NHS Commissioning Board

Barbara Hakin Webex

* The Webex will begin shortly.

* Please do not un-mute your telephone at any point during the Webex

* Please send your questions for Dame Barbara at any time during the Webex using the chat box on your screen. Please select the ‘everyone’ option when submitting your questions

THE NHS CONSTITUTION
the NHS belongs to us all

NHS Commissioning Board

Everyone Counts

Planning for Patients 2013/14

18 December 2012

THE NHS CONSTITUTION
the NHS belongs to us all

NHS
Commissioning Board

EVERYONE COUNTS: PLANNING FOR PATIENTS 2013/14

THE NHS
CONSTITUTION
the NHS belongs to us all

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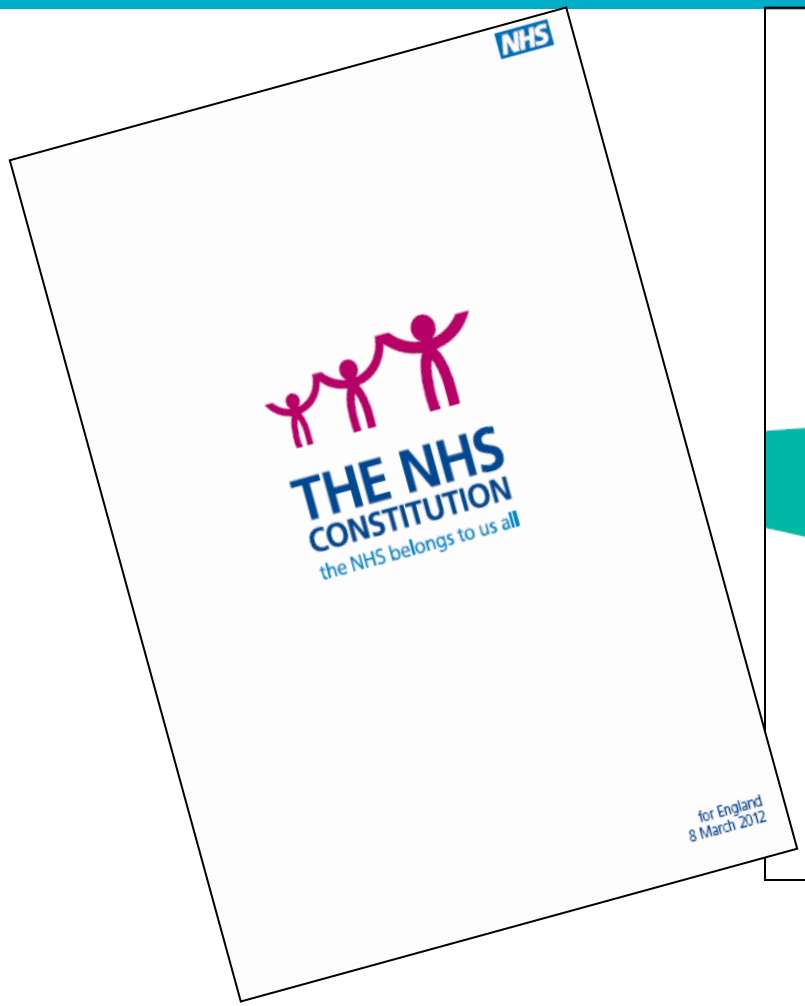
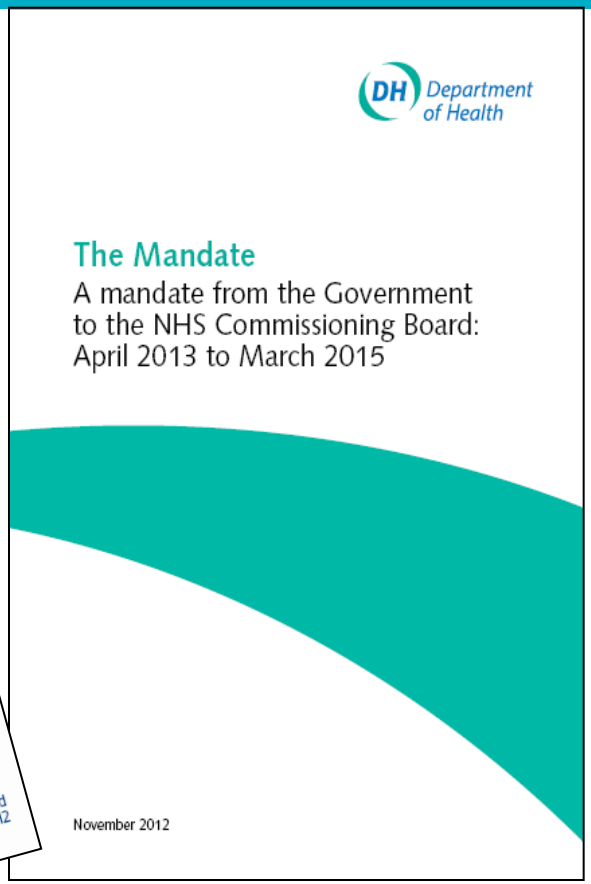
Planning for 2013/14





