

GP pay 'should have been capped'

By Nick Triggle
Health reporter, BBC News

Hewitt interview

The government should have capped the money GPs can make out of their new contract, the health secretary says.

The proportion of profits GPs take out of their practices has increased since the new contract started in 2004, pushing average pay above £100,000.

In an interview with the BBC News website, Patricia Hewitt said in hindsight ministers would have wanted to ensure doctors did not take so much.

Doctors criticised Ms Hewitt, saying she was "denigrating" GPs.

She should be proud of the achievements of general practice, not denigrating doctors for delivering quality patient care

Laurence Buckman, of the BMA

Ms Hewitt said: "I think if we anticipated this business of GPs taking a higher share of income in profits we would have wanted to do something to try to ensure that the ratio of profits to the total income stayed the same and therefore more money was invested in even better services for patients."

Barbara Hakin, who leads the pay negotiations with GPs for NHS Employers on behalf of the government, said GPs should be investing more of their profits in their practices and said it was something that could be looked at in the future.

On introducing a cap, she said: "I think the health secretary was saying it should have been done at the beginning... but while it would be complex to introduce, it is quite right that it is something we look at [in the future]."

Statistics from the NHS Information Centre show that GPs took 40% of their gross earnings in profit once expenses were taken away in 2003-4, but this rose to 45% the following year when the contract started.

This contributed to the hike in pay GPs received, with average pay totalling £106,000 - up 30% on the year before.

Family doctors working in practices with a pharmacy earn even more with reports of some earning over £200,000.

Accountants predict the amount earned in profit in 2005-6 was between £110,000 and £120,000.

Extra services

The new contract was designed to give general practices additional funds to invest in improving and developing services to patients.

It included incentives to reward GPs and their practice teams for driving up the quality of patient care.

A large proportion of GPs' earnings are now linked to the quality of care they provide, with payments made for the provision of extra services, such as contraception, child health and chronic disease clinics.

It also enabled GPs to opt out of night and weekend care.

For Patricia Hewitt to distance herself from the GP contract is a show of how low her own performance has sunk
Andrew Lansley
Shadow health secretary

But the health secretary also praised the effect of the contract on boosting GP numbers.

She said: "When we were negotiating the GP contract we had GPs taking early retirement and very large numbers of new doctors refusing to become GPs.

"Now it is quite true that neither the government or BMA anticipated how much GPs would do in response to performance-related pay."

But she added: "GPs in England are doing more for their patients in terms of prevention and giving support for long-term conditions than almost any country in the developed world."

She also said doctors had accepted a pay freeze for this financial year and that they had made the criteria for the performance-related pay "more challenging".

Pay negotiations between the government and doctors for next year have stalled and are now being reviewed by an independent body.

'Taken to the cleaners'

However, Joyce Robins, from the health watchdog Patient Concern, told BBC News that the new contract did not represent "value for money".

"I do think that the doctors' unions took the government to the cleaners with that contract because, I mean, nobody's mentioned that in fact they do a great deal less work," she said.

"They no longer do evenings, no night work, weekend work - this has all got to be paid for somewhere else.

"And yet their money has gone up quite enormously.

"In fact, I understand that far more GPs are actually retiring early because their pensions have gone up so much that they can afford to do that."

HAVE YOUR SAY

It's a bit rich for Patricia Hewitt to condemn GP's for "taking too much", when MP's are clamouring for a rise bringing their pay to over £100k a year
Mark, Bournemouth

Opposition parties have long been critical of the government's handling of pay negotiations, saying they underestimated the true cost, contributing to the deficits the health service is currently struggling with.

Shadow health secretary Andrew Lansley said: "The government underestimated the number of points GPs would get for treating patients which in a way is really sad because it means the government underestimated the good job that GPs do.

"For Patricia Hewitt to distance herself from the GP contract is a show of how low her own performance has sunk."

Liberal Democrat health spokesman Norman Lamb said: "The government has clearly made a hash of negotiating the GP pay contracts.

"It is not helpful for them to admit incompetence after the event when the problems in the NHS are already mounting. We need an urgent review into the government's approach to such pay agreements in the NHS."

Laurence Buckman, deputy chairman of the BMA's GPs committee, said: "Is the Secretary of State saying she wishes GP practices had not performed so well on quality targets thereby improving the delivery of top quality care?"

"The government signed off the contract which ties income to quality performance. She should be proud of the achievements of general practice, not denigrating doctors for delivering quality patient care."

A Department of Health spokesman said she was simply reiterating previous comments that neither the government nor the BMA had anticipated how much extra work GPs would do.

Story from BBC NEWS:
<http://news.bbc.co.uk/go/pr/fr/-/1/hi/health/6276793.stm>

Published: 2007/01/19 11:58:39 GMT

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