

## EPN 69

### Civil Service Pension Scheme – Medical Advice Contract

**ISSUE** Revised charges for pension scheme medical advice provided by the scheme medical adviser

**ACTION**

This Notice will be of particular interest to:

- ◆ **Those people who refer cases to the scheme medical adviser, and who are responsible for paying the adviser's subsequent fees**

- *To note the new charges*

**TIMING** The revised fees will be applied to cases submitted on or after 1 July 2003

**\*REFERENCE** PC/152, EPN/45

### Background

1. The contract for Civil Service pension scheme medical advice, which is managed by the Cabinet Office, allows for an annual revision of the charges for services made by the scheme medical adviser, which is currently BMI Health Services. The increase is based on the rise in the Retail Price Index (RPI) for the preceding 12 months.

2. The last time contract prices were increased in line with RPI (or indeed at all) was in April 2001, as announced in PC/152. Due to issues over poor performance by BMI during 2001/2 it waived any RPI increase to its fees for that period.

### Raising current charges in line with RPI

3. EPN 45 announced the Cabinet Office's decision to extend the medical advice contract with BMI services for at least one year, to March 2004, on the basis of important changes to BMI's performance framework, taking effect from

13 January 2003. The tighter structure and focus introduced by the revised performance standards provides the basis for our agreeing to an increase in BMI's fees, linked to RPI in the period 2002/3, but coming into effect from 1 July 2003. The RPI figure for the year to 31 March 2003 was 3.16%. Overall, however, the fee increase is effectively 2.97% (excluding medical appeal board fees, see below) as amounts have been rounded. Attached at Annex to this EPN is the new fee structure.

## **Increase in fees for Chairs and Members of Medical Appeal Boards**

4. BMI has reported difficulties in recruiting Chairs and Members of Medical Appeal Boards (MABs). Such persons are a scarce resource in the UK and are, therefore, much in demand. BMI often struggles to attract people to undertake this work, with one of the difficulties being cited as the relatively low level of fees being offered. Indeed, many NHS trusts will not permit their doctors to do this work for the fees we are offering. MABs are an important part of our medical retirement arrangements; without them far more work (and costs) would be likely to fall on employers and APACs in meeting the demands of complaints under the pension scheme's Internal Dispute Resolution procedures and, potentially, Employment Tribunals. An increase in the fees for this work is considered necessary to help to try and address this difficulty.

5. The revised rates remain moderate in comparison with the level of fee expert occupational health physicians are generally able to command. The revised fees are, with immediate effect, for Chairs £325 per day (was £257) and for Members £258 per day (was £205). This is, however, only an interim price adjustment, because it is unlikely to fully address the difficulties we are experiencing far into the future. We are currently working with BMI to see what fee may be charged that is more in line with the market, but which will still represent value for money for employers and the pension scheme.

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\* **REFERENCE** All Employer Pension Notices may be found on the website:  
[www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk)  
in the Employer and APACs section  
User name EmployerS  
Password mC2fxQFY

10 July 2003

## Annex

### Civil Service Pension Scheme Medical Advice Contract

#### Pricing structure with effect from 1 July 2003.

**(NOTE: These revised fees supersede those listed at Schedule 6 of the Contract, and those revisions notified under cover of PC152 of 2 April 2001.)**

The charges shown below are those which apply where all relevant information required to carry out the Contractor's (BMI's) obligation is to hand. Additional third party reports will be charged at cost (plus 15%) and BMI will endeavour to minimise the expenditure incurred, with rates recommended by British Medical Association applying.

Where the individual service standard is not met within the time scale contained in Schedule 3 of the revised contract (see EPN45 of 12 February 2003) BMI will credit the referring employer/APAC the proportion of the fee as shown there.

<b>Service</b>	<b>BMI's function</b>	<b>Fee</b>
1. Health Standard: Joining or rejoining the PCSPS.	To advise whether there are any identified health problems which might be expected to prevent service to normal retirement age. If such health problems are identified, to estimate the likely period before permanent incapacity advising whether this is associated with normal or reduced life expectancy. Issuing the appropriate PCSPS certificate.	£29.00 (was £28).
2. Health Standard: Where a significant scheme risk is initially identified.	Convening a panel to consider case further and providing an appropriate written report to the employer.	£69.00 (was £67).

