Better Value in the NHS

David Prior
Parliamentary Under Secretary of State for NHS Productivity

7 July 2015
The Challenge

What keeps me awake at night

£30bn
Funding gap

£22bn
Efficiencies

£8bn
Extra funding

“I don’t think that in the medium term there is any dichotomy between pursuing quality and pursuing efficiency because high quality care is more efficient; you get it right first time”
Dr Bill Kirkup
"We make no apology for framing the (£22 billion) challenge as being to improve value rather than to make cuts, because only in this way will it be possible to engage clinicians and other staff in the work that needs to be done."

The Kings Fund, *Better Value in the NHS*, June 2015

“Quality should be the primary consideration for change, not finance. Improving the quality of care is what unites all staff working in the NHS, from front line to support functions.”

Health Foundation, *Shaping the Future*, June 2015
Leading causes of failure:
- Finance
- Poor staff engagement (& clinical alignment)
- Defensive, inward looking culture
- Isolation – geographic & intellectual
- Weak & changing leadership

Ending the crisis in NHS Leadership: A Plan for Renewal
- Blame & churn
- Regulatory burden
- Exposure
- Mentoring & continuing support
- Attracting clinicians into management: the dark side
- Too many organisations: thinly spread
- Complexity: assurance & consultation
- Remuneration
- System leadership
A just culture is required; not a blame free or blame culture

The Berwick Report

“Fear is toxic to both safety & improvement”

“Abandon blame as a tool... trust the goodwill and intentions of staff”

“Make sure pride and joy in work, not fear, infuse the NHS”

“Embrace wholeheartedly an ethic of learning”

“Recognise that transparency is essential”

“Misconduct can occur and it deserves censure”
The key indicators for quality also apply to efficiency

**Staff experience**
- Good communication between staff & senior managers
- Incident reporting is fair & effective
- Happy to work and/or be treated
- Management & clinical alignment
- Good training opportunities

**Order & flow**
- Cancelled operations
- A&E waiting times
- Ambulance waits at hospital
- Delayed discharge

**Patient Experience**
- Patient satisfaction (FFT)
- Trust in doctors
- Introduction to midwife

**Science of subjectivity**
- Complaints
- Concerns
- Patient narratives
Paths to productivity

Productivity

Workforce
Estates
Back/Mid-Office
Purchasing
Flow & Clinical Pathways
Medicines Management

Improvement
Leadership

Technology

Capital

Political Consensus

Best World Practice

Regulation & top-down performance management

Colleague Engagement

New Care Models

Intelligent Transparency

Best World Practice
Intelligent transparency

Forcing improvement – using hard levers of regulation

Encouraging improvement – using soft levers of information, ratings, system overview, best practice etc.

Aligned improvement support from Monitor & TDA

Better data, peer review and spotting the opportunity

CQC Ratings:
Adult social care services

- 18 (1%) Outstanding
- 1,477 (58%) Good
- 804 (32%) Requires Improvement
- 241 (9%) Inadequate
## Illustrative ratings grids – two neighbouring trusts

