

# AISMA Doctor Newsline

A helpful resource for the practice business



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# 10 vital practice resolutions for 2015

**Dr Claire Macaulay**, a medico-legal adviser with the MDU, runs through some important promises that every GP practice should make for the 12 months ahead

Making New Year's resolutions can feel like a triumph of hope over experience as we vow to purge ourselves of alcohol or visit the gym more often.

But while it may be difficult to resist that unfinished box of Christmas chocolates, research suggests the act of making a New Year's resolution is more likely to make a difference than wanting to change but not making a commitment<sup>1</sup>.

And it is also possible to boost your chances of success by setting specific goals and seeking support from others<sup>2</sup>. When it comes to resolutions, it seems there is strength in numbers.

With these principles in mind, we have devised 10 New Year's resolutions that all members of your practice can work together to achieve.

**1 We will document all clinical findings, treatment plans and consent discussions in patients' records**

The primary purpose of the clinical record is to ensure safe ongoing care of a patient and to allow other clinicians, and the patient, to understand your clinical findings and plan of management.

However, in the event of a complaint or a claim, your notes also provide vital evidence of what you did or did not do. That means it is important to record important negative, as well as positive, findings and document clearly what the treatment plan is.

**2 We will review our system for following up and documenting test results**

Every practice needs a tracker system for logging test results, to ensure patients are not lost in the system.

Valuable details to record include:

- names of the patient and GP
- details of tests requested

- when results are due
- when the patient's records have been updated and
- whether the patient has been informed.

If you have not already, consider allocating the task of regularly checking and updating the log to one person who can alert the relevant GP as required. The GP can then decide to remove the patient from the log, if no follow-up is needed, or to take further action.

### **3 We will organise our professional subscriptions**

It can be easy to lose track of all the subscriptions that need to be paid annually:

- GMC registration fees
- medical defence organisations
- regulatory bodies (such as the CQC and ICO)
- professional bodies and
- journal subscriptions.

Consider implementing an electronic reminder system when renewal dates are close and check your details are still correct.

Most importantly, check that clinical staff have appropriate indemnity in place for the work they are doing.

### **4 We will prepare for possible CQC inspection**

The CQC says every GP practice in the country will be visited and rated under its new inspection regime by April 2016. So there is every chance your practice will be scrutinised in the next 12 months.

Last November, the CQC published the much maligned initial risk bandings for every practice in England (one to six) based on surveys and official statistics. While these are only an indication of risk, allowing the CQC to prioritise its inspections, it provides an opportunity to review your practice's rating and address any apparent weaknesses before the inspection.

### **5 We will be ready for the legal duty of candour**

In 2015, a legal duty of candour is due to be extended to all CQC registered providers, subject to Parliamentary approval.

Among other obligations, organisations (rather than individuals) will be required to tell patients about 'notifiable' patient safety incidents, apologise, and explain what further inquiries will take place. Compliance will be overseen by the CQC.

Prepare your practice by ensuring your policies

and culture support openness and that staff are trained to recognise 'notifiable' incidents and respond appropriately. The CQC is finalising detailed guidance following a public consultation.

### **6 We will audit our appointments system**

With demand for GP appointments at record levels, a well-managed appointment system can ease the pressure and keep complaints to a minimum.

Many practices already offer convenient online booking and cancellation to reduce DNA rates, as well as telephone consultations and triaging systems to determine urgent and not so urgent cases.

However, such processes should be monitored to ensure confidentiality is protected and patients are seen in person when necessary and it is worth investing in telephone skills training for reception staff.

We also recommend reviewing your practice literature and website to ensure it provides clear information for patients about how they can access care, including surgery times, types of appointment, booking methods, cancellation and home visits.

### **7 We will produce a social media policy for staff**

Social media can be an extremely useful tool, provided there are clear ethical boundaries in place.

If you have not already, we advise you to produce a practice policy which covers areas such as safeguarding confidentiality, maintaining boundaries with patients, respecting colleagues, and avoiding reputational damage.

### **8 We will use significant event analysis as a quality improvement tool**

Adverse events, 'near misses', complaints and compliments can all provide useful learning points which help improve your practice.

