

# Understanding your global sum payment

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## Key points

- Most of the data is recorded and collected automatically, but it is worth checking that you are being paid for the work that you are doing.
- Patients in nursing homes tend to incur higher workloads, due to their level of morbidity. The Carr-Hill formula makes a significant financial adjustment to allow for this. This is the main area where your actions can make a difference.

The [Global Sum](#) makes up the majority of the income for most surgeries.

The goal is to allocate money in accordance with perceived need. Figures are calculated quarterly, paid on a monthly basis. They can change from one quarter to the next, according to list size, patient turnover, demographic changes and consequent expected workload differences.

Of course, the most effective way to boost your global sum is to increase your patient list. But it would be useful to understand the payment system to ensure you are not missing out on payments.

## The Global Sum allocation formula

The individual practice adjustment is made using the global sum allocation formula, better known as the Carr-Hill formula. It was devised in 2004. There are six factors that are used in the calculation:

- *Age and sex of patients*

The most influential factors are the age and sex of your patients. Factors are weighted on a scale, with 5- to 14-year-old boys counting as 1 and women over 85 years counting as 6.72. In theory, whatever the demographic, there should be no advantage to your practice, as remuneration will balance workload.

- *Morbidity and mortality*

There is a small adjustment for morbidity and mortality based on the Standardised Limited Long-Standing Illness index and the Standardised Mortality Ratio for patients under 65 years of age. The statistics are obscure and almost impossible to check. There is no adjustment for deprivation directly.

- *Average patient distance*

A small addition is made for patients who live far away from the surgery in rural areas. As a result, doubling the average distance of patients from the practice will increase the Global Sum by 3.5%. But simply changing your practice area is unlikely to have much of an effect on this as it is only a mechanism to benefit rural practices with some patients living far away.

From 2019/20 this is only calculated for patients within the defined practice area.

- *Market forces*

A market forces factor is also included to reflect differences in staffing salary costs in the larger cities where pay tends to be higher.

The adjustment for London is not part of the formula but is calculated separately. From 2019/20 this is only paid for patients resident in London rather than registered with a London practice.

- *New patients*

Newly registered patients can bring a higher workload and for the first year they count for almost a patient and a half. This can give a temporary boost to practices with a rapidly rising list size. It will also tend to benefit practices with a high list turnover, such as university practices.

This is currently being reviewed and may change in 2020/21.

- *Patients living in nursing or residential care homes*

Having patients in nursing homes tends to incur higher workloads, due to the level of morbidity. This is the main area where your actions can make a difference. Each nursing home has an associated code which needs to be entered into the registration section of the practice computer system to ensure that patients are recognised for this adjustment.

At the end of this process practice list sizes are adjusted to match the CCG's overall weighted list size. Otherwise identical practice lists may result in a different adjusted list size, and therefore Global Sum, in different CCGs.

## **How to maximise income**

The adjustments are designed to be neutral, with income reflecting workload. Most of the data is automatically recorded, but it is worth checking that you are being paid for the work that you are doing.

The calculations are laid out in some detail in a quarterly statement available on Open Exeter. However, other than age and sex, there is little there that can be verified by practices. At a general level these statements will indicate the areas where the practice wins or loses according to the formula.

To ensure the practice is fully reimbursed for patients in care homes or residential homes check that the correct institution codes have been entered. The list should be available from your CCG or NHS England. These are not Read or SNOMED codes, and are simply an identifier for each institution in the same way that practices have codes. Finding these codes and ensuring that they are entered when patients are newly registered or move to a residential home is essential to ensure that the Global Sum is always adjusted correctly.

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Guide URL:

<http://preview.pulse-intelligence.co.uk/guide/understanding-your-biggest-source-of-income-the-global-sum/>



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