Commissioning: a perspective

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Been tough; CCGs delivered; will get tougher

- In 2016/17 there was a strong financial performance by CCGs and NHS England:
- three years ago we produced and managed a surplus of £285 million;
- in 2015/16 it was £299 million; and
- while we targeted £800m in 2016/17 we managed to deliver £902m, to offset those pressures in the other parts of the system
- CCG IAF results shortly …
- 17/18 plans …
“To do” list for next 2 years

1. Financial balance
2. Urgent and emergency care
3. Sustaining and developing primary care
4. Mental health
5. Cancer services
And it feels fluid ... structures are moving - from 209 CCGs
to ... joint mgt teams: 16 for 32

London CCGs with Accountable Officer 2015

London CCGs with Accountable Officer 2017
Because – it’s all about collaboration – with other commissioners and providers, STPs, Accountable Care:

- **Local leaders coming together** as a team to tackle the needs of the local population
- Developing a **shared vision** with the local community
- A **coherent set of activities** to make it happen
- Organisations **collectively delivering** against the plan
- **Learning, adapting and improving** as they evolve
- It’s a work in progress
What are we trying to achieve?

• Join up the public £ : place-based approach

• Unlock integrated/New Care Models – pop health, pathways, workforce, digital

• Activate and empower patients and community
What does this mean?

- Behaviours
- Cut transaction costs
- Deploy energy on solving the real challenges
- Purchaser provider split?
- Multi-speed, heterogeneous
More about to happen on commissioning development

- NHS England is designing a programme to improve commissioning capability in 2017/18 and 2018/19. Our aim is to strengthen commissioners’ skills in the short term and build capability to deliver the requirements of the evolving health and care system.

- We have worked with external and internal stakeholders to design the Commissioning Capability Programme, including NHS Clinical Commissioners, the West Midlands Accountable Officers’ Network
Drive to co-commissioning. Primary medical care

- **174** CCGs with full delegation (84%)
- **33** CCGs operating under the joint or greater involvement model (16%)
- Further opportunities to take on full delegation in 18/19
Variant for spec comm

• Supports greater CCG engagement in specialised services

• In January 2016, to support the move to place-based commissioning through STPs, nominal CCG allocations for 2016/17 – 2020/21 were published. The allocations included approximately £14.5 billion of the total specialised budget of approximately £15.7 billion, excluding items such as highly specialised services.

• Some services such as those concerning extremely rare diseases, will always require being planned and commissioned on a national or regional size population footprint.
New Care Models in Tertiary Mental Health

New Care Models in Tertiary Mental Health: CAMHS
- NTW and North Cumbria
- North East & North Yorkshire
- West Yorkshire & Harrogate
- North West London
- South London
- Kent, Surrey and Sussex
- Herts Partnership

New Care Models in Tertiary Mental Health: Secure
- North East & North Cumbria
- Cheshire and Merseyside
- West Midlands
- North London
- South London
- South West
- Thames Valley & Wessex
- Kent, Surrey and Sussex
9 sites join in October, with 2 more in April 18

- There are 6 sites in wave 1 (4 adult secure and 2 CAMHS)
- There will be an additional 11 in wave 2:
  - 9 to go live in October (5 CAMHS, 3 adult secure and 1 adult ED)
  - 2 to go live in April 2018 (1 adult secure and 1 adult ED)

- Summary details:

<table>
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<tr>
<th></th>
<th>Wave 1</th>
<th>Wave 2</th>
<th>Approximate total</th>
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<tbody>
<tr>
<td><strong>CAMHS</strong></td>
<td></td>
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</tr>
<tr>
<td>Total Patients</td>
<td>121</td>
<td>~500</td>
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<td># OOA</td>
<td>83</td>
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<td>Spend</td>
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<td>£79.4m (26% of Spec Comms CAMHS budget)</td>
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<td><strong>Adult Secure</strong></td>
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<tr>
<td>Total Patients</td>
<td>1,834</td>
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<tr>
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<td>~420</td>
<td>1,200</td>
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<tr>
<td>Spend</td>
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<td>£549.2m (49% of Spec Comms adult LMS budget)</td>
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<td><strong>Adult ED</strong></td>
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<tr>
<td>Total Patients</td>
<td>-</td>
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<tr>
<td># OOA</td>
<td>-</td>
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<td>40</td>
</tr>
<tr>
<td>Spend</td>
<td>-</td>
<td>£15.7m</td>
<td>£15.7m (17% of Spec Comms adult ED budget)</td>
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Source: Specialised Commissioning Mental Health Spend for 2015/16, NCM business cases and applications (data from CSU)
Everyone’s talking about “Accountable Care”

- Accountability for using a defined set of resources to provide the best possible quality of care and health outcomes for a defined population

- The FYFV Next Steps document indicated that NHS England and NHS Improvement would support designated areas in becoming **Accountable Care Systems (ACSs)**, i.e. groups of commissioners, providers and local authorities that take collective responsibility for managing resources, quality improvement and population health.

- In some areas of the country, STPs or ACSs may oversee a move to **Accountable Care Organisations (ACOs)**, provider organisations that are given contractual responsibility for most or all of the health and care services for the local population and for associated resources.
An accountable care system (ACS) involves local organisations taking collective responsibility for resources, quality and population health.

ACSs involve:

1) **Shared decision-making**, supported by an effective collective governance structure.

2) Organisations **acting and behaving as though they are one single system**, even though in law they are a number of distinct entities with distinct duties.

