A Foundation Trust’s Journey to Accountable Care

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The Board considered the long term strategic vision and:

Plan to:
- Strengthen its position as a major health provider and teaching hospital
- Offer a mix of regional (and in some cases national and international) tertiary services
- Deliver high quality, economical, local secondary care
- **Be a leader in providing accountable care for specific patient populations**
- Become a more significant provider of private patient services

Through:
- Maintain and strengthen tertiary paediatric, women’s and HIV services
- Grow acute local secondary care – economically – under SaHF
- Grow local elective care – economically – under SaHF
- **Integrate care pathways and lay the foundations for community care through the accountable care programme**
- Build private patient revenues
## National and Local Strategic Drivers: Headwinds

### National

**NHS austerity...**
- £30bn budget gap

...reflected locally: **CCG income decreasing**
- NW London ~£1bn projected funding gap
- Capitation model shifting

**Political uncertainty**
- New NHS CEO
- General election < 12 months

**Admissions rising 3-5% p.a., and more costly**
- Population growth
- Ageing population
- Greater chronic disease burden
- Higher expectations

### Commissioner intentions

**Intent to reduce / ration / reprice hospital services**

**Aim to integrate care across the patient pathway**
- Place GP at centre of organising model

**Major acute reconfiguration (Shaping a Healthier Future)**
- Reduce number of major (and A&E) sites

### Financial

**Decreasing SIFT income**
- Loss of £1m/year over next 3+ years

**Tariff reductions**
- -1.6% downward adjustment to on-tariff prices in 2013-14
- -1.9% tariff deflator for services outside mandatory tariff
- CWFT paid only 30% of tariff for emergency activity above 2008 levels

**£3.8bn Integrated Care Fund supported by CCGs**

### Clinical

**Move to 24/7 hospital services**

**Consolidation of elective services to high volume centres and Accreditation of tertiary services and move to specialist centres**
- Requires 1-2m minimum catchment population
- NHS Outcomes Framework

**Scrutiny & Regulation**
- Post Francis scrutiny on quality standards
- Increased transparency and governance/oversight (eg CQC)

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Source: CWFT, NHS news, NHS planning guidance 2013-14
Financial position eroding rapidly

71 providers (44% of all hospitals) in predicted deficit for 2013/14, compared to 48 for 2012/13.

1. Trusts already in deficit projecting deficits to grow

2. Trusts on the line starting to fall under

3. Trusts with healthy surpluses not immune – even international teaching hospitals expecting deficit plans and debt in 5-10 years

NAO, 2012/13
Even with successful defence of NHS ring-fence

Chart 4.4: Resource DEL and implied resource DEL relative to GDP

NHS share of Government Departmental spending projected to increase from 29% to 45%

Fraser Nelson analysis of OBR data, 2014
Core Impacts on CWFT strategy

**CWFT ‘star services’ impacted:**
- Paediatrics – further review of tertiary paediatrics and possible designation
- Maternity – increasing pressure on tariffs through quality standards and impact of pay/infrastructure
- Sexual Health: uncertainty of SLM baselines and developmental strategies given new commissioning partners:
  - Specialised Services for HIV
  - Local Authorities for core sexual health/GUM

**Horizontal Acquisition under consideration:**
- Mitigate impact of SaHF and growth in acute care and A&E and Likely negative or neutral EBITDA impact
- Grow the catchment population to secure the specialised portfolio
- Provide resilience and scale to drive through service efficiencies
- Influence the provider and commissioner landscape
- Improve clinical and quality benefits for the population
Chelsea and Westminster Hospitals (inc West Middlesex and potentially providing a range of integrated services) will support a patient population >500,000 patients across Kensington and Chelsea, Hammersmith and Fulham, Hounslow, Richmond and Ealing. Using its estate in K&C and Hounslow, the Trust directly delivers a range of primary, community and acute services. The Trust’s hospital portfolio is diversified, including adult emergency services, specialised maternity, paediatric and HIV services and a range of other adult specialties. The FT has sufficient scale and resilience to effectively compete in the new NWL (and wider London) market.

Complementary services across the two sites are organised so that the majority of routine work is concentrated at WMUH and complex work co-located with interdependent services at CWFT. This allows for strong clinical integration with Royal Brompton Hospital and Royal Marsden Hospital along the Fulham Road.

Ealing and Northwest London Hospitals create a new merged entity which acts as a major acute hospital and integrated care organisation for their local population.

Imperial Healthcare continues as a major regional, national and international centre, running a range of core secondary care and specialised/tertiary services, including local hospital facility (potentially run as a health campus) on the Charing Cross site.

