

# OFNC

Association of British Dispensing Opticians  
Association of Optometrists  
British Medical Association  
Federation of Ophthalmic and Dispensing Opticians

## Optometric Fees Negotiating Committee

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### NHS PRIMARY EYE CARE – CONCERNS FROM THE HEALTH SECTOR

#### Summary

The General Ophthalmic Services (GOS) contract is essential to the nation's eye health. The freeze in GOS fees over the last four years – while providers have delivered significant efficiencies, absorbed costs and shouldered new burdens including recruitment challenges – is now putting vital primary eye care infrastructure at risk. It is also undermining confidence as the eye health sector questions NHS England's commitment to prioritise preventative care and genuinely to prevent avoidable sight loss.

The primary eye care network created by the national GOS model allows NHS patients to access the largest regulated eye care workforce in the UK, without which hospitals and GPs could not manage. The prolonged period of austerity which has led to a 10% cut to the NHS sight test fee has undermined the economic viability of the NHS sight test, and this presents a major obstacle to the aim of transforming outpatient care and reducing pressure on hospitals and GPs as set out in the NHS Long Term Plan.

There is an urgent need to make a correction to GOS fees if the NHS is to meet the commitments in the NHS Long Term Plan, and for 2020-21 we are therefore calling for:

- An increase in NHS sight test fees of a minimum of 2.5%, to meet the same delivery pressures all NHS primary care services are facing
- An increase of 3% in education and training (CET) grants and an increase of 5% in the grant for training pre-registration optometrists.

We also propose that this year's GOS fees negotiation should mark the start of a strategic discussion between the OFNC and NHS England, to utilise the ophthalmic primary care workforce and facilities to their full potential, to meet growing eye health care demand and reduce pressures on secondary care and GPs.

## **Supporting information**

### **Importance of GOS**

Poor vision isolates individuals and makes them vulnerable to falls and other problems which can result in other health and social care costs. It is also heavily correlated with mental health issues such as depression, loneliness, and cognitive impairment in older age which can add further burdens. Sight tests, eyesight correction and the early diagnosis and treatment of eye conditions can reduce these and other risks and costs. This is what makes GOS essential to maintaining a healthy, active and productive population.

The nation's eye health therefore depends on the national network of primary eye care providers and professionals who provide GOS. Each year GOS delivers over 13 million NHS sight tests to young children, low income households, older people and those at greatest risk of eye diseases, making GOS one of the most effective, cost-efficient and equitable prevention and public health programmes in the NHS. Patients also exercise their right to choose a provider, further reducing inequalities in access between those able to pay and those dependent on NHS support. GOS also provides domiciliary eye care for patients unable to visit a practice, helping the NHS meet its public sector equality duty.

GOS also identifies about one million people each year who need further investigation and treatment for eye diseases, enabling early intervention and reducing the risk of avoidable sight loss and associated cost for the NHS, patients and wider society. Without GOS the already strained Hospital Eye Service (HES) would be incapable of meeting the eye health needs of our population as it grows older.

### **Systems failures – NHS eye care**

The combination of (i) rising demand for eye care from our ageing population, (ii) the HES being at capacity and increasingly stretched, and (iii) the under-funding of primary eye care services for NHS patients, is resulting in system failures which are leaving up to 22 patients a month suffering avoidable sight loss. Without action this systems failure will worsen, and at the same time NHS litigation and wider societal costs associated with avoidable sight loss will increase significantly.

To address this systems failure it is ever more urgent and important to invest in and safeguard the national GOS sight testing service and to ensure effective commissioning of extended primary eye care services, which have been shown to work for patients and to reduce pressure on hospitals and GPs.

### **Unsustainable GOS sight test fees**

Austerity has seen GOS sight test fees in England frozen for four years. Everyone accepts that even before this, the GOS fee came nowhere near the actual cost of delivering the

required service, while the sight test itself is now much more advanced than it has ever been, with more complex diagnostic tests and the associated clinical decision making and risks.

The model that the NHS has demanded providers operate – to cross-subsidise the NHS sight test with the sale of optical appliances – is no longer sustainable. As NHS England itself has recognised, the ongoing freeze in fees – alongside growing cost pressures and burdens on optical practices, and the increasing online supply of spectacles and contact lenses without clinical services – means that the GOS fee is not sustainable at its current level. The freeze is making it increasingly hard for contractors to invest in their workforce and offer more complex diagnostics without referring into secondary care – the very things that have made GOS so much more effective in health terms over the last 70 years.