3) Collective management of the financial resources for the ACS’s defined population through a **system financial control total** that covers the income/expenditure of NHS commissioners and NHS providers.

4) A system partnership that has **clear plans** – and the **capacity and capability** to execute those plans.

5) ‘**Horizontal integration**’ of providers whether virtually or through actual merger or joint management and ‘**vertical integration**’ with GP practices formed into primary care networks.
Accountable care systems (ACSs) must take on additional accountability in exchange for additional freedoms.

An ACS must:

1. Agree an **accountable performance contract** with NHS England and NHS Improvement
2. Commit to shared performance goals and a **financial system ‘control total’**
3. Create an effective collective decision making and **governance structure**
4. Have clear, compelling plans for how they will **integrate care**
5. Deploy rigorous and validated **population health management capabilities**
6. Establish clear mechanisms for **patient choice**

In return, the NHS national bodies will offer:

- **Delegated decision rights** in respect of commissioning of primary care and specialised services
- A **devolved transformation funding package**
- A single ‘one stop shop’ **regulatory relationship** with NHS England and NHS Improvement
- The **ability to deploy attributable staff and related funding** from national bodies to support the work of the ACS.
There may be structural consolidation within an STP or ACS in the form of Accountable Care Organisations

An ACO is a provider organisation that is contractually responsible for providing an integrated set of services – crossing traditional sectoral boundaries – to a defined population, supported by a single, integrated budget. The ACO can either provide services itself or sub-contract with other organisations (e.g. GP practices, voluntary and independent providers, other NHS providers) for those services.

Multispecialty Community Providers (MCPs) and Primary and Acute Care Systems (PACS) are examples of ACOs. Many of those furthest towards establishing an ACO are vanguards.

An ACO needs either directly to encompass general practice – through sub-contracting with GP practices or employing primary care staff (or a mix of the two) – or there needs to be a very strong integration agreement between the ACO and local GPs.
Accountable Care Organisations

ACOs involve:

1) Commissioners entering into an **outcomes-based contract** with a single provider, following an appropriate procurement process and assurance (the Integrated Support and Assurance Process)

2) A **longer contract length**

3) The provider organisation taking on **activities traditionally carried out by commissioners**

4) A **single, integrated budget** (potentially with risk/ gain share with other providers)

NHS England and NHS Improvement are developing principles for a more streamlined approach to oversight of ACOs across commissioners and NHS Improvement. This will have some overlap with the principles for shared oversight of ACSs across NHS England and NHS Improvement.
As part of the devolution arrangements which went live on 1 April 2016, the GM Health and Social Care Partnership took delegated responsibility for a suite of commissioned services previously directly commissioned by NHS England. These services have a total annual spend in excess of circa £850m and include:

- Specialised services including services such as renal dialysis, cardiac surgery, chemotherapy, cancer surgery etc.
- Primary care services, ie Dental, Optometry, Pharmacy. (GP Services are commissioned at individual CCG level)
- Public Health services including GM wide screening and immunisation programme
The Trilateral Agreement describes the aspiration for Surrey Heartlands to achieve transformation of health and social care at pace and scale. Local Parties, NHS England and NHS Improvement will continue to work together during the shadow year in 2017/18 to agree the preferred mechanisms, timescales and resources to achieve the aims and objectives described in the Trilateral Agreement.
FVDP 10 Point Efficiency Plan

• free up 2,000 to 3,000 hospital beds.
• further clamp down on temporary staffing costs and improve productivity;
• use the NHS’ procurement clout;
• get best value out of medicines and pharmacy.
• reduce avoidable demand and meet demand more appropriately;
• reduce unwarranted variation in clinical quality and efficiency;
• estates, infrastructure, capital, and clinical support services;
• cut the costs of corporate services and administration;
• collect income the NHS is owed; and
• financial accountability and discipline for all trusts and CCGs.
There’s a LOT of unwarranted variation to go at

- A 25-fold variation in anti-dementia drugs prescribing rates across England
- Patients with Type 2 diabetes are twice as likely to receive the highest standard of care in some areas of England in comparison to others
- There is an eight-fold variation in the range of patients receiving angioplasty treatment for a severe (STEMI) heart attack - this variation may be due to long travel times to reach patients living in rural areas.
Smart phone plug-ins

Connected devices

Wearable sensors

The Digital Patient Kit 2017

Platforms & Condition Specific Apps
Low Value Prescription items

• With clinicians and CCGs, NHS England is developing New guidance to substantially save NHS expenditure on low value prescriptions that absorb millions of NHS funding every year and could be spent on care which has a bigger impact on improving outcomes for patients.
• Initial Guidelines will focus on a set of 10 medicines which are ineffective, unnecessary, inappropriate for prescription on the NHS, or indeed unsafe, and that together cost the NHS £128m per year.
• Further work will consider other medicines which are of relatively low clinical value or priority or are readily available ‘over the counter’ and in some instances, at far lower cost e.g treatment for coughs and colds, antihistamines, indigestion and heartburn medication and sun cream.
Personalisation?

- 148 people have chosen a PHB to date

- **Warrington EOLC Examples**
  
  - 100% of people chose to develop their support in a different way to the ‘traditional’ offer
  
  - 83% of people involved in the pilot were able to die in their place of choice (Control group at 26%)
  
  - 100% of PHBs were more cost effective than the traditional offer and were developed around individual needs and preferences
  
  - Typically, 1 week’s cost of a traditional ‘at home’ service funded 6 weeks’ support under a PHB
Thank you