

THE NATIONAL HEALTH SERVICE ACT 1977

THE STATEMENT OF FINANCIAL ENTITLEMENTS (AMENDMENT) DIRECTIONS 2006

The Secretary of State for Health has consulted in accordance with section 28T(4) of the National Health Service Act 1977^a both with the bodies appearing to her to be representative of persons to whose remuneration these directions relate and with such other persons as she thinks appropriate. The Secretary of State for Health, in exercise of the powers conferred by section 28T of that Act, gives the directions set out in this instrument.

Citation, commencement and territorial application

1.-(1) These Directions may be cited as the Statement of Financial Entitlements (Amendment) Directions 2006.

(2) These Directions were signed on 31st January 2006 and shall have effect as from 1st February 2006.

(3) These Directions apply in relation to England only.

Amendments to the SFE

2.-(1) The directions given by the Secretary of State in the Statement of Financial Entitlements under section 28T of the National Health Service Act 1977, signed on 30th March 2005^b, are amended as follows.

(2) For paragraph 17.6 (which relates to the products not covered by the reimbursement provisions of Section 17) substitute the following paragraphs-

“17.6 Subject to the provisions of paragraph 17.6(b), no payments are payable under this Section in respect of the products listed in paragraph 17.6(a), which are centrally supplied as part of the Childhood Immunisation Programme-

(a) HiB (Haemophilus influenzae type B); MMR (Measles, Mumps and Rubella); BCG (Bacillus Calmette-Guérin); Tuberculin Purified Protein Derivative; Meningococcal C conjugate vaccine (for children under 5 and persons entering the first year of higher education); DTaP/IPV/HiB (Diphtheria/Tetanus/Pertussis/Inactivated Polio/Haemophilus influenzae type B); dTaP/IPV (low dose Diphtheria/Tetanus/Pertussis/Inactivated Polio); DTaP/IPV

^a 1977 c.49; section 28T was inserted by section 175(1) of the Health and Social Care (Community Health and Standards) Act 2003 (c.43).

^b These Directions were amended by the Statement of Financial Entitlements (Amendment) Directions 2005 which were signed on 8th June 2005 but which had effect as from 1st April 2005 and also by the Statement of Financial Entitlements (Amendment) (No.2) Directions 2005 which were signed on 12th July 2005.

(Diphtheria/Tetanus/ Pertussis/Inactivated Polio); and Td/IPV
(Diphtheria/Tetanus/Inactivated Polio);

(b) payments are payable under this Section in respect of Td/IPV (Diphtheria,/Tetanus/Inactivated Polio) where that product is used for the treatment of adults or supplied to patients who require such products prior to travelling outside the United Kingdom and in either case where the Td/IPV product has been purchased by the contractor directly from the manufacturer.”.

(3) At the end of paragraph 17.8 (which relates to oxygen or oxygen therapy equipment), add the following-

“A new Home Oxygen Service will commence with effect from 1st February 2006. This service replaces the service previously supplied by dispensing doctors and community pharmacists. Part 4 of Annex G sets out the transitional arrangements that will apply in respect of any supply of oxygen and oxygen therapy equipment by the contractor during the period from 1st February 2006 to 30th November 2006.”.

(4) After paragraph 17.17 (which relates to accounting obligations), insert the following paragraphs-

“Calculation and adjustment of VAT related allowance

17.18 Any contractor who submitted a claim to the PCT in accordance with the provisions of Section 18 of the 2004/05 SFE in respect of the reimbursement of costs of drugs and appliances supplied by the contractor, and who received payment in respect of such claim, shall pay to the PCT a sum (Z) calculated as set out in paragraphs 17.19 to 17.21 below.

17.19 The sum Z can be expressed as: $X - Y = Z$ where X and Y are calculated as set out in paragraphs 17.20 and 17.21 below.

17.20 X is the amount the contractor would have been entitled to be paid by the PCT under the provisions of paragraph 18.2 of the 2004/05 SFE in respect of any claim made in accordance with Section 18 in respect of the period 1st April 2004 to 31st March 2005 and attributable to the allowance payable under paragraph 18.3(e) if that allowance were calculated on the basis of the basic price of the drug or appliance before the deduction of the discount calculated in accordance with Part 1 of Annex I of the 2004/05 SFE.

17.21 Y is that element of any amount the contractor was paid by the PCT under the provisions of paragraph 18.2 of the 2004/05 SFE in respect of any claim made in accordance with Section 18 in respect of the period 1st April 2004 to 31st March 2005 and attributable to the allowance payable under paragraph 18.3(e) where the allowance was calculated on the basis of the basic price of the drug or appliance less a discount calculated in accordance with Part 1 of Annex I of the 2004/05 SFE.

17.22 Any sums payable by the contractor under paragraph 17.18 may be set off against any corresponding sum which may be owed to the contractor by the PCT in respect of any underpayment to the contractor for the period 1st April 2004 to 31st March 2005 in respect of any allowance payable under the provisions of paragraph 18.3(e) of the 2004/05 SFE and in such circumstances neither party is required to make any transfer of funds.”.

(5) In Part 2 of Annex A (Glossary – definitions)-

(a) in the definition of “full-time”, omit the words from “In relation to a performer without a contract of employment” to “per normal working week”.

(b) in the definition of “part-time”, omit the words from “In relation to a performer without a contract of employment” to “per normal working week”.