### **The case for an increase in GOS fees**

Now that the UK Government is wisely reinvesting in the NHS and correcting the imbalance in historical funding between primary and secondary care, the case for a significant uplift in GOS fees to reflect the costs of providing the service is overwhelming. However, we have taken account of the ongoing challenges to NHS resources. For 2020-21 we are therefore calling for:

- An increase in NHS sight test fees of a minimum of 2.5%, to meet the same delivery pressures all NHS primary care services are facing
- An increase of 3% in education and training (CET) grants and an increase of 5% in the grant for training pre-registration optometrists.

This increase in fees is more than justified by the fact that GOS providers have continued to deliver efficiencies, while bearing the full impact of rising wage costs, general inflation and new administrative burdens for many years, with no help from NHS England – while the Government has started to ease the impact of austerity on other health professionals providing key NHS services. An increase in GOS fees is also a necessary – although insufficient – step towards maintaining the infrastructure for primary eye care in England.

### **Efficiencies**

GOS contractors in England have now continued to provide sight tests to NHS patients with no increase in fees for four years. At the same time, we have seen an ongoing increase in general inflation, so there has been a significant cumulative real terms cut in GOS fees of at least 10%. As NHS England will know, health care inflation is greater than the annual rate of 2.4% general inflation over the same period, which means primary eye care providers are experiencing significantly more pressure than headline inflation calculations suggests.

As we discussed last year, the assumed average sight test timings on which GOS fees have historically been based have not been reviewed since 2004. Changes in demographics since

then, and particularly the ageing population, mean that a growing proportion of GOS patients now require significantly longer sight test times. This involves human skills, communications and reassurance which cannot be offset by technology.

Wage inflation is a particular issue for GOS contractors in many parts of England, including southern and western coastal and northern areas. Employers estimate that basic pay for clinical staff is rising at 2-3% a year, reflecting the rising cost of living, workforce shortages and the fact that the UK is currently close to full employment. In shortage areas, contractors are having to pay considerably more in order to keep the GOS service open for patients.

Over this period contractors in England have also had to absorb significant administrative costs arising from PCSE's poor handling of optical support services including GOS payments, CET grant payments and administration of performers' lists. Although contractors have welcomed the recent improvement in PCSE's performance and the progress made towards claims and payments digitisation, the continuing changes in the administration of GOS also carry costs.

At the same time, GOS contractors have incurred new costs arising from general Government policy affecting employers, such as pension auto-enrolment, National Minimum Wage increases and wider policy changes.

Taken together, we believe these facts demonstrate that GOS contractors have done all they can to deliver efficiencies against a background of frozen fees and sharply rising costs and burdens. It is long past time for the Government and NHS England to recognise this by increasing GOS fees, as well as reviewing what more can be delivered by primary eyecare providers.

### **Weak data and assumptions**

NHS England has previously suggested that estimates of large-scale fraud and/or accidental mis-claiming both from patients and providers indicate substantial scope for further "efficiency savings". However, as we had predicted, the new Post Payment Verification process run by the NHS Business Services Authority has found little if any evidence of fraud, and a very low reclaim rate. In our view this clearly demonstrates that NHS England's past assumptions, based on unseen and untested methodology, must now be dropped and the 2020/21 fees negotiation must be based on facts.

Another weakness is that NHS England has chosen not to invest in data which we have asked it to collect, and as a result it is not currently possible to analyse how far inadequate GOS fees have affected practice viability and are leading to a reduced service for patients in deprived areas. Part of the data problem flows from the NHS's unilateral decision in 2005 to end the long-standing optical technical survey which informed fees negotiations. The NHS's unwillingness to engage in this objective and evidence-based exercise is not consistent with

general NHS pricing principles of ensuring we work collaboratively, to best practice and with the goal of securing quality care for patients at the best value for taxpayers.

We would be happy to discuss how such data could be gathered – for instance by sampling – to inform fee discussions in future. However, in the meantime we believe the arguments for an immediate increase in GOS sight test fees as a step towards protecting our primary eye health infrastructure are self-evident.

### **Comparison with other NHS primary care services**

Over the last year fairer funding has been recognised across the board as an important step forward for other essential primary care services which, like GOS, provide the bedrock of NHS care. The new five-year funding arrangement for GPs included a pay and expenses uplift each year in line with predicted inflation, providing a pay uplift of at least 2% in 2019-20. The Doctors' and Dentists' Remuneration Report for 2019 recommended a 2.5% pay uplift for dentists and doctors other than GPs, for reasons including morale and the need for practitioners' goodwill in order to deliver ambitious government and NHS plans for the future. The Government accepted these recommendations in full together with additional funding to meet rising costs including pensions liabilities for other contractor groups.