NHS Commissioning Board

What the NHS Commissioning Assembly told us

Vision ▪ To be medium term and long term ▪ To enable local leadership and ownership ▪ Based on principles so we can work the detail out locally	**Transparency** ▪ Of outcomes across providers ▪ In the conversation with the public ▪ In setting standards ▪ More subjective quality measures as well
Tools to do the job ▪ Investment in technology ▪ Ability to stratify risk ▪ Funding flows ▪ Flexibility for local vertically integrated tariff	**Partners** ▪ Clarity on responsibilities in the system ▪ Alignment with the priorities for FTs ▪ Enable mutual accountability ▪ Make sense in local context, for local government

NHS Commissioning Board

Listening to patients

- **The rights of patients set out in the NHS Constitution are vital. They must be delivered.**

- **Customer convenience - the NHS will move to providing seven days a week access to routine healthcare services.**

- **Real-time experience feedback from patients and carers by 2015.**

- **A Friends and Family Test to identify whether patients would recommend their hospital to those with whom they are closest. This will be introduced for all acute hospital in patients and A&E patients from April 2013 and maternity services from October 2013. Further roll out thereafter. Will be part of CQUIN and Quality Premium.**

NHS Commissioning Board

Focusing on outcomes

Publication of consultant-level outcome data covering mortality and quality for ten surgical and medical specialties:

- adult cardiac surgery;
- interventional cardiology;
- vascular surgery;
- upper gastro-intestinal surgery;
- colorectal surgery;
- orthopaedic surgery;
- bariatric surgery;
- urological surgery;
- head and neck surgery; and
- thyroid and endocrine surgery.

NHS Outcomes Framework will now inform NHS planning. Commissioners will be expected to prioritise and make improvements against all indicators.

NHS Commissioning Board

Rewarding excellence

- **Continued financial and related levers and enablers for clinical commissioning groups to use when commissioning for better patient outcomes.**
- **A Quality Premium for clinical commissioning groups who secure quality improvement against certain measures from the NHS Outcomes Framework**
- **Support for clinical commissioning groups to define their local QIPP challenge and set milestones.**
- **CQUIN payments only available to providers who meet the minimum requirements concerning the high-impact innovations, as set out in *Innovation, Health and Wealth*.**
- **During 2013/14, a fundamental review of the incentives, rewards and sanctions available to commissioners to drive improvements in care quality.**

NHS Commissioning Board

Rewarding excellence

- **NHS Standard Contract to require all NHS providers to submit data sets that comply with published information standards.**
- ***Care.data* - a modern knowledge service for the NHS will provide commissioners with timely and accurate data.**
- **We will guarantee every patient the opportunity of online access to their own primary care medical record by the spring of 2015 and we will consult, by June 2013, on plans for provision of patient access to interoperable records across the pathway of care.**
- **To ensure that clinical commissioning groups have the information they need to make informed decisions about secondary care and enable commissioning for integrated care, we will collect a core set of clinical data from GP practices for 2013/14. This will support clinical commissioning groups' analysis of outcomes along patient pathways, while maintaining patient confidentiality. This dataset is published alongside this planning framework.**

NHS Commissioning Board

Everyone Counts: 4 inter-related sections

Context

- 5 offers from Board
- 3 lenses to view planning & delivery

Improving outcomes & quality

- NHS Outcomes Framework
- NHS Constitution
- Financial Control
- QIPP

Tools & levers

- NHS Standard Contract
- Quality Premium
- CQUIN
- Financial / business rules

Planning timetable

- Who needs to do what by when
- Supporting Area Director assurance of plans

NHS Commissioning Board

The planning process 2013/14

- **The mandate sets the strategic framework within which we will discharge our responsibilities.**
- **To deliver all our objectives through the planning process we will:**
  - **work together with NHS commissioners to drive and define improvements in patient services; and**
  - **ensure commissioners have the means to make changes that maximise patient benefit.**

NHS Commissioning Board

An outcomes approach

2013/14 is the first year of a reformed health service where greater local control of decision making will lead to better patient outcomes and service improvements by:

- **securing better outcomes for patients as defined by the five domains of the NHS Outcomes Framework; and**
- **upholding the rights and pledges in the NHS Constitution.**

We will not be asking anything of local commissioners that is not being asked of the NHS Commissioning Board or set out in statute.

NHS Commissioning Board

Patient-centred, customer focused

Working towards "assumed liberty" for local commissioning to create a patient centred service.

