

# Letter: Allocation of Savings under the Indicative Drug Target Scheme

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**Date: 30 March 1994**

**Document Type: Letter**

**From: Department of Health, Ireland**

**To: Each Health Board Chief Executive Officer**

**Re: ALLOCATION OF SAVINGS UNDER THE INDICATIVE DRUG TARGET SCHEME**

Dear Chief Executive Officer

I am writing in connection with the allocation of savings achieved in 1993 under the Indicative Drug Target Scheme.

The success of the various initiatives implemented by health boards through their General Practice Units in realising the savings achieved during 1993 is fully acknowledged. The results of the operation of the drug target scheme in 1993 would suggest that there is further capacity to generate additional savings in the context of the 1994 targets. The investment in further developments in general practice will rely to a large extent on the continued success of the Scheme.

## **General practitioner proportion of savings**

The November 1992 Agreement with the Irish Medical Organisation provides that 50% of the savings achieved by the individual practitioner are to be apportioned to that practitioner for practice developments -and the other 50% to boards for overall general practice developments. In the case of the individual practitioner's proportion of savings achieved, your attention is drawn to the guidelines which were issued last December in relation to the investment of such savings. Your approval is required in order for developments by general practitioners to qualify for a grant from their realised savings. As set out in the guidelines, your board should establish appropriate accountability arrangements in regard to the investment of such funds.

As regards actual payment of development grants, the General Medical Services (Payments) Board on direction from you, will allocate development grants either directly to the individual general practitioner or, if more appropriate, to your board on behalf of the practitioner. Boards will be requested to report in due course on investments supported by this proportion of the drug savings.

## **Health Board proportion of savings and general practice re-organisation**

As you aware the Blueprint Document 'The Future Development of General Practice in Ireland' stresses the need to improve the organisation of general practice. In this connection, I am enclosing a further document which has been prepared in consultation with the nominated representatives of the Chief Executive Officers. This document expands on the themes outlined in the Blueprint and sets out a framework for the assessment of proposals on the organisation of general practice and encompassing the broad issues which will need to be addressed in re-organising general practice. In regard to the investment of the health board's proportion of the savings, priority should be given to organisational proposals which are in line with the objectives

set out in the attached document. To reflect this priority, a significant element of this resource should be invested in re-organisation of general practice.

Boards should now submit proposals on the investment of their proportion of available savings which reflect the above priority. Where the re-organisation of general practitioner services has implications in respect of the current GMS contract, discussions will be necessary with the Department.

### **Vocational Training**

As part of the development of vocational training in general practice, the Department is requesting Boards to make funds available from the drug savings Scheme to develop training practices. A further letter will issue to you in that regard shortly.

### **Meetings with GP Units**

Arrangements are currently in train to reschedule meetings between the Department and health board General Practice Units which will afford an opportunity for discussion on general practice developments at board level.

Yours sincerely

Alan Aylward  
GMS Division  
30 March, 1994