An illustrative example of how Chelsea and Westminster Hospitals can fit and compete in one ‘system of care’

Scale and catchment population to support strategic and clinical partnerships
Shift of Strategy:
- Significant ownership of assumptions underpinning ‘out of hospital’ strategies +
- Significant extension of population served +
- Change in leadership and approach to partnership =
- Shift from tariff based tactics to population based tactics:
  - Managing capitated budget
  - Adding value to our Increasing reach and influence over population
  - Responsibility for health and well being as well as high quality service provision
  - Focus on Outcomes Based Healthcare (and wider social care):
    - Improving Clinical Outcomes
    - Improving Patient Experience
    - Improving Use of Resource
Accountable Care: A definition

“An organisation or network of organisations that provides or arranges to provide”

- A coordinated continuum of services
- To a defined population
- And is clinically and financially accountable for the outcomes and health status
- Of the population served

This is actually a definition of what integrated delivery systems are
Accountable Care: Defining the challenge

- To realign system incentives to position ‘Accountability’ of providers to deliver the outcomes that matter to patients and the wider population
- Delivering accountable care involves putting in place five key components (1):
  1. Working on behalf of the Population for which providers are jointly accountable
  2. Target Outcomes for the population (Clinical, Patient Experience and ‘end to end’ value
  3. Deliver Metrics to monitor and demonstrate performance on outcomes
  4. Realign Payments and incentives (use of capitated budget) to better support delivery of target outcomes
  5. Structure to support Coordination across a range of providers of the care necessary

In essence, to support a shift from a ‘Volumes’ based system to a ‘Values’ based system

References:
1) WISH: Accountable Care Report Dec 13
CWFT has come together with GPs and other local providers to respond to this challenge

The partners have established a Programme Board and agreed a number of guiding principles:

1. We recognise that new clinical and commercial models are required to meet contemporary health care needs, and that - given the environment in NWL (and beyond) - now is a time of real opportunity to undertake serious service redesign and improve clinical standards;

2. We believe that through collaboration and innovation our partnership can design sustainable models of care that support people to live healthily, to recover from episodes of ill-health and to manage their long term clinical conditions;

3. We share guiding principles that enable us to work together productively, including a commitment to partnership, evidence, innovation and an alignment of incentives; and

4. We are committed to work together and to take some concrete next steps to achieve our key objectives:
   • To improve health outcomes
   • To improve patient experience
   • To improve ‘end to end value’ and use of resources
The Partners

The ACG will bring together the following organisations to form a single legal entity, which may take the shape of a Joint Venture, which puts patients’ needs and preferences at the centre of service design and delivery, free of the current system boundaries:

- Chelsea and Westminster NHS Foundation Trust
- Network 2 GPs (5 practices within the Hammersmith and Fulham CCG boundary)
- Central London Community NHS Trust
- Central North West London NHS Foundation Trust (with West London Mental Health NHS Trust via SLA)
Accountable Care Group – Early Adopter Proposal

- North West London have been selected by DH to ‘pioneer’ Integrated Care Systems
- The embryonic ACG has been shortlisted as an Early Adopter as part of these pilot schemes
- We are developing a business case encompassing:
  - Individual care plan agreed and signed off with patient, underpinned by a common technical platform
  - Revised pathways and outcome metrics
  - Pooled budgets (and recosted pathways across the partner organisations)
  - Governance and risk arrangements RE decision making and ‘gain share’
  - Proposals to shadow against current contract (NB – wider national and NWL wide workstream)

Network 2 (Hammersmith & Fulham)
Our vision is to deliver integrated health and social care which is personal to each individual and transcends organisational boundaries.

Our population needs analysis indicates main focus will be on adults with 1 or more Long Term Conditions

Additional work to be undertaken on people living with HIV

- We believe we can most effectively achieve scale, by addressing the needs of a small population comprehensively before expanding the model of care to a larger population
- Longer term opportunities exist across rest of H&F; South Kensington and – potentially – as CWFT footprint grows across wider population

Population

<table>
<thead>
<tr>
<th>Population size</th>
<th>Population Cost</th>
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<tr>
<td>50,000</td>
<td>£46m</td>
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Accountable Care Group – Combining a new organisational model that plans and delivers population health gain

**ACG structure**

**Joint venture as organising platform:**
- Partnership board
- Governance set out as legally binding responsibilities
- Status of members (primary and associate partners)

**Ambitions:**
- Population health gain
- Improved health and patient/user experience outcomes
- Better value through improved use of resource via end-to-end cost, improved surplus/profit for partners and legacy to value system (see note above)

**Long term vision:**
- Patient membership organisation with features and benefits
- Social enterprise

**Service and contract model for provider delivery**