For example, significant event audits (SEAs) are a great way to formally analyse incidents which have implications for patient care and seek reflections from clinical and non-clinical staff.

The MDU has produced a guide which is available on our website (<http://goo.gl/ngb1vY>)

### **9 We will review our prescribing protocols**

Medication errors are a common reason for complaints and claims notified to the MDU. To avoid harm to patients, it is important to have protocols in place which outline responsibility for

medicines management in areas such as:

- repeat prescribing
- medication reviews
- shared care and
- reporting adverse reactions.

It is important to review these protocols at regular intervals to ensure they reflect latest guidance.

## 10 We will ask for help if we are not sure

With GPs being expected to be up to date with the multitude of new national guidelines as well as legal and ethical changes which affect their practice, it is important to know when to seek advice from the experts.

If in doubt, about a medico-legal issue, it is always better to make a quick phone call to your medical

defence organisation who can provide you with reassurance and expert advice, saving you time.



### References:

<sup>1</sup> Norcross, John C., Mrykalo, Marci S., & Blagys, Matthew D. (2002). *Auld lang Syne: Success predictors, change processes, and self-reported outcomes of New Year's resolvers and nonresolvers. Journal of Clinical Psychology, 58(4), 397-405.*

<sup>2</sup> *New Year's resolution success tip, BBC, Friday, 28 December 2007 <http://goo.gl/FA6gTL>*

# Make the most of the DIS scheme

Now you see it, now you don't. The Dementia Identification Scheme will not have a long life of opportunity to increase GP earnings - so make the most of it. **Kathie Applebee** shows how



The contentious and short-lived Dementia Identification Scheme (DIS) enhanced service for England ends on 31 March 2015.

Questions for practices to consider include whether they should engage with it and, if so, will it be worth the work?

The scheme has been widely criticised as incentivising GPs for doing their existing jobs.

This could, of course, be regarded as a fallacious argument given the existence of QOF which rewards routine recordings such as blood pressures and the prescribing of medication which is decreed to be clinically appropriate.

However there are many grumbles about the appropriateness and efficacy of some of the QOF indicators so contentiousness is no barrier to implementation.

So how does this dementia enhanced service vary



from a set of QOF indicators? Is it because there is a subjective element or because it is deemed to be an emotive subject?

If so, how does this differ from depression which could be considered similar in both these aspects?

The official description is as follows: 'This enhanced service is designed to reward GP practices for undertaking a proactive approach to identify patients with dementia and work with their CCGs to develop services and care packages for patients on their dementia register.'

However, the stated aims are simple: improve both the detection and the recording of dementia.

So the main drivers are increasing prevalence by building up disease registers through increased and/or earlier identification of affected patients.

The process during the brief period of the scheme is as follows:

- 1** Agree the practice dementia register with the Area Team as at 30 September 2014.
- 2** Specify the expected increase in numbers on the dementia register and advise the CCG.
- 3** Utilise the dementia quality toolkit to identify potential dementia patients.
- 4** Offer dementia assessment to 'at-risk' patients, where clinically appropriate.
- 5** Offers may be made in routine consultations and need not be repeated unless further concerns are raised.

At-risk patients are described as:

- 60+ with cardiovascular disease, stroke, periph-

eral vascular disease or diabetes;

- 61+ and with a 'high risk' of cardiovascular disease, for example smokers;
- 61+ with COPD;
- 40+ with Down's syndrome;
- 50+ with learning disabilities
- Any age, with long-term neurological conditions with a known neurodegenerative element, for example Parkinson's disease.

The practice should capture the following data:

- Assessments for dementia;
- Referrals and associated presumptive diagnoses;
- Diagnoses made in hospitals or memory clinics;
- Advance care planning discussions given or declined; and
- Relevant entries in the carer record.

Data for calculating payments will be retrieved via GPES extractions using QOF dementia registers. Practices will receive achievement payments of £55 for each patient added to their dementia registers between 30 September 2014 and 31 March 2015.

Finally, this enhanced service is designed to complement the earlier Facilitating Timely Diagnosis and Support for People with Dementia enhanced service. These may be provided simultaneously and practices are not required to duplicate any work in this area.

