



Suspension Payments – A Practical Guide for Partners

Practice Management

Suspension

Suspension is supposed to be a neutral act, but it is incumbent upon practices to ensure that they know exactly what to do in terms of obtaining the best financial position should a GP be suspended from practice. For the purposes of this bulletin, we shall be focusing on GP Partners.

The Rules

To complicate matters there are two sets of processes that a practice may choose from in terms of obtaining payments for a suspended partner. Whichever one they choose, they must adhere to, and cannot change part way through.

These processes are reflected in

1. The General Medical Services Statement of Financial Entitlements Directions; and
2. The Secretary of State's Determination: Payments to Medical Practitioners Suspended from the Performers List

The Statement of Financial Entitlements

This effectively states that where a partner is suspended the following criteria must be satisfied:

- a) The partner must receive from the partnership at least, 90% of that partners normal monthly drawings or
- b) Has paid those drawings to the suspended partner for at least 6 months of the suspension and the performer is still a partner
- c) A locum is actually and necessarily engaged by the practice
- d) The practice is not claiming any other payment for locum cover (e.g. locum insurance)

Then – the Board **must** provide financial assistance to the practice in respect of engaging the locum. The clause is, however, qualified and goes on to say that any financial assistance may not be the maximum amount payable to that locum.

This is rather unsatisfactory, as it is important to note that the full amount of locum costs are not guaranteed and there is no opportunity for double payment if you have claimed from any insurance policy. The section further qualifies the payment by making it clear that the decision as to whether a locum is in fact necessary at all lies with the Board, not with the contractor/practice.

The current amount of locum cover is £982.92 per week. This is paid directly to the practice and whether paid on full on part, is unlikely to cover the total costs of a locum.

Secretary of State's Determination

The Determination is far better in terms of a practice/suspended Partner achieving more favourable payments when a suspension occurs. However it is important to note that the conditions to satisfy this payment are stringent and will also require cooperation between partners which should be reflected in any partnership agreement.

Essentially, once a partner is suspended he cannot be entitled to receive at least 90% of his normal monthly drawings. Once this condition is satisfied, then the partner will be paid by NHSE 90% of his normal monthly drawings to compensate.

Note this payment will be made directly to the suspended partner.

What the partnership must do is to ensure that any partnership agreement reflects this arrangement and also gives the remaining partners the ability to use the suspended partners' usual drawings to pay for the cost of a locum. It is important that if the Determination is used, then the partnership ensures that it, and the suspended partner, are protected and that the process is clear in the partnership agreement. In this way, the practice benefits by being able to draw on the suspended partners' drawings to pay for a locum and the suspended partner is not out of pocket because he is receiving 90% of his normal drawings from NHSE.

Accurate details about monthly drawings will have to be provided to NHSE including details of any insurance policies in place for locum cover. Usually the partnership agreement is provided to prove that the practice has the ability to stop making drawings in the event of a suspension.

**Guidance Developed by LMC Law Ltd
October 2014**



The Humberside Group of Local Medical Committees Ltd

Albion House
Albion Lane
Willerby
Hull
HU10 6TS

01482 655111
humberside.lmcgroup@nhs.net
www.humbersidelmc.org.uk

Registered in England & Wales. Registered No. 8624868. The Humberside Group of Local Medical Committees Limited does not provide legal or financial advice and thereby excludes all liability howsoever arising in circumstances where any individual, person or entity has suffered any loss or damage arising from the use of information provided by The Humberside Group of Local Medical Committees Limited in circumstances where professional legal or financial advice ought reasonably to have been obtained. The Humberside Group of Local Medical Committees Limited provides representation, guidance and support to GPs and practices. The Humberside Group of Local Medical Committees Limited strongly advises individuals or practices to obtain independent legal/financial advice.

@HumbersideLMC. Follow us for news and updates.