Investigation

One year on, is the cost of Darzi centres too high?

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By **Gareth Iacobucci**

Pulse discovers that GP-led health centres are getting up to seven times the funding of existing GP practices.

It is a year this week since Lord Darzi's NHS Next Stage Review was launched with unprecedented hype.

The surgeon turned health minister had been allowed to run the rule over every corner of the health service, and his review was hailed as a radical blueprint for its future development.

In the event, Lord Darzi's recommendations were a curious mix of the ambitious and the bland - less contentious than feared maybe, but also, with their talk of quality and clinical leadership, difficult to pin down.

One policy above all others remained totemic, concrete and controversial though – the declaration that every PCT in the country would have its own GP-led health centre.

But one year on, to what extent are the centres, with their 8:00am-8:00pm, seven days a week opening and planned range of additional services, offering value for money for the NHS?

PCT	GP-led health centre	Average PMS	Average GMS
West Kent	£466.66	£62.30	£94.30
Bury	£241.33	£106.58	£103.73
Sefton	£197.28	£104.00	£88.00
Oldham	£168.00	£85.35	£64.58
Sheffield	£160.00	£112.00	£105.00
Tameside & Glossop	£146.00		
	£266.34*		
	£248.27*		
	£271.17*		

*Equitable Access practices

A Pulse investigation reveals the centres are receiving hugely greater funding than the practices they have been thrust into competition with – in some cases as much as seven times as much per registered patient [check].

Our figures from 28 contracts awarded under Lord Darzi's Equitable Access to Primary Care scheme provide evidence of profound inequities in the resources on offer to different primary care providers.

The average cost per patient at GP-led health centres was £180.92 in the first year of contracts, way above

the average national for GMS and PMS practices of £63.24 and £78.63 respectively.

Many of the 152 PCTs we approached under the Freedom of Information Act were extremely reluctant to provide figures, claiming releasing them 'could influence future tendering exercises'.

But of the trusts who did respond in full, some revealed eye-opening contractual arrangements. In NHS Halton and St Helens, the GP-led health centre is receiving £560 per registered patient, in NHS West Kent £466.66 and in NHS Doncaster £412.50.

NHS East Riding of Yorkshire run by local GPs including BMA chair Dr Hamish Meldrum, is another doing well out of its PCT contract, with an award of £381.47 per registered patient.

The contracts are paying for additional services beyond core GMS, not least the additional opening hours. But the huge sums on offer, particularly in year one of contracts, suggests the lessons may not have been learned from the failed rollout of independent sector treatment centres.

In that instance, researchers estimated the NHS may have overpaid ISTC providers by close to £1 billion by handing them guaranteed cash regardless of how many patients they treated.

But at a time when the NHS is increasingly scrutinising the way money it spends as it prepares for a funding squeeze, questions will surely be asked over whether it can again afford to sign up to generous contracts with new providers.

Prior to his recent departure, ex-health minister Ben Bradshaw, who formed something of a pantomime villain tag-team with Lord Darzi, promised an investigation into the value for money of the Equitable Access scheme.

Pulse has learned the DH has now issued guidance to PCTs urging them to undertake 'local evaluations' of their GP-led health centres. The more cynical might view this as a classic exercise in buck passing, with the DH still cagey on whether it will carry out a national examination, despite calls from both GPs and academics.

'We are holding two lessons-learned workshops in July with NHS stakeholders and considering an external evaluation of services provided by GP-led health centres,' a spokesperson says.

But Dr Kailash Chand, GPC member and a GP in Ashton-under-Lyne, says a national audit is essential. 'There is a lack of evidence the centres improve quality or provide value for money,' he says. 'This needs a proper investigation by the Audit Commission.'

Dr Chand was shocked to learn his own trust, NHS Tameside and Glossop, is paying out-of-hours provider Go To Doc an average of £233 to provide care at four Equitable Access centres. He says the figure is vastly above the £90 per patient his own practice is receiving, despite providing 'the fullest possible range of services'.

He says the national findings vindicate the BMA's opposition to the scheme.'This is the most inappropriate use of taxpayers' money,' he says. 'These figures are every bit as bad as I thought they would be.'

