

## **Involvement with private companies and other health professionals**

### **April 2008**

#### **May GPs rent out surgery space to private companies?**

Where practice premises are used for the provision of medical services to private patients or under arrangements with any person who is not a public authority, the payment of rent reimbursement by the primary trust (PCT) must be adjusted<sup>1</sup>. Practices are permitted to receive up to 10% of their gross income privately without the rent abatement being affected. Any private income, including income in kind, that is higher than this percentage will result in the reimbursement being reduced as set out in the table below:

<b>Appropriate Abatement Percentage</b>	<b>Private Income Percentage</b>
0%	Up to 10%
10%	Between 10 and 20%
20%	Between 20 and 30%
30%	Between 30 and 40%
40%	Between 40 and 50%
50%	Between 50 and 60%
60%	Between 60 and 70%
70%	Between 70 and 80%
80%	Between 80 and 90%
90%	Above 90%

For clarity, practice premises are associated with the provision of medical services if there is any connection or association between the provision of medical services and the practice premises (for example, contact and billing arrangements), even if the medical services are provided elsewhere. The PCT should take reasonable steps to ensure that agreement with the contractor is sought as to what are appropriate average amounts and the PCT should justify the averages that it determines.

More particularly the subletting of any part of the premises is managed by a deduction from the PCTs rental payments of a sum equal to the rent received by the practice; service charges which represent a reasonable contribution to the running costs of the building are treated as general private income.

#### **May GP practices receive payment for work with private companies?**

Practices may receive a fee for services provided or for work done by them, but it is important to note that, other than payment that the practice receives for rent (as detailed above), there must be a clear purpose for this and that purpose must not be in connection with any medical treatment to their own registered patients. If this is in connection with the provision of medical treatment to registered patients the practices could be deemed in breach of their general medical services (GMS) or personal medical services (PMS) contract for breaking regulation 24 in relation to fees and charges, as they are receiving an indirect fee for their involvement in letting the private company treat and charge their patients. If, for example, the practice was receiving an administrative fee to help promote the provision of medical services to their registered patients privately, this would be deemed to be in breach of the regulations.

#### **May GPs recommend and/or promote a private service?**

By all means a GP is entitled to discuss a patient's private options in the privacy of an individual consultation although any personal financial interest must be clear, and may be inappropriate

<sup>1</sup> Paragraph 49, GMS Premises Cost Directions 2004; similar arrangements will normally apply to local PMS or APMS agreements

(see *Good Medical Practice*). However, these options should be presented along with NHS alternatives where applicable. Within a consultation, it is not for GP practices to advertise or promote any particular private service as this would be deemed inappropriate.

If a practice rents out space to a private provider of physiotherapy for example, the practice should not promote or encourage that service against any other service. Independence must be maintained between the two entities.

Practices should not use personal data of patients to promote the services of a private provider, for example a private screening service. To do this would be a breach of the Data Protection Act. Practices hold patient data as part of their NHS contract. It was never intended, and patients are not aware or indeed have consented to their personal data being utilised for the purpose of advertising private services.

### **May GP practices work with research companies?**

Yes, practices working with research programmes are often asked to search a particular clinical group of patients for each research programme. Letters are generally sent out to patients giving them information about the research and the option to take part. Since the practice is not releasing information directly to the company, it does not breach the Data Protection Act or any other confidentiality requirements. Similarly, if the practice is not receiving a direct or indirect payment for their assistance, the arrangement does not fall foul of the regulations.