

# INDICATIVE DRUGS TARGET SAVINGS SCHEME

**Title: Indicative Drugs Target Savings Scheme: Advance of Monies Under the Scheme**

**Date: 9 July 2001**

**Document Type: Circular**

**From: Department of Health and Children**

**To: Each Primary Care Unit Manager**

**Re: Indicative Drugs Target Savings Scheme: Advances of Monies Under the Scheme**

1. It has been agreed with the Irish Medical Organisation that, in certain specific instances, funding under the above Scheme will be possible in the form of a structured advance of monies. Such monies to be advanced under a legally enforceable agreement intended to prevent default of repayment of monies advanced.
2. The amount of the advance shall not, in any circumstances, exceed a multiple of ten times the annualised average any three of the four most recent whole years preceding the year in which the application for an advance is made by applicant (or applicants).
3. The rationale for this initiative is to assist saver doctors to embark upon significant practice developments consistent with the strategic development of general practice as set out in relevant documents and previous Circulars issued by this Department and in certain cases to facilitate the re-financing and or further financing of an onerous existing capital development project.
4. Any doctor seeking to avail of this source of finance must have an established track record of consistent saving under the Scheme, in particular over the four most recent years (subject to such exceptions in any one only of those years that the Primary Care Unit Manager considers justifiable).
5. An application to benefit under this initiative must be made in writing by the doctor (or doctors) concerned and provide such details as are required to satisfy the Primary Care Manager that the project involved is a significant one justifying, both in terms of practice development and cost, the advance sought. In order to fully consider an application, the Primary Care Manager may seek such additional information from the applicant (or applicants) or such other person as he or she deems necessary to establish the merits of the project involved.
6. All decisions in relation to applications under this Circular are for the Primary Care Manager and where an application is unsuccessful the applicant (or applicants) shall be informed accordingly.
7. Where an application is successful, the applicant doctor (or doctors) must in all cases agree expressly with the Primary Care Manager in a written legally enforceable form:
  - (i) the means by which the assets arising from the project will be secured to safeguard the State's interest, and
  - (ii) the mechanisms by which the monies so advanced are guaranteed to be repaid over an agreed time frame which may not exceed ten years, including the particular action that may be taken under such guarantees in the event of failure to meet the repayment schedule.
8. Any questions in relation to this Circular should be addressed to this Division

Peter Lennon  
GMS Division  
9 July 2001