<table>
<thead>
<tr>
<th>Service</th>
<th>Safe</th>
<th>Effective</th>
<th>Caring</th>
<th>Responsive</th>
<th>Well-led</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Accident &amp; Emergency</strong></td>
<td>Outstanding</td>
<td>Inspected but not rated</td>
<td>Good</td>
<td>Outstanding</td>
<td>Outstanding</td>
<td>Outstanding</td>
</tr>
<tr>
<td><strong>Medical care</strong></td>
<td>Good</td>
<td>Good</td>
<td>Outstanding</td>
<td>Outstanding</td>
<td>Outstanding</td>
<td>Outstanding</td>
</tr>
<tr>
<td><strong>Surgery</strong></td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Outstanding</td>
<td>Outstanding</td>
<td>Outstanding</td>
</tr>
<tr>
<td><strong>Intensive/ critical care</strong></td>
<td>Outstanding</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td><strong>Maternity &amp; family planning</strong></td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td><strong>Services for children &amp; young</strong></td>
<td>Requires Improvement</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td><strong>End of life care</strong></td>
<td>Good</td>
<td>Outstanding</td>
<td>Outstanding</td>
<td>Outstanding</td>
<td>Outstanding</td>
<td>Outstanding</td>
</tr>
<tr>
<td><strong>Outpatients</strong></td>
<td>Good</td>
<td>Inspected but not rated</td>
<td>Good</td>
<td>Outstanding</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td><strong>Overall</strong></td>
<td>Good</td>
<td>Good</td>
<td>Outstanding</td>
<td>Outstanding</td>
<td>Outstanding</td>
<td>Outstanding</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service</th>
<th>Safe</th>
<th>Effective</th>
<th>Caring</th>
<th>Responsive</th>
<th>Well-led</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Accident &amp; Emergency</strong></td>
<td>Requires Improvement</td>
<td>Inspected but not rated</td>
<td>Requires Improvement</td>
<td>Inadequate</td>
<td>Requires Improvement</td>
<td>Requires Improvement</td>
</tr>
<tr>
<td><strong>Medical care</strong></td>
<td>Inadequate</td>
<td>Requires Improvement</td>
<td>Requires Improvement</td>
<td>Inadequate</td>
<td>Requires Improvement</td>
<td>Inadequate</td>
</tr>
<tr>
<td><strong>Surgery</strong></td>
<td>Inadequate</td>
<td>Good</td>
<td>Requires Improvement</td>
<td>Inadequate</td>
<td>Inadequate</td>
<td>Inadequate</td>
</tr>
<tr>
<td><strong>Intensive/ critical care</strong></td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Requires Improvement</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td><strong>Maternity &amp; family planning</strong></td>
<td>Inadequate</td>
<td>Requires Improvement</td>
<td>Requires Improvement</td>
<td>Requires Improvement</td>
<td>Inadequate</td>
<td>Inadequate</td>
</tr>
<tr>
<td><strong>Services for children &amp; young</strong></td>
<td>Inadequate</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td><strong>End of life care</strong></td>
<td>Requires Improvement</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Requires Improvement</td>
<td>Good</td>
</tr>
<tr>
<td><strong>Outpatients</strong></td>
<td>Requires Improvement</td>
<td>Inspected but not rated</td>
<td>Good</td>
<td>Inadequate</td>
<td>Requires Improvement</td>
<td>Requires Improvement</td>
</tr>
<tr>
<td><strong>Overall</strong></td>
<td>Inadequate</td>
<td>Requires Improvement</td>
<td>Requires Improvement</td>
<td>Inadequate</td>
<td>Inadequate</td>
<td>Inadequate</td>
</tr>
</tbody>
</table>
Carter Review & Operational Productivity

Reducing Variation

Roster management

• “In England we have some of the best hospitals in the world”

• We can “lift hospital efficiency to a consistently high standard” and reduce variation

• Savings of up to £5bn pa. But we can go further than this, e.g. workflow and new ways of working

• Historic lack of data and metrics to measure relative performance – Adjusted Treatment Index

• Defining what a model hospital could look like in terms of operational productivity and cost.

• "No magic wand....systematic and sustained hard work"
New ways of working and international best practice

New ways of working – best world practice

Vertical Integration

1. Remote triage/referral
2. Mini clinics in retail stores
3. Social marketing program of PSI
4. Hospital Chains
5. VA: Integrated primary care units
6. Mauritania: 50 global locations
7. Franchise network of stores
8. Valencia: Integrated HC
9. Franchise network of stores
10. Training for reproductive health clinics
11. Low-cost hospital chain
12. Innovative emergency response model
13. Remote advice and mobile care solution
14. High-volume, low-cost heart surgery hospital
15. Midwife led, low-cost maternal care
16. Low-cost eye-care solution
17. Social marketing program for reproductive health
18. Training for reproductive health clinics
19. Real-time weighing and diagnosis
20. Kaiser Permanente
21. Veteran’s Health Administration
22. Co-operative medical system
23. Low-cost eye-care solution
24. Hospital Chains

Horizontal Integration

Quality at low cost
Best world practice – at home and abroad

UK: values & universality
USA: research & development
India: innovation, flair & speed
Singapore: information, communication & technology
France: choice
Japan: elderly care
Scandinavia: prevention & health promotion
Africa: patient & community empowerment
Australia: mental health & wellbeing
Israel: primary care
Brazil: community services

High quality and volume at low cost: Aravind, India
- A quality high-volume care model for eye care, with low costs and innovative practices
- Applies principles of mass marketing and industrial engineering to meet patient needs

Vertical Integration: Valencia, Spain
- Fully integrated delivery model covering primary, secondary and long-term care
- Allows self-selection of care across region
- Simple IT, powerful incentives, and strong customer focus to deliver high quality, low cost, seamless integration across locations

World class, closer to home
- Great Ormond Street
- Queens Square
- Royal Marsden
- Moorfields
- UCL Partners
- Salford / Frimley Park
...and many more!
A new sense of direction

- Colleague Engagement → Less blame, more trust
- Leadership → Bigger role for clinicians
- Learning Organisation → Listen to colleagues & patients
- Truth to Power → Honest reporting & feedback
- Intelligent Transparency → Peer review, patient choice
- Regulation to Improvement → Skill not will
- Best in the World → Innovation, new ways of working

A Just Culture