(6) In Part 4 of Annex G (Dispensing Payments – Oxygen and Oxygen Equipment)-

(a) before the heading “Rental payments in respect of oxygen equipment” at paragraph G1, insert the following paragraph-

“A new home oxygen service will commence from 1st February 2006 which replaces the service previously supplied by dispensing doctors and community pharmacists. The provisions of this Part 4 will apply in respect of claims for the supply of oxygen and oxygen equipment by contractors during the period up to 31st January 2006. With effect from 1st February 2006 oxygen and oxygen therapy equipment will be ordered in respect of patients by contractors using a home oxygen order form (which will be provided by the PCT). Payments in respect of the provision of oxygen and oxygen therapy equipment under the new service will not be governed by this Statement of Financial Entitlements. However, it is acknowledged that there will be circumstances in which contractors will continue to supply oxygen and oxygen therapy equipment during a transitional period from 1st February 2006 to 31st July 2006. It is also acknowledged that contractors may continue to incur certain professional fees in respect of such service for a further transitional period up to 30th November 2006. Claims in respect of any supply of oxygen and oxygen therapy equipment or in respect of professional fees during these transitional periods will be dealt with in accordance with the transitional provisions set out in this Part 4.”.

- (b) after paragraph G.5 (which relates to conditions attached to rental payment in respect of oxygen equipment), insert the following paragraph-

“Transitional provisions regarding rental payments in respect of oxygen equipment for the period from 1st February 2006 to 31st July 2006

G.5A The PCT must pay monthly rental payments under paragraph G.1 in respect of oxygen sets or stands the contractor is authorised to hold from 1st February 2006 to 31st July 2006. The payments are only payable if the contractor complies with the conditions attached to rental payments in respect of oxygen equipment as set out in paragraph G.4 and submits completed claim forms in respect of each month and in any event by 5th August 2006.”.

- (c) In paragraph G.6(a) (which relates to payments in respect of prescriptions for oxygen and masks), in paragraphs (i) and (ii), for “item 4b(ii)” substitute, in each case, “paragraph 8 as it had effect on 31st January 2006 ”.

- (d) after paragraph G8 (which relates to conditions attached to payments in respect of prescriptions for oxygen and masks), insert the following paragraph-

“Transitional provisions regarding payments in respect of prescriptions for oxygen and masks for the period from 1st February 2006 to 31st July 2006

G.8A The PCT must continue to make payments in accordance with the provisions of paragraphs G.6 to G.8 in respect of oxygen and masks supplied during the period from 1st February 2006 to 31st July 2006, subject to the following provisions-

- (a) for the supply of-

(i) a mask, the payment to be made is the basic price for that mask, as specified in the Drug Tariff, Part X paragraph 8 as it had effect on 31st January 2006, and

(ii) Oxygen BP, the payment to be made is the basic price for that oxygen, as specified in the Drug Tariff, Part X paragraph 8 as it had effect on 31st January 2006, and

(b) the requirement in paragraph G.7 for reimbursement to be subject to any deduction related to prescription charges under the NHS (Charges for Drugs and Appliances) Regulations shall not apply to any prescription issued on or after 1st April 2006”.

- (e) after paragraph G.12 (which deals with professional fees), insert the following paragraphs-

“Transitional provisions regarding payments in respect of professional fees for the period from 1st February 2006 to 31st July 2006

G.12A Where a contractor continues to be responsible for providing the home oxygen service to the patient concerned, and has confirmed this in writing to the PCT, the PCT must continue to make payment in accordance with the provisions of paragraphs G.10 to G.12 in respect of professional fees incurred during the period from 1st February 2006 to 31st July 2006, subject to the provisions of paragraph G.12C.

G.12B Where a contractor ceases to be responsible for the provision of the home oxygen service to the patient, and the contractor confirms in writing to the PCT the date the patient transferred to the new oxygen service, a PCT is required to make a payment in accordance with the provisions of paragraphs G.10 to G.12 in respect of professional fees incurred in relation to a final visit to collect or return an oxygen set or cylinder during the period from 1st February 2006 to 31st July 2006, subject to the provisions of paragraph G.12.C.

G.12C A PCT is only required to make a payment in accordance with paragraphs G.10 to G.12 if the claim is made within a reasonable time after the visit was undertaken and in any event on or before 5th August 2006.

“Transitional provisions regarding payments in respect of professional fees for the period from 1st August 2006 to 31st August 2006

G.12D Where a contractor ceases to be responsible for the provision of the home oxygen service to the patient, and the contractor confirms in writing to the PCT the date the patient transferred to the new oxygen service, a PCT is required to make a payment in accordance with the provisions of paragraphs G.10 to G.12 in respect of professional fees incurred in relation to a final visit to collect or return an oxygen set or cylinder during the period from 1st August 2006 to 31st August 2006, subject to the provisions of paragraph G.12E

G.12E Any claim must be made directly to the PCT, rather than any other body, and must be made on or before 5th September 2006.

Transitional provisions regarding payments in respect of professional fees for the period from 1st September 2006 to 30th November 2006

G.12F Where a contractor ceases to be responsible for the provision of the home oxygen service to the patient, and the contractor confirms in writing to the PCT the date the patient transferred to the new oxygen service, the PCT must consider any claim by a contractor in respect of a visit by someone on behalf of the patient in accordance with paragraph G.11(b) to return an oxygen set or cylinder which takes place during the period 1st September 2006 to 30th November 2006. The PCT may, at its discretion, make payment to the contractor in accordance with paragraph G.11 and G.12, subject to the following provisions-

- (a) the PCT must be satisfied that the delay in returning the equipment was not caused by any action on the part of the contractor; and
- (b) any claim must be made directly to the PCT, rather than any other body, and must be made on or before 30th November 2006.

Signed by authority of the Secretary of State for Health



A member of the Senior Civil Service
31 January 2006

Department of Health