3. Medical retirement.	Considering whether a member meets the medical retirement criteria for whichever part of the PCSPS they are a member; advising on a review date, if any, in premium; issuing the appropriate PCSPS certificate.	£42.00 (was £41).
4. Medical Retirement Report	Where the medical criteria is <i>not</i> met, providing a report to the employer of the reasons for this, taking due regard of medical in confidence material.	£69.00 (was £67).
5. First stage appeal against decision by the employer to retire or not a member on medical grounds.	To review original decision (which may or may not be on the basis of fresh medical evidence). Issuing appropriate PCSPS certificate if appeal upheld.	£79.00 (was £77).
6. Second stage appeal against decision by the employer to retire or not a member on medical grounds.	The Director of Occupational Health (DoH) (or deputy) reviews all the evidence relating to the case determining whether first stage decision not to support medical retirement was correct. Issuing appropriate PCSPS certificate if appeal upheld. If unable to uphold, convening medical appeal board (stage 3).	£371.00 (was £360). Note: this includes the £79.00 fee for the first stage appeal.
7. Appeal to independent (of BMI) medical review board following rejection of appeal at stage 2.	DoH (or deputy) to convene an independent medical review board which prepares and issues a case report.	£79.00 arrangement fee (was £77) plus Chairman and Member's fees of £325 and £258 (was £257 and £205).
8. Early payment of preserved pension benefits on medical grounds.	Advising whether or not a former member with preserved benefits would have met the medical retirement criteria had they remained in the PCSPS employment, issuing the appropriate PCSPS certificate.	£42.00 (was £41).
9 Pension Allocation.	Based on a medical examination by a BMI nominated doctor, advising whether the member wishing to allocate part of their pension is in good health.	£154.00 (was £149).

10. Medical examination reveals health doubt.	Offering and arranging a consultation by one of its medical referees (consultants).	£79.00 (was £77).
11. Examination by consultant inconclusive or where member produces contrary report by a consultant.	Offering and arranging a medical board to consider all evidence and also to report the outcome.  Fees for the board chair and member(s) will be at charged at cost. BMI will use best endeavours to minimise that cost.	£79.00 (was £77).
12. Advice on Civil Service Injury Benefit Scheme (CSIBS) applications.	Advising on potential CSIBS qualifying injuries, including whether there is a causal link between the specified injury and the nature of the applicants duty (CSIBS rule 1.3). Issuing the appropriate CSIBS certificate.	£69.00 (was £67).
13. Assessment of impairment of earnings capacity where there is a qualifying injury.	Where a CSIBS qualifying injury has occurred, advising on the degree of impairment of earnings capacity (CSIBS rule 1.7). Issuing the appropriate CSIBS certificate.	£69.00 (was £67).
14. Ad hoc issues raised by employers/APACs relating to PCSPS/CSIBS provisions requiring professional medical consideration not otherwise covered by this schedule.	Providing advice or other support as appropriate.	£1,115 per day (was £1,078) with a minimum charge of one hour £167.25.
15. Medical retirement and other data as required by employers/APACs.	Other than as provided elsewhere in this contract to meet reasonable requests for information about the services undertaken by BMI, including analysis of type of referral and outcome in respect of cases referred by the employer/APAC making the request.	As agreed between BMI and the employer/APAC on a case by case basis.
16. Inadequate referral - case referred without sufficient information to allow BMI to carry out requested service.	Providing report explaining why work could not be undertaken.	£69.00 (was £67).
17. PCSPS Medical Examination (standard single consultation)	Arranging medical examination by an occupational health physician at a BMI venue.	£90.00 (was £87) for standard single session

18. PCSPS Medical Examination (extended session for a complex case consultation)	Arranging medical examination by an occupational health physician at a BMI venue.	£180.00
19. Obtaining further medical evidence (does <i>not</i> include medical appeals, where such reports must be provided by the appellant).	Requesting appropriate medical information from GP/specialist, chasing reports as required under revised Schedule 3, making payments to third parties at cost.	Cost of reports plus 15% administration fee.
20. Medical Opinion.	Other than provided elsewhere in this contract providing medical reports in response to customer requests.	£69.00 (was £67).
21. Re-referral – Joining or rejoining the PCSPS.	BMI has returned the case to the employer after carrying out the chasing actions in the revised Schedule 3, charging the full appropriate fee . The case is re-referred with the all information now present. BMI provides advice/certificates as in Service 1 or 2.	£21.75.
22. Re-referral – Medical retirement.	BMI has returned the case to the employer after carrying out the chasing actions in the revised Schedule 3, charging the full appropriate fee. The case is re-referred with the all information now present. BMI provides advice/certificates as in Service 3 or 8.	£31.50
22. Re-referral – CSIBS.	BMI has returned the case to the employer after carrying out the chasing actions in the revised Schedule 3, charging the full appropriate fee. The case is re-referred with the all information now present. BMI provides advice/certificates as in Service 12 or 13.	£51.75.
23. Third Party Reports.	Commissioning third part reports as required (does <i>not</i> include medical appeals, where such reports must be provided by the appellant).	Cost plus 15%.
24. Non-attendance at pre-arranged face to face consultation.	Non--attendance without prior notifications. Cancellation/reschedule of appointment with less than 24 hours notice. Cancellation/reschedule of appointment with less than 72 hours notice.	Full charge of the relevant fee. 90% of the relevant fee. 50% of the relevant fee.