To note

Multi-Professional Education and Training Funding in England

Issue


Recommendation

2. To note that the Department of Health (England) has begun a review of multi-professional education and training funding (paragraphs 13-24).

Further information

3. If you require further information about this paper, please contact us by email: gmc@gmc-uk.org or tel. 0161 923 6602
Background

4. In England, government funding for medical education and training is provided through the Higher Education Funding Council for England (HEFCE) and the DH(E).

5. HEFCE allocates funding to Higher Education Institutions; the university medical schools, as a block grant taking into account a range of factors including number of students and the amount and quality of research. The University has discretion in how this budget is managed.

6. The DH(E) funds Strategic Health Authorities (SHAs) for the costs incurred in teaching students and doctors in training through the Multi-Professional Education and Training (MPET) budget allocation. MPET includes the following funding streams:

   a. Medical Service Increment for Teaching (Medical SIFT) for additional costs incurred in providing placements for undergraduate medical students.

   b. Medical and Dental Education Levy (MADEL) for doctors and dentists in training.

   c. Dental Service Increment for Teaching (Dental SIFT) for undergraduate dental students.

   d. Non-Medical Education and Training budget for Nursing, Midwifery, Allied Health Professions and Healthcare Scientists.

7. These MPET funding streams are bundled together in a single budget and SHAs have discretion when allocating funds to individual trusts.

8. Medical SIFT has a historical basis. The level of funding when calculated per medical student varies significantly across England. The British Medical Association's 2007 Medical Service Increment for Teaching (SIFT) Funding Report called for greater transparency after finding that around half of the respondent Trusts surveyed could not account for SIFT expenditure over the last five years. Trusts reported that SIFT has historically been included in baseline budgets and has not been reported on separately.

9. MADEL is allocated largely by trainee numbers. It is not based on actual costs and does not cover non-salary costs such as consultant time. There are similar difficulties in accounting for MADEL expenditure. Funding of education and training is not within the remit of the quality assurance processes for Foundation Programme training and undergraduate education however difficulties with moving money and students/trainees from placements and rotations that provide a poor educational experience is routinely raised as an issue by medical schools and postgraduate deaneries.
10. DH(E) has begun a review of MPET funding as part of their High Quality Care for All agenda. One aspect of the agenda is the restructuring of the SHAs in England to split commissioners and providers of NHS education and training from April 2010. The MPET review supports this agenda through the development of a transparent funding model in which government money follows the student/trainee and gives commissioners of education the ability to shift trainees and funding more easily if quality training is not delivered.

11. The scope of the review includes all four MPET funding streams; Medical and Dental SIFT, MADEL and NMET. DH(E) has not yet committed to proposals and therefore the outcome of the review could be recommended change to any or all four streams.

12. DH(E) has asked Medical Education England (MEE) to convene a sub-group as a mechanism for keeping stakeholders informed and providing feedback on proposals as they develop.

Discussion

13. DH(E) has worked with 21 trusts across 3 SHAs to cost education and training activities in 2007/08 and 2008/09. The costing exercise covered SIFT, MADEL and NMET. It concluded that SIFT funding exceeded costs while MADEL and NMET costs were under funded.

14. DH(E) is developing a funding model based on a ‘per student placement’ tariff for undergraduate medicine and a combination of placement tariff and salary subsidy tariff for postgraduate medical education.

15. The working assumption for model development is that the value of doctors in training to the health service increases as they proceed through the training grades with the corollary being that the salary component of the tariff should decrease as the training grade increases. In practical terms this would result in an increase in funding for Foundation Programme and potentially lower grade specialty training places and a decrease in funding for higher specialty training places.

16. There will be no new funds available to the NHS and the tariffs are likely to result in significant reallocation of funding. Early indications are that overall MPET allocation would increase for most trusts under the proposed model although a few could lose a significant amount of MPET funding.

17. DH(E) has yet to decide whether it will recommend the tariff model is adopted for both SIFT and MADEL.

18. MEE has written to DH(E) emphasising the need to proceed very carefully and slowly to ensure medical education and training is not placed at risk.
Issues

19. The costing exercises were based on 2007/08 and 2008/09 educational activities and do not therefore include a full year of compliance with the European Working Time Directive. Additionally, the costs identified were for actual activity across the 21 trusts rather than best practice or a consensus statement on educational activity that should be provided. It is therefore unclear whether the cost basis for the new tariff model will be sound for the future.

Next Steps for the Review

20. It is likely that the proposed move to a student/trainee based tariff structure will be signalled in the new SHA operating framework due in November 2009.

21. DH(E) was urged by MEE to consult with a wider cross section of trusts and SHAs to explore the decisions that would be made using the proposed pricing structure.

22. DH(E) will also consider a live pilot of the model in some areas and introducing shadow prices in April 2010/11 so that trusts can analyse the effect of the new model and identify unintended consequences before money is moved.

23. It will be important that the price of the tariffs provide an incentive for trusts to deliver education and training, however until DH(E) consults with SHAs and trusts more broadly it is unclear how the proposed funding structure will affect local decisions about education and training and therefore what the consequences will be.

24. GMC will need to continue to monitor the development of proposals closely and emphasise the importance of transparency in the consultation process with the NHS so that the GMC has early warning of the implications for individual trusts as well as the likely overall implications for medical education and training in England.

Recommendation: To note that DH(E) has begun a review of multi-professional education and training funding.

Resource implications

25. The GMC will not be directly affected by the restructuring of MPET funding however all NHS service providers in England will be to some extent and it will be important for the GMC to identify SHAs and Trusts that may lose MPET funding. As MPET has been subsumed into baseline budgets the impact of reallocation could be broader than pressure on educational activities.
Equality

26. Until the detail of proposals has been confirmed the equality and diversity implications are unclear. However one of the aims of the MPET Review is to address current inequities in the allocation of SIFT and, depending on the funding model adopted, medical schools and students as well as postgraduate deaneries and doctors in Foundation Programme training and specialty training programmes may be affected.

Communications

27. While DH(E) has notified stakeholders that it is undertaking the MPET Review, the development of proposals remains confidential within the forum of the MEE sub-group. DH(E) has indicated that it aims to signal the direction of proposals in the 2010/11 Operating Framework for SHAs.

28. This paper was provided to the Postgraduate Board for its meeting on 5 November 2009.