### Check out:

- Dementia Identification Scheme, Enhanced Service Specification, NHS England, October 2014.

<http://www.england.nhs.uk/wp-content/uploads/2014/10/dementia-ident-schm-fin.pdf>

● Dementia Identification Scheme: Guidance and Frequently Asked Questions

[http://www.wmscnsenate.nhs.uk/files/7214/1596/6087/Dementia\\_Identification\\_Scheme\\_Guidance\\_and\\_FAQs\\_-\\_Gateway\\_02504.pdf](http://www.wmscnsenate.nhs.uk/files/7214/1596/6087/Dementia_Identification_Scheme_Guidance_and_FAQs_-_Gateway_02504.pdf)

● The Business Rules containing the dementia codes can be found at <http://goo.gl/RricgQ>

● The Dementia Prevalence Calculator (DPC) at [www.primarycare.nhs.uk](http://www.primarycare.nhs.uk) sets out the dementia diagnosis rate for each practice. Instructions on registering and using the DPC can be found at: <http://goo.gl/Kmdheu>

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*Kathie Applebee, organisation psychologist for primary care, and strategic management partner at Tamar Valley Health Group Practice*

### Anticipated actions by practices

- 1 Identify potential at-risk patients and offer them assessments. This includes working with residential patients in nursing and care homes.
- 2 Diagnoses may be made within practices or externally, so steps are needed to capture the latter.
- 3 All such diagnoses must be recorded in the patients' medical records.
- 4 Practices are expected to work with their CCGs to improve local services to patients with dementia.

## OPINION

# Don't get caught out by the tax inspector!

**Seamus Dawson, committee member, AISMA**

Have you declared all your income? Don't get caught out by the taxman.

We have seen a number of high profile cases recently of doctors being prosecuted for tax fraud.

While these cases are clearly in the minority and not reflective of the profession as a whole they do act as a timely reminder of the importance of making sure your tax return is complete and correct.

From my experience most errors in a tax return are small and not deliberate. But unfortunately the tax authorities are taking a stronger stance on even the slightest omission or error within a return.

As GPs look to increase their earnings potential by taking on outside work it is important to remember that your tax return must contain details of all sources of income.

And with HMRC increasingly making use of third party information you should make sure the details are correct.

Estimating the income should be avoided and if in doubt check that all sources have been declared in previous years. If you do discover an omission then don't panic, mistakes happen and they can be rectified.

Speak to your AISMA accountant and they will assist you in correcting the error and calculating any tax owed.

If it is too late to submit an amended return you are best to make a voluntary disclosure and not wait for the taxman to come calling. This will allow you and your accountant to take control of the situation and can help to mitigate potential penalties.

Of course getting your tax return right is not just about ensuring all sources of income are included.

Expense claims are regularly reviewed by HMRC and while inquiries in this area might not hit the headlines as much as undeclared income they are very lucrative for the tax authorities.

Again estimates should be avoided where possible and supporting documentation should be maintained.

Taking some time out and reviewing your expense claims with your accountant should ensure their accuracy and avoid any nasty brown envelopes arriving from HMRC.

You never know. You might even find out there are expenses you are entitled to tax relief on that you have not been claiming.



# Top tips to pay more tax **Part 2**



You want to pay more tax? Really? Okay then - **James Gransby\*** follows up his Autumn article with some more tips to ensure you do

## **1** Neglect to check your surgery capital allowances claim

Capital allowances are a valuable tax relief not to be overlooked.

Whether looking at a new-build surgery, extension, or even a surgery purchased long ago, there is likely to be an element of the cost that would be eligible for capital allowances and so achieve tax relief for you now – rather than having to wait until the building is sold.

Any items qualifying as plant and machinery, including plumbing, lighting and heating, could qualify for capital allowances. In addition some of the associated costs (such as certain professional fees) may also be claimable.

If the equipment meets the definition of qualifying for Enhanced Capital Allowances - usually energy efficient items as determined by HMRC's approved list - then up to 100% of the expenditure can be claimed in the tax year in which it is incurred.

As this will be a deduction to profits (taxed at income tax rates), the tax savings can be substantial. There could be money waiting to be claimed now if it was not at the time expenditure was incurred.

