

THE SCOTTISH OFFICE

National Health Service in Scotland Management Executive

St. Andrew's House Edinburgh EH1 3DG

3 August 1995

Dear Colleague

SCOTTISH ECR TARIFFS 1995/96

Summary

1. In accordance with Section 6.17 of the Guidance on Extra Contractual Referrals, the Management Executive has published the attached booklet of ECR Tariffs for 1995/96 for Scottish Providers. Details of the following providers' tariffs, which are not included in the booklet because of their volume, can be found on the 6 enclosed computer disks:-

Angus NHS Trust
Dundee Teaching Hospitals NHS Trust
Hairmyres and Stonehouse Hospitals NHS Trust
Kirkcaldy Acute Hospitals NHS Trust
Perth and Kinross Healthcare NHS Trust
Raigmore Hospital NHS Trust
West Lothian NHS Trust

Circulation of the booklet and disks in Scotland is one per Health Board, Direct Managed Unit and NHS Trust and in England, Wales and Northern Ireland one per Regional Health Authority. Provider Units, Fundholders and General Practitioners requiring copies of the disks should contact their appropriate Health Board or Regional Health Authority and request copies from them.

Action

2. Please ensure that these tariffs are available to staff managing ECRs.

Yours sincerely

DR K WOODS

Director of Purchasing

Addressees

For action: General Managers, Health Boards

Chief Executives, NHS Trusts

For information: General Manager, Common Services Agency

General Manager, Health Education Board for Scotland

General Manager, State Hospitals Board for Scotland

Executive Director, SCPMDE

Enquiries to:

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CHARGING FOR EXTRA-CONTRACTUAL REFERRALS

- 1. The key elements for charging ECRs are:-
 - each provider unit should draw up in advance of the financial year a tariff setting out prices to apply to ECRs and the invoicing of them;
 - the tariff should be calculated in accordance with the current costing and pricing guidance as issued by the NHS Management Executive in Scotland; and
 - the tariff should apply to the whole year and should only be revised or amended where:
 - cost increases are met by increased allocations to purchasers;
 - certain services have not been covered by any category of charge and it was not reasonable for the provider to include this service in the original tariff; (this situation should be exceptional and in general the NHS Management Executive should be approached before new services are introduced and notified in-year). In such a case, it is important that the new prices exclude overheads, and other costs, already recovered through contracts and existing ECR tariffs;
 - purchasers in-year are able to purchase uncommitted spare capacity, the provider may price these additional referrals at marginal cost;
 - existing tariffs are clearly deficient, for example, where there has been an obvious arithmetical or printing error;
 - a tariff is ambiguous, for example, where a price per day is quoted but no indication is given to whether such charges apply from day 1 or day 29.
- 2. The Guidance also states that no increases to tariffs should be made until authorised and published by the Management Executive. Revised tariffs should be set to come into effect on the first day of a month, which should not precede the date of publication by the Management Executive. Providers may, however, implement price reductions immediately.

Other Information

3. Please note that this document may contain revisions to tariffs previously supplied direct from providers and this therefore supersedes all other previous issues of ECR tariffs.

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- 4. Please ensure that all future proposed revisions to tariffs are submitted to the Management Executive together with sufficient justification to support the revision.
- 5. Please copy to Unit General Managers, Directors of Finance, Health Board, Directors of Finance, NHS Trusts and GP fundholders for information.