But a spokesman for NHS Tameside and Glossop says the figures cannot be compared with existing GP services.

"These figures are every bit as bad as I thought they'd be"

Dr Kailash Chand, GPC member

'The higher cost per patient compared with standard GP services reflects a greater array of services on offer to patients, particularly in terms of greatly extended opening hours,' he says.

'High quality performance indicators are in place to ensure best possible value will be obtained.'

Intriguingly, Doncaster PCT, despite paying its own provider arm £412.50 per patient to run the local centre, says it is on track to deliver value for money, after conducting 'comparisons on overall contract price with

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other PCTs, SHA, and other bids'. It adds: 'The profit percentage is within the tolerance levels suggested by the DH.'

With the current Government finally committing to some form of evaluation of the scheme, Pulse can also reveal the plans of its probable successors.

The Conservatives have told Pulse they would rip up all contracts for GP-led health centres at the end of their five-year running period, and renegotiate them on reduced terms.

'Existing contracts will be honoured. Where they have not been entered into already we will leave it to local decision makers to determine whether there is a need,' says a party spokesman.

'When contracts expire we will move health centres onto the same contracts as other primary care providers so that there is a level playing field.'

With the Conservatives committed to renegotiating contracts, the onus is now on the Government more than ever to justify the outlay.

Professor Chris Ham, professor of health policy and management at the University of Birmingham, who recently conducted research into the financial viability of the scheme, says it is possible some trusts are paying providers too generously, but believes it is too early to analyse the full impact.

'You would expect the cost to be higher than a standard GMS contract because it's a seven-day eight till eight service. But the range of variation is huge. It's hard to know how far PCTs have offered generous contracts in the first year or two to attract bidders in the same way the DH did with ISTCs.'

Professor Ham said a national review of the scheme would be 'well worth doing in a year or two': 'We'll need to know not just cost, but also how much use there has been. If they're meeting a need existing GPs weren't, the higher costs may be justified. If the centres are underused and guaranteed funding, it could be a similar to ISTCs.'

Early indications are that while patients are using the new services, they are not necessarily flocking in their droves. Northamptonshire PCT, one of the first PCTs to open its GP-led health centre last December, says the Lakeside Plus centre has registered 292 patients in its first six months.

Elsewhere, the Hillside Bridge Healthcare Centre in Bradford, which also opened in December, registered 198 new patients in its first two months – 86 of whom transferred from other local practices.

In Doncaster, one existing practice close by says its list size has actually been increasing since the new centre opened.

'It has made us slightly more defensive with regards to our patient list, says Dr Patrick O'Horan, a GP at the Burns Practice in Doncaster. 'Our list is actually increasing.'

Early figures from London – the one part of the country to retain the initial 'polyclinic' name - suggest use has been steady, with local health managers hailing the Alexandra Avenue clinic in Harrow, west London as 'hugely popular', after it attracted more than 1,000 patients in its first four weeks.

But with the NHS looking at its balance sheet with a furrowed brow, the Government will have to prepare itself for growing scrutiny over whether the new services are really justifying their cost.

As Dr O'Horan says, pondering the future impact of his local centre: 'Watch this space.'

Darzi's primary care pledges... and how they've panned out

Pledge To develop more than 100 new practices in the most deprived areas of the country, and 150 GP-led health centres to supplement existing services, one in each PCT
One year on The Government says a third of the 152 centres were open by 1 April 2009, and insists

most will be open by the end of 2009

Pledge To develop large single-site polyclinics in London, housing up to 25 GPs in one building
One year on NHS bosses universally rejected the proposals, in favour of 'hub-and-spoke' polyclinics, with 'spoke' practices retaining their registered lists

Pledge To develop NHS Choices to include more comparative information about the services offered by practices, opening times, views of patients and performance againsst key quality indicators
One year on The website already includes a lot more comparative information, and will develop further with the addition of patient comments on GP practices

Pledge To give PCTs greater flexibility to work with primary healthcare teams to select QOF indicators (from a national menu) that reflect local priorities
One year on The DH significantly softened its stance on local QOFs, after ministers decided not to fund any local indicators using national framework money following a 'mixed response' to the proposals

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