## **2** Take 24 hour retirement, or defer membership of the NHS Pension Scheme, and be taxed in a higher tax band

If you increase your income, or decrease tax deductible payments, then an increase in tax will follow. The real issue here is where this increase pushes you into a higher tax band.

Assuming that you are already a 40% tax payer (taxable income over £41,865), then the next relevant thresholds are:

£100,000 to £120,000: effective 60% tax. The next £20,000 of income above £100,000 is taxed at an

effective 60% rate due to the loss of personal allowances in this band.

£150,000: 45% tax. A rate of 45% applies to taxable income exceeding this figure.

If adding NHS pension income to your current taxable income takes you over one of these thresholds then you may end up paying these very high tax rates, if you are not already.

You should seek advice on the tax effect of any pension decisions you make. For example, taking 24 hour retirement will boost your income, but also increase your tax.

Ensure that the appropriate tax code is being applied to enable the correct amount of tax to be deducted at source. Any action which reduces the superannuation you pay (24 hour retirement, deferring membership, earning NHS income via a limited company, not superannuating locum income) will each reduce the superannuation you pay leaving less to be deducted from your income. Ensure that enough of the cash saved from not paying these contributions is being saved for your increased tax liability.

An alternative might be to take your pension only when income is at such a level that the addition of the pension would not take you through the next tax band. The need to draw the lump sum or create additional income may however take priority with the increased tax being an unfortunate consequence.

### 3 Don't time the disposal of your assets

Each year every tax payer has an allowance against the tax payable on capital gains tax, known as the annual exempt amount. The current rate for the 2014-15 tax year is £11,000 per individual meaning that the first £11,000 of gains do not incur a tax liability.

Any unused exemption in a tax year cannot be carried forward to the next tax year, making the timing of disposals very important.

If the assets being sold will generate a capital gain of more than the annual exempt amount, either individually or combined, then it might prove sensible to sell them in different tax years.

Also, if an asset would be sold for a capital loss, and if conditions are right, it might prove sensible to sell this asset in advance of those with a gain attached – losses can be carried forward indefinitely against future capital gains but cannot be carried back to an earlier tax year. If the loss making asset is sold last, the loss may be stranded.

Tax should not be the only consideration but ad-

vice will prove valuable when deciding the timing of your asset disposals.

### 4 Forget to take advice on or check your pension Annual Input Amount

With recent pension rules changes came a nasty sting in the tail for those on a defined benefit pension scheme, such as the NHS Pension Scheme.

Complex calculations are involved to ascertain the deemed growth in your pension for the year, looking at the growth in your pension, applying a factor and comparing this to the Annual Allowance for pension contributions (£40,000 for the 2014-15 tax year).

Actions can be taken to reduce your exposure to this but they require specialist advice and they could affect the amount of pension you will receive in retirement.

If a pension excess arises then tax will be payable on this at income tax rates, with the option of allowing the scheme to pay the tax charge from your final pension, but only if the tax payable exceeds £2,000.

This 'scheme pays' option comes at a cost as your final pension will be reduced and interest charged on the amount of tax paid at the rate of 3% each year plus Consumer Prices Index (CPI) inflation until you retire.

### 5 Never think about tax planning from a family perspective

Placing income-generating assets into a lower earning spouse's name, or owning them equally, spreads the tax charge into lower bands and utilises what might otherwise be unused allowances and reliefs.

Likewise, if an investment asset will give rise to a capital gain in the future then joint ownership could prove sensible, both from the perspective that the gain may be taxed in a lower tax band, and two annual exemptions (the £11,000 referred to earlier) will be available against the gain if they had not been used elsewhere that year.

Transferring an asset to your spouse is treated as a 'nil gain / nil loss' transaction for tax purposes meaning that no capital gains tax is due on the transfer. This is not available for transfers to other family members, for example adult children.

If a property has a mortgage attached to it then the mortgage company will need to approve of the transfer and a formal conveyance of the ownership will need to be completed.

Your AISMA accountant can help you avoid the above traps and keep you tax efficient.

# Many happy returns

The 31 January deadline is closing in. For some it is a daunting task but it doesn't need to be. **Nick Holmes\*\*** offers some tips to ensure that you get it right – first time!