We are calling for a correction to the GOS fee for the same reasons. The ongoing freeze in GOS fees has created low morale and a sense of being undervalued amongst optical professionals. An increase in GOS fees in 2020-21 would go some way towards restoring confidence that the Government means what it says about prevention, right care and restoring fair treatment for those delivering front-line NHS services to the public. It would also ease some of the cost pressures on NHS optical contractors who do not receive support for business rates costs, as some other NHS contractor professions do.

### **Training and education (CET) grants and pre-registration supervisor grants**

In our 2019-20 bid we sought increases of 3% in the CET grant and 5% in the supervisors' grant for pre-registration optometrists, but Ministers decided there should be an increase of only 2% in both grants.

We are seeking the same increases of 3% and 5% respectively in this year's bid, to enable the sector to continue to support the development of eye health professionals and maintain their expertise. The pre-registration supervisors' grant of £3,620 is now entirely swallowed up by the fees charged by the College of Optometrists for the Scheme for Registration, and does nothing to cover the costs of providing placements in optical practices or funding hospital experience. By comparison, the parallel scheme for pre-registration pharmacists is currently £18,440. Again, we believe this disparity is indefensible on any logical, comparative grounds.

## **Beyond GOS – the case for wider change**

We believe there is now common ground between the optical sector, NHS England and the UK Government that:

- The HES is under significant pressure which is directly causing avoidable sight loss for 22 patients each month
- This pressure will only increase as the population ages and advances in healthcare offer more effective treatments
- This leaves the Government and NHS England exposed to growing reputational, legal and financial risk and inequalities, as patients (and litigants against NHS Resolution) realise the NHS in England is aware of the problem but is not commissioning additional capacity to meet need
- Primary care optical practices have the trained, regulated professionals and the modern equipment needed to help relieve these pressures by providing significantly more eye care in the community, in line with the aims of the NHS Long Term Plan and Getting It Right First Time (GIRFT).

NHS commissioners in some parts of England have already acted on this by commissioning extended services in primary care settings to meet local needs and to prevent avoidable sight loss, which reflect the comprehensive eye healthcare provided within GOS in Scotland and the Eye Health Examinations Wales (EHEW) pathway. However, the lack of a consistent approach to commissioning in England has created stark and unacceptable unwarranted variation in terms of patient access to healthcare.

Although the NHS Long Term Plan has now set out a clear vision of transforming outpatient care and moving care out of hospitals, NHS England is already behind other parts of the UK in putting this vision into action for NHS patients, and now risks falling even further behind. For example, increased investment in primary eye healthcare services in Scotland since 2006 has seen total outpatient attendances in Scotland increase by only 8% between 2005 and 2017, while total outpatient attendances in England rose by 40% in the same period<sup>1</sup>.

We as the OFNC, on behalf of the entire primary eye care sector, have the solutions to the problems outlined above, and could deliver them quickly. Optical practices already work together in networks based in Local Optical Committee footprints, and these can easily dovetail with the emerging Primary Care Networks and Integrated Care Systems to deliver services alongside other NHS providers. The infrastructure is already in place to meet the goal in the NHS Long Term Plan of transforming outpatient services and reducing unnecessary visits to hospitals. All that is lacking is the will to make this happen – although

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<sup>1</sup> Source: “GOS works! A review of General Ophthalmic Services in Scotland 2006-2017”, Optometry Scotland 2018

IT connectivity is also a necessary enabler, and we are hopeful that NHS England's work to find a solution to this will reach a successful conclusion in 2020.

We therefore propose that this year's GOS fees negotiation should mark the start of a new strategic conversation between the OFNC, NHS England and DHSC about how to make better and more consistent use of the existing skills and infrastructure in community optical practices, to meet growing demand and reduce pressures on secondary care and GPs.

This should include more efficient and consistent development of first-line primary eye care services in addition to GOS, enhanced case finding and referral management, management of chronic conditions, and pre- and post-operative care.

We recognise that this discussion cannot take place in time for the 2020-21 negotiation. If it would be helpful to clear the way for such discussions, we would be open to considering a multi-year agreement on GOS fees and grants in line with the agreements already in place for other parts of primary care.

The Optometric Fees Negotiating Committee  
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