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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Chairman: Mike George Secretary: Ann Blackmore

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Dear David

BID FOR GOS FEES, OPTICAL VOUCHERS AND OTHER MATTERS

1. Improving eye health and preventing avoidable visual impairment is a government priority. The national sight-testing and early case-finding service is the key preventative measure, it is also the most cost-effective public health intervention in the NHS. It is vital that this service is maintained and extended to 'seldom heard' groups.

2. Community optical services are a vital part of the primary care system, as we have demonstrated in our response to NHS England's *Improving eye health and preventing avoidable sight loss – a call to action*. As part of primary care, community eye health services need to be expanded to meet the Government's and the *Five Year Forward View's* aims of meeting growing need, and preserving older people's independence, by providing care outside hospital at scale.

3. The community optical sector combines

    - a ready pool of underutilised clinical skills
    - flexible premises and consulting rooms
    - high quality equipment
    - and a highly-trained, competent and flexible workforce

    which can help to deliver these goals including improved outcomes at scale.

4. Progress is severely limited by the lack of IT connectivity between community optical providers, GPs and the hospital services. This is why IT investment in community optical practice came through as a key theme in the Call to Action. It should be a priority for both government and the sector, which we hope will be recognised and taken forward in 2015-16.

Sight Test Fee 2015-16

5. We recognise the Government's aims of containing pay and public expenditure. We understand and accept that the Government's policy on public sector pay remains that increases should be limited to 1%, despite the fact that pay growth in 2014 was 1.6% and is forecast to plateau. However the GOS sight test fee does not only cover salary costs, it is made up 50% of pay and 50% of expenses. We were therefore disappointed that NHS England's response to our 2014-15 funding bid did not recognise the increased financial pressures which the community optical sector is facing - increases in administrative and operational costs, the increasing burden of regulation and the growing requirements of the sight test itself.

6. Optical practices have had to contend with increased administrative demands without any additional funding. In the last year this has included among other things, changes to Safeguarding requirements and the introduction of Prevent. Many of these additional burdens for the sector have resulted in reduced administrative burdens and improved efficiency within the NHS without any corresponding transfer of resources.

7. The demands of the sight test itself have also increased – indeed, sight test is a misnomer, it should more accurately (and rightly) be called an eye health examination. Developments in technology, diagnosis and treatment enable a much greater level of service to be provided as part of the sight test, which is to be welcomed. However these developments need to be funded by contractors and often mean that sight tests take longer, a problem exacerbated by the ageing population. GOS continues to ensure a sight test for all who need one on a demand-led basis and offers the same standard of sight tests to NHS and private patients alike (a major 'win' in terms of health equity). However many optical practices, especially those which provide mainly NHS services and have little room to cross-fund, will not be able to continue to deliver this full service with such low fees. There is a real risk that without proper funding and investment, inequalities in treatment will start to emerge.

8. There has been no recognition of these increased costs within the sight test fee for many years. If the Government genuinely wants a mixed economy of community-based optical practices that can play a full part in the delivery of primary eye care in the community to meet patients' needs, then it is imperative

that this decline in the real value of the sight test fee is halted. Our GOS fees bid for 2015-16 therefore includes

- the full 1% on the pay element and
- 4% on operational costs

making an overall increase of 2.5 %, bringing the fee to £ 21.65

Optical Vouchers 2015-16

9. Optical vouchers are an important patient benefit. In 2014 we received a welcome increase in voucher values of 2% for 2014-15. However, while this reflected the annual increase in inflation, it did not help address the fact that the value of vouchers has been significantly eroded for many years. The community eye health sector does everything possible to provide basic spectacles within voucher values but as values fall it can only do so by reducing the choice available to the patient.

10. The OFNC would expect optical voucher values to increase by the same amount as is applied to other patient benefits (eg wigs and fabric supports). We therefore hope that when setting voucher values for 2015-16 the Government will again recognise the importance of this patient benefit that the eroded value still needs to be corrected. On this basis we are asking for an increase of 3.5% in voucher values.

CET

11. Continuing education and training (CET) is essential to ensure that professionals maintain and develop their skills so that they can meet new and changing NHS demands, including increased requirements for interactive and peer review CET introduced in 2014 and new areas of non-clinical competence such as safeguarding and Prevent.

12. We welcome the recognition by NHS England and the *Five Year Forward View* of the ongoing importance of continuing education and training to the maintenance of core skills and the development of additional skills. Optometrists and practices themselves invest significant time and money in ensuring that they undertake appropriate training and we welcome the NHS contribution towards the loss of chair time through the CET grant.

13. We estimate that the average cost[1] of CET per optometrist who completes the required twelve points per annum is now £1280 a year. Given that at least two thirds of sight tests are provided for the NHS, the NHS contribution to this necessary function should be £853. Nevertheless, in recognition of the ongoing pressures on NHS funds we are bidding for an increase of 2.5% to meet the increased real costs of CET rather than seeking to close the funding gap at this time.

