

Case study

Clanricarde Medical Centre merge with Rowan Tree Surgery (both GMS contracts)

Clanricarde: Seven partners, 10,500 patients

Rowan Tree: Two partners, 4,000 patients

McCartney Healthcare Associates (MHA) were instructed by Clanricarde to assist with the merger process. Technically, this was a takeover of the practice as the Rowan Tree partners were looking to retire once the merger had completed. MHA were instructed mid-July with a view to completing the transaction on 1 October.

'We worked with Robert to help us through our practice merger. His excellent advice, guidance and comprehensive planning made the whole process run smoothly and efficiently. His communication and reassurance to GPs and staff was invaluable. We highly recommend Robert's services to any practices looking to merge.'

Dr Vijay Koshal, GP Partner

The objectives

The partners of Rowan Tree Surgery were planning to retire but wanted to avoid handing their GMS contract back to the commissioners. The neighbouring Clanricarde practice was growing and needed additional space. Taking over the Rowan Tree contract provided enough space for Clanricarde to continue growing and protected against the risk of the patient list being dispersed to other practices.

The Clanricarde partners and practice manager sought assistance in managing the process to ensure the transaction completed by 1 October - the intended date of retirement for the Rowan Tree partners. They had applied to their CQC for a contract merger but were struggling to understand the different aspects involved.

Specialist advisors could provide advice on specific areas of support but could not identify a full toolkit and feared missing important aspects.

The work

We applied the principles of the four stages of mergers to structure the process. This involved working closely with the practice managers at both sites and ensuring the partners were informed of key decisions. The process involved the following:

Stage one: Planning

- We met with the partners to understand their objectives and ensure they all understood the consequences of the proposed merger.

- We identified a list of potential issues and risks, including staffing and clinical governance.
- We collated a record of communication between the partners at both practices and produced confidentiality agreements and heads of terms to formalise the negotiations and to avoid areas of disagreement or misunderstanding.
- We began discussions with the representatives of the Rowan Tree partners.

Stage two: Due diligence and initial notifications

- Undertook a full due diligence of key areas of potential risk within the Rowan Tree practice, including facilitating meetings with both practice managers to help share data.
- Produced a detailed due diligence report to allow the partners to make a final decision as to whether they wish to proceed.
- Represented the practices at planning meetings with the CCG and developed a supplementary paper for the CCG's consideration providing key information missing from the original application submitted by the practice.
- Organised initial communications with key third parties including representatives of the PPGs, local councillors and Healthwatch to garner support for the proposal.
- Co-ordinated updates for the staff at both practices.

Stage three: Implementation

- Developed the formal transfer agreement detailing the legal relationship between the partners at both practices in collaboration with the representatives of the outgoing partners.
- Developed the formal notifications for the changes in GMS contract required by NHS England.
- Worked with the practice managers to develop a transitional plan including, a review of staffing requirements which contained an assessment of the applicability of TUPE and its potential impact upon the practices.
- Produced the documentation required to notify CQC of proposed amendments.
- Co-ordinated discussions between the CQC, NHS England, local CSU, Capita (Primary Care Support Service) and the IT provider (EMIS) to ensure the formal contract merger occurred on time and with minimal disruption to the practices.
- Developed the plan for consulting with staff and patients confirming the details of the changes.
- Helped the practice managers develop a plan to ensure the transitional period was co-ordinated.

Stage four: Commencement

- Provided running support and advice to the practice managers to help them implement the plans developed at earlier stages.

The results

The partners at Clanricarde took control of the GMS contract on 1 October allowing the Rowan Tree partners to retire as they planned.

The two GMS contracts were merged into a new single GMS contract in November 2016 allowing the practice time to manage the transition and to develop plans for the long term.

The partners and practice managers were assured the key aspects of the merger were under control, while the practice managers were able to incorporate the additional work with support to reduce the impact on their roles.

Key achievements

- Completed the merger in the proposed time-frame and budget.
- Minimal disruption to the staff and developed clear plan for transitional period with key discussion points for future.
- Developed a clear plan for the IT merger ensuring it occurred as scheduled.
- Ensured a clear understanding between the parties regarding the objectives and outcomes of the development.
- Assisted with patient engagement.