## 1 Start off in the right place!

The paper tax return was due by the 31 October. Miss that and you must file your tax return online yourself or have someone else do it for you. There are many commercial websites who will charge you for passing your information onto Her Majesty's Revenue and Customs. The HMRC direct website is free of charge to use but you must have already registered by now. Alternatively appoint an accountant to do it for you.

## 2 Keep the correct records!

The key to your tax return being stress free is having a bit of organisation throughout the year. There are no rules with regard to the manner in which you keep records so they can be paper or digital. The only rule is that you must keep your records for at least six years, so this includes your hand written calculations or the hard copy receipts of income and expenses.

## 3 Do you earn too much to have a tax free Personal Allowance?

If you earn over £100,000 taxable then you start to lose your personal allowance. Earn over £118,880 and you have no personal allowance. For the 2013-14 tax year the amount is £9,440 so it can cost you an extra £3,776 in tax if you lose it entirely!

## 4 Have you claimed ALL your expenses?

HMRC allows you to claim any expenditure that is wholly, necessarily and exclusively incurred in relation to the generation of your income. Although you should have evidence of all of your expenditure, reasonable estimates will be granted, for example



£25 for a yearly claim on stationery. Don't forget the normal expenses – such as qualifying loan interest, personal pension contributions and charitable payments. We regularly find these are overlooked.

## 5 Don't forget your other income!

Your tax return should include all of the taxable income that you have received during the tax year - employment income, self-employment income, rental income and savings income to name a few.



Was your employment income taxed at source correctly and is your current year tax code correct or as close as it can be to the correct position? If you were underpaying tax on your employment in the last tax year – the position is likely to be the same now!

Were you paying 20% at source on all of your savings income and now have an additional 20% to pay as part of this tax return you are submitting? For the future, consider transferring some of your investments into your married spouse's name if they pay tax at a lower rate than yourself.

## **6 Capital Gains Tax**

Have you sold something in the year which gives you a taxable gain? This could be a property or some shares. The first £10,900 of any gain (£11,000 for 2014-15) is tax free but any difference in value between the sale price and the price you originally paid for the item – greater than this tax free amount, you will pay tax on the gain. If you are a lower rate taxpayer then your tax bill is 18% while higher rate taxpayers pay 28%. For future planning – if you are selling a number of shares, or more than one property – consider selling them in two separate tax years to use up two years' worth of tax free allowances.

## **7 Child Benefit tax charge**

The 2013-14 tax year is the first full year that all those earning more than £50,000 a year will have to pay back part or all of the child benefit income they earned in that period. At £60,000 of individual earnings you lose the entire amount and it must be declared on the higher earner's tax return. If you are still receiving it - either put the money aside or request that the payments cease.

## **8 It's not all about tax – there's also National Insurance**

Your tax return not only calculates your income tax

liability but also your national insurance liability. The NI is already included in the tax figure you pay every January and July to HMRC.

If you are employed as well as self-employed you may be due a refund for overpaying National Insurance. A form can be submitted to reclaim overpaid NI. To avoid an overpayment in the future you can apply for a Class 4 deferment where you underpay each year and then get a corrected bill about 6 months after the tax return deadline. Your accountant can help you locate the necessary forms for this.

## **9 Saving for and paying your tax bill**

Your tax balance for the tax year 2013-14 is due for payment by 31 January 2015. You also need to make a 50% payment on account at the same time. Make sure you pay your tax on time as you are charged interest on late payment. If you still haven't paid by the 28 February there is a 5% surcharge. At the 31 January you will be 10 months through the 2014-15 next tax year. Do you have sufficient tax savings to meet your future tax bills?

## **10 Don't forget the note pages!**

You have opportunities throughout the tax return to add additional notes. The more information you put down the less of a need for HMRC to contact you for explanations. Notes are particularly useful for explaining about reductions in rental income and the calculations behind your capital gains tax figures.

Finally, when you are happy that your tax return is complete, have a quick scan of the front page to ensure that the most important information is included. A moment here saves a lot of hassle later. Check your name, your address, your UTR/NI number and your date of birth. If you make a mistake - you have until the 31 January the following year to amend it.

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