14. While most work transferring out of the hospital sector will require only better use of core skills, which the CET grant already supports, where new, enhanced or higher-level skills are called for to meet NHS England and CCGs objectives for out-of-hospital services at scale, we will look to engage with Local NHS Education and Training Boards (LETs) for support, wherever possible via Local Eye Health Networks. We hope NHS England will support and guide LETs in responding positively to these approaches.

Training of Pre-Registration Optometrists

15. Appropriate funding for the pre-registration training grant to employers offering placements to pre-registration optometrists is essential to ensure an adequate pool of experienced supervisors who can offer the necessary range of opportunities during a period when practical skills are being refined. The costs of offering placements is increasing because of the wider pressures on practices, the training now required to get trainees 'registration fit' and the increased requirements of the College of Optometrists Scheme for Registration. Added to this, the College of Optometrists recommend that an *ex gratia* payment of at least 20% of the training grant should be given to hospitals, and some hospital departments are now demanding this as a minimum, to allow pre registration optometrists exposure to secondary care because of the increased pressure on eye clinics. We therefore ask that either the cost of these placements be borne by the NHS eg via ophthalmology contracts or that there is an adequate increase in the grant which recognises both the costs and the importance of optometrist pre-registration training to the NHS. We would suggest that, if the costs cannot be borne directly by the NHS (and we would certainly not wish to add to bureaucracy or commissioning costs), the grant should be increased by £1000 per trainee.

[1] Cost calculated on hours absent from a practice in order to undertake CET – ie 12 hours to undertake the CET plus a minimal allowance for travel time to attend CET events of 4 hours, using an hourly rate of £80. This does not include the actual costs of the training, nor any allowance for travel, accommodation costs etc.

National Pathways

16. As mentioned above, the community optical sector is rich in underutilised core skills of both optometrists and opticians and can also rapidly flex consulting room and equipment facilities to respond to demand. In addition, operating in a competitive market and outside centralised NHS workforce planning, we can also rapidly expand the workforce to respond to commissioners' signals and plans. Both these advantages offer significant opportunities to the NHS in terms of capacity, outcomes and cost- and efficiency-gains.

17. The challenge is to commission new services in the most efficient way, consistent with outcomes, with the lowest possible transaction costs.

18. One of the emerging themes of the Call to Action in England is improving commissioning through development of national guidance to improve the diagnosis and management of eye problems in the community. Here we would like to see Glaucoma Repeat Readings, a Minor Eye Conditions Service and Cataract Referral Refinement designated as additional services to make most effective use of the flexibilities of the 2008 POS contract. Such services could be:

    - co-commissioned by NHS England with CCGs
    - delegated from NHS England to CCGs to commission, or
    - be made a requirement on CCGs rather than NHS England as part of their local role.

19. This would bring eye health services into line with similar flexibilities and benefits for patients under the Pharmacy Contract. The aim would be for such pathways to be commissioned in every locality in line with local need. As a sector we are ready to work with NHS England either through the Clinical Council for Eye Health Commissioning or directly to identify and implement the most cost-effective ways of achieving these NHS benefits.

Information Technology Connectivity

20. Central to delivering care outside hospital at scale and driving through efficiencies and cost savings whilst meeting growing demand is IT connectivity between community optical practices and the rest of the NHS, in particular GPs and hospital eye clinics. We were reassured therefore to see this as one of the emerging themes of the Call to Action consultation.

21. The IT capital bid over three years we submitted last year would have addressed the issues caused by a lack of connectivity. That bid had the backing of the

whole eye health sector including the UK Vision Strategy and the Clinical Council for Eye Health Commissioning.

22. Unfortunately the bid has not progressed. In spring 2014 NHS England officials offered to work with us to refine the bid so that it would fit more easily with NHS England's IT funding criteria. However despite this commitment being repeated in correspondence and by Ministers at public meetings, and despite regular chasing on our part (most recently in November 2014), no such assistance has been forthcoming.

23. One concern may be that such investment would have revenue consequences. However these running costs would not fall to the NHS directly as is normally the case. The running costs consequences would in fact be met by providers themselves and would be covered by the additional work they could undertake and inefficiencies that would be driven out of the system. Our bid therefore remains for one-off investment over three years to enable all community optical practices to become IGT compliant and link to the NHS networks N3 and N4.

24. It is noteworthy that all reports about improving care out of hospital at scale, prevention, better service integration and maintaining patients' independence in the community – all key themes of the *Five Year Forward View* – highlight the need for information exchange and IT links. (Most recently the NHS Confederation's *Working better together: community health and primary care* and Right Care's *A new charter for integrated care.)*

25. We are hopeful therefore that the NHS England Action Plan following the Call to Action will finally resolve whatever it is which is currently blocking progress to enable us to deliver more and better care in the community at scale, at lower costs, and with better health outcomes, in line with NHS England's priorities. We are ready – as always - to work with anyone in NHS England to bring these benefits to patients and the NHS as cost-effectively as possible.

26. We hope that NHS England and the Government will respond positively to this bid and look forward to meeting you as soon as possible to discuss.

27. Copies of this letter go to the Earl Howe, Minister for Quality, Peter Howitt and Derek Busby at the Department of Health and David Geddes and Andrew Laycock at NHS England.

Ann Blackmore
Secretary, OFNC