

## **FOCUS ON QOF PAYMENTS**

April 2011

### **Introduction**

This guidance note gives a full breakdown of the methods used to calculate and make payments earned through the Quality and Outcomes Framework (QOF). The information within it is drawn from the Statement of Financial Entitlements which can be accessed on the Department of Health website at [www.dh.gov.uk](http://www.dh.gov.uk)

QOF payments in England, Scotland, Wales and Northern Ireland are the same throughout this guidance except on a few points. The guidance note quotes the value per QOF point for 2010-11 as £130.51 for England, £130.47 for Wales and £127.26 for Northern Ireland (figure to follow for Scotland).

When the contractor's population index (CPI) is mentioned this also differs in Scotland, Wales and Northern Ireland<sup>1</sup>.

### **Aspiration payments**

Aspiration Payments are a part payment in advance for expected achievement under the QOF. It can be calculated using one of two methods'

(a) a calculation based on 70% of the contractor's previous year's Achievement Payment; or

(b) a calculation based on the total number of points that a contractor has agreed with a PCT that it is aspiring towards that financial year.

### **Calculating monthly aspiration payments by the 70% method**

Based on a practice's QOF return the Unadjusted Achievement Payment for the previous year is established. That is the QOF cash totals for the previous year multiplied by the contractor population index (CPI)<sup>1</sup>. (Generally, this calculation is not possible in the first month of the financial year, and so a Provisional Achievement Payment is established by the PCT.)

The Provisional Achievement Payment is then multiplied by the QOF Uprating Index which for example was 1.02529657 in England for the financial year 2011/12, as the value per QOF point changed from £127.29 (for 2010/11) to £130.51 (2011/12) in England. The uprating index varies slightly for each country depending on the changes in value of the QOF point.

The total of these calculations is multiplied by 70%. This was increased from 60% to 70% in 2009/10 to compensate for the late payment because the PE7 and 8 results were not known until the end of the first quarter of the following year. This will be the same, although less so, for the new indicators. This figure is then multiplied by the maximum number of points available under the QOF for the new financial year divided by the maximum number of points available under the QOF in the previous financial year. The maximum number of points has not changed since 2007, when it was lowered from 1050 to 1000. The resulting figure is the annual amount of the contractor's Aspiration Payment, which will be paid in 12 monthly instalments. These instalments will be adjusted as necessary when the correct amount of the contractor's Achievement Payments in respect of the previous financial year has been established.

### **Calculation of Monthly Aspiration Payments: the Aspiration Points Total method**

An Aspiration Points Total is agreed between the practice and the PCO. It will be the total number of points that the practice is aspiring towards under the QOF during that financial year. In turn, this agreed Aspiration Points Total will be divided by three. The resulting figure is then multiplied by £130.51 (11/12), and then by the contractor's CPI, to produce the annual amount of the contractor's Aspiration Payment. Again, these will be paid in twelve month instalments over the year.

## Achievement payments

There are various methods used to calculate achievement payments. In particular the clinical and additional services payments vary from those within the rest of the QOF.

### Calculation of points in the clinical domain

The clinical domain contains twenty clinical areas, each containing a variety of indicators. The indicators contain standards against which the performance of a practice will be assessed. Some of the indicators require particular tasks to be accomplished (i.e. the production of disease registers), and the standards contained in those indicators do not have percentage Achievement Thresholds. The points available in relation to these indicators are achieved if the task is completed.

Other indicators have designated Achievement Thresholds, whereby a practice will be assessed by a percentage achievement. The minimum percentage represents the start of the scale (i.e. with a value of zero points); and the maximum percentage is the lowest percentage of eligible patients in respect of whom the task must have been performed or outcome recorded in order for the practice to qualify for all the points available in respect of that indicator.

Where a practice has achieved a percentage score in relation to a particular indicator that is the minimum set percentage or below, it achieves no points in relation to that indicator. If a contractor has achieved a percentage score in relation to a particular indicator that is between the minimum and the maximum set for that indicator, it achieves a proportion of the points available in relation to that indicator. The proportion is calculated as follows.

A calculation is made of the percentage the contractor scores (D). This is calculated from the following fraction: divide'

- (a) the number of patients registered with the contractor in respect of whom the task has been performed or outcome achieved (A); by
- (b) the number produced by subtracting from the total number of patients registered with the contractor with the relevant medical condition (B) the number of patients to be excluded from the calculation on the basis of the provisions in the QOF on exception reporting (C).

This fraction is then multiplied by 100 for the percentage score.

The calculation can be expressed as:

$$A \frac{\quad}{(B - C)} \cdot 100 = D.$$

Once the percentage the contractor actually scores has been calculated (D), subtract from this the minimum percentage score set for that indicator (E), then divide the result by the difference between the maximum (F) and minimum (E) percentage scores set for that indicator, and multiply the result of that calculation by the total number of points available in relation to that indicator (G). This can be expressed as:

$$(D - E) \cdot G.$$
$$(F - E)$$

The result is the number of points to which the practice is entitled to in relation to that indicator.

