguration of the current Hammersmith and Fulham PCNs, which inevitably would have a significant impact on the new and evolving Hammersmith and Fulham PCNs.
- At this stage it is difficult to assess the full implications of the capitation approach for funding allocation with NHS England and Improvement making CCG adjustment based on the age and gender of the patients registering with digital first practices, plus the practice they were previously registered with.

2.2 From a financial perspective engagement with NHSE has been ongoing at CFO level. In relation to making adjustments to allocations so that the financial pressures of GP at Hand are mitigated in year, NHS England wrote to impacted CCGs in December 2019. That letter confirmed that “following the consultation on digital first primary care, the boards of NHS England and NHS Improvement agreed that, given the very rapid expansion of Babylon GP at Hand (BGPaH), which may be replicated in other digital providers, ...a capitation approach to adjust allocations for in-year flows...” will be implemented.

The letter also confirmed that NHS England will make a series of adjustments to recognise patients that transferred prior to 2019/20, and then patients that have transferred during 2019/20. The total value of these adjustments remains to be confirmed, however the initial transfer for patients registering with Hammersmith and Fulham CCG prior to 2019/20 has been implemented.

2.3 Implementation of the wider outcome of the consultation will be subject to legislative changes. It is unclear at this time when those changes would be brought forward. Given that, the NW London CCGs and all other London CCGs, are already including in their forecasts the expectation of an allocation adjustment, any risk is expected to be confined within Hammersmith and Fulham.

2.4 The development of the Babylon GP at Hand practice has created a significant additional workload for the CCG, specifically in relation to the number of contract variations that have needed to be considered, and more recently in relation to the assurance work associated with the expansion to Birmingham. Babylon GP at Hand has already submitted a contract variation to provide services in Manchester which

has not proceeded because of an objection raised by NHS England. However, it is likely that this will be approved at some point in the future and similar levels of work assurance work to that undertaken in Birmingham ensure that services are being provided safely and are compliant with the requirements of the GMS contract will be required.