### Calculation of points in the additional services domain

The additional services domain includes indicators related to: cervical screening services; child health surveillance; maternity services; and contraceptive services. The child health surveillance and maternity medical services indicators require particular services to be offered and the points available will be paid if the service is offered to the relevant target population.

The contraceptive services indicators and all but one of the cervical screening services indicators require particular tasks to be performed in relation to a target population, and the points available in relation to

these indicators will be paid if the task is accomplished.

One of the cervical screening services indicators has a designated achievement threshold, and the method for calculating points in relation to this indicator is the same as the method for calculating points in relation to this type of indicator in the clinical domain.

### **Calculation of achievement payments in the clinical and additional services domain**

The Achievement Payments for the clinical domain and the additional services domain are determined in the following way.

For clinical domain (other than the area relating to palliative care), a calculation is made of the Adjusted Practice Disease Factor<sup>1</sup> for each disease area, and this is then multiplied by the amount per QOF point (for 2011-12, £130.51) and by the contractor's Achievement Points total in respect of that disease area.

Achievement Payments for palliative care will be calculated by multiplying the total number of Achievement Points by the value per QOF point (£130.51)

For the additional services domain, a target population factor is calculated. This is done by dividing the practice's relevant target population by the contractors registered list size. This is then divided again by the figure produced by taking the average number of patients registered with all practices in the relevant target population divided by the average of all practices registered list sizes. This Target Population Factor is multiplied by the amount per QOF point (£130.51) and by the Achievement Points obtained in respect of the additional service.

The cash totals for all the diseases in the clinical domain, including palliative care, and all in the additional services domain (as described above) are then multiplied by the contractor's CPI (as it was at the start of the final quarter of the financial year). From this the PCT subtracts the value of the relevant Monthly Aspiration Payments made over the year to come up with the practices final Achievement Payment.

### **Calculation of points and payments in the organisational domain**

This domain consists of six sub-domains: records and information about patients; information for patients; education and training; practice management; medicines management; and Quality and Productivity which was added in 2011-12. The standards set within them relate either to a task to be performed or an outcome to be achieved. The points are paid in full if the task within the indicator is accomplished or the outcome achieved (ie: the points total for the indicator is multiplied by the amount per QOF point, £130.51 for 2011-12).

### **Calculation of points and payments in the patient experience domain**

This domain contains one indicator about the length of patient consultations. Previous indicators relating to either carrying out patient surveys or achieving against a national survey have now been removed.

The points available in relation to the remaining indicator, patient consultation, are achieved when the practice can demonstrate it is meeting requirements relating to consultation length.

**Further details are available in the Statement of Financial Entitlements:**

[http://www.dh.gov.uk/en/Healthcare/Primarycare/PMC/contractingroutes/DH\\_4133079](http://www.dh.gov.uk/en/Healthcare/Primarycare/PMC/contractingroutes/DH_4133079)

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## <sup>i</sup> **CPI - Contractor Population Index**

The Contractor Population Index (CPI) reflects the national average practice list size. It is used primarily to allocate QOF payments to practices relative to their list size.

In England it is currently calculated by taking a contractor's registered population and dividing it by 5991.

In Wales it is currently calculated by taking a contractor's registered population and dividing it by 5885.

In Scotland it is currently calculated by taking a contractor's registered population and dividing it by 5170 (2010/11. Figure for 2011/12 to follow).

In Northern Ireland it is currently calculated by taking a contractor's registered population and dividing it by 5236.

## <sup>ii</sup> **Adjusted practice disease factor calculations**

The calculation involves three steps:

- first, the calculation of a practice's Raw Practice Disease Prevalences. There will be a Raw Practice Disease Prevalence in respect of each disease area (other than the area relating to palliative care) for which the contractor is seeking to obtain Achievement Points;
- secondly, making an adjustment to give an Adjusted Practice Disease Factor (APDF);
- thirdly, applying the factor to the pounds per point figure for each disease area (other than the area relating to palliative care).

1. The Raw Practice Disease Prevalence is calculated by dividing the number of patients on the relevant disease register by the contractor's registered population. The timing of this calculation is usually done at the start of the final quarter of the financial year.

2. The Adjusted Practice Disease Factor is calculated by:

- a) calculating the national range of Raw Practice Disease Prevalences in England (PCTs are to use the national range established annually through the Quality and Outcomes Framework Management and Analysis System (QMAS));
- b) rebasing the contractor figures around the new national English mean (available at the end of each month) to give the Adjusted Practice Disease Factor (APDF). For example, an ADPF of 1.2 indicates a 20% greater prevalence than the mean, in the adjusted distribution. The rebasing ensures that in a relevant year the average contractor (i.e. one with an ADPF of 1.0) receives, £130.51 per point, after adjustment;
- c) thereby, adjusting via the factor the contractor's average pounds per point for each disease, rather than the contractor's points score. For example, a contractor with an APDF of 1.2 for CHD in the period commencing on 1 April will receive £156.61 per point scored on the CHD indicators.

3. As a result of this calculation, each contractor will have a different 'pounds per point' figure for each disease area (other than the area relating to palliative care), and it will then be possible to use these figures to calculate a cash total in relation to the points scored in each disease area (other than the area relating to palliative care).