The planning guidance addresses two key challenges:

- ***Guaranteeing no community is left behind or disadvantaged*** **– focusing on reducing health inequalities and advancing equality in its drive to improve outcomes for patients; and**
- ***Treating patients respectfully as customers and putting their interests first*** **– transforming the service offer of the NHS to take control and make more informed choices.**

NHS Commissioning Board

Five offers from the Board

- **NHS services, seven days a week**
- **More transparency, more choice**
- **Listening to patients and increasing their participation**
- **Better data, informed commissioning, driving improved outcomes**
- **Higher standards, safer care**

NHS Commissioning Board

Offer 1: NHS services, seven days a week

- **Move towards routine NHS services being available seven days a week, offering more patient-focused services; and**
- **Offers opportunities to improve clinical outcomes and reduce costs.**

NHS Commissioning Board

Offer 2: More transparency, more choice

- **It is critical for patients and commissioners to understand the quality of services being delivered in hospitals and other healthcare settings.**
- **Development of methodologies (overseen by National Medical Director) for casemix comparison and survival rates from national clinical audits for consultants practising in a number of specialties.**

NHS Commissioning Board

Offer 3: Listening to patients and increasing their participation

- **Expectation that commissioners will work with providers to put in place mechanisms for capturing real-time patient and carer feedback.**
- **Introduction of Friends and Family test from April 2013 for inpatients of acute hospitals and A&E, and Maternity services from October 2013.**
- **Commissioners are expected to work with local Health and Wellbeing Boards and Healthwatch to ensure plans for patient and public involvement match local expectations.**

NHS Commissioning Board

Offer 4: Better data, informed commissioning, driving improved outcomes

- **Drive to improve information systems and integration, to provide high quality data**
- **Clinical data for secondary care (to be consulted)**
- **NHS Standard Contract sanctions for quality and completeness of data in Secondary Uses Services (SUS)**

NHS Commissioning Board

Offer 5: Higher standards, safer care

- **Relevant recommendations will be included in our assurance of clinical commissioning groups following publication of the Winterbourne View Hospital report and forthcoming Mid Staffordshire NHS Foundation Trust inquiry report**
- ***Compassion in practice* sets out actions to maximise roles and expertise for nurses, midwives and care staff to deliver improved outcomes for patients**
- **Medical revalidation to ensure that all doctors are fully licensed and fit to practice**

The three lenses

There are three inter-related lenses through which planning can be viewed:

- **Local area based planning;**
- **Clinical commissioning group organisational planning; and**
- **Direct commissioning by the NHS Commissioning Board**

NHS Commissioning Board

A patient centred approach

Viewed through three lenses:

Area:

- CCGs and the Board (through Area Teams) as key partners on the Health & Wellbeing Board
- Board is well placed to provide information and support to determine local priorities based on local need
- But we won't performance manage the outcomes of these discussions nationally – we will be a strong player (with CCGs)

The CCG:

- As well as local priorities, each CCG asked to deliver its statutory responsibilities around quality improvement (ie delivery of the NHS Outcomes Framework and NHS Constitution) within financial allocations
- Assured by the Area Team
- Clinically led and locally responsive

Direct Commissioning:

- How the Board ensures the best return for patients from its £26 billion of commissioning
- Primary and dental care, optical services
- Specialised services
- Some public health services
- Offender health
- Veterans' health

Key role for the Board's Area Teams to secure the best outcomes for patients through each of the lenses

NHS Commissioning Board

Joined up local planning

Making the best use of resources through integration of provision around the needs of the service user should drive local priorities.

- **local communities will drive NHS planning;**
- **the new Health and Wellbeing Boards will create a close partnership between the NHS and local authorities;**
- **the partners will have a key role in developing and supporting reconfiguration ensuring safe and sustainable services for patients;**
- **the Joint Strategic Needs Assessment and Joint Health and Wellbeing strategy will determine locally what needs to be done to support better outcomes for patients; and**
- **clinical commissioning groups and the NHS Commissioning Board area teams will have members on each Health and Wellbeing Board.**

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Planning to meet responsibilities

Each clinical commissioning group will need to satisfy itself that it is maintaining its statutory duties to improve quality of services by:

- **reducing inequalities;**
- **obtaining appropriate professional advice;**
- **ensuring public involvement;**
- **meeting financial duties; and**
- **taking account of the local Joint Health and Wellbeing Strategy.**

NHS Commissioning Board

Direct Commissioning

The NHS Commissioning Board will directly commission the following services:

- **primary medical, dental, pharmacy and optical services and other dental services;**
- **specialised services;**
- **some specific public health screening and immunisation services;**
- **services for members of the armed forces; and**
- **services for offenders in institutional settings.**

NHS Commissioning Board

Improving outcomes, reducing inequalities: our responsibilities

To support clinical commissioning groups and our own commissioning to improve outcomes.

We have identified a number of outcome and delivery measures that commissioners can use.

This approach is informed by the mandate that asks us to oversee improvements against:

- **NHS Outcomes Framework;**
- **maintaining the right and pledges under the NHS constitution within allocated resources; and**
- **with a view to meeting the QIPP challenge.**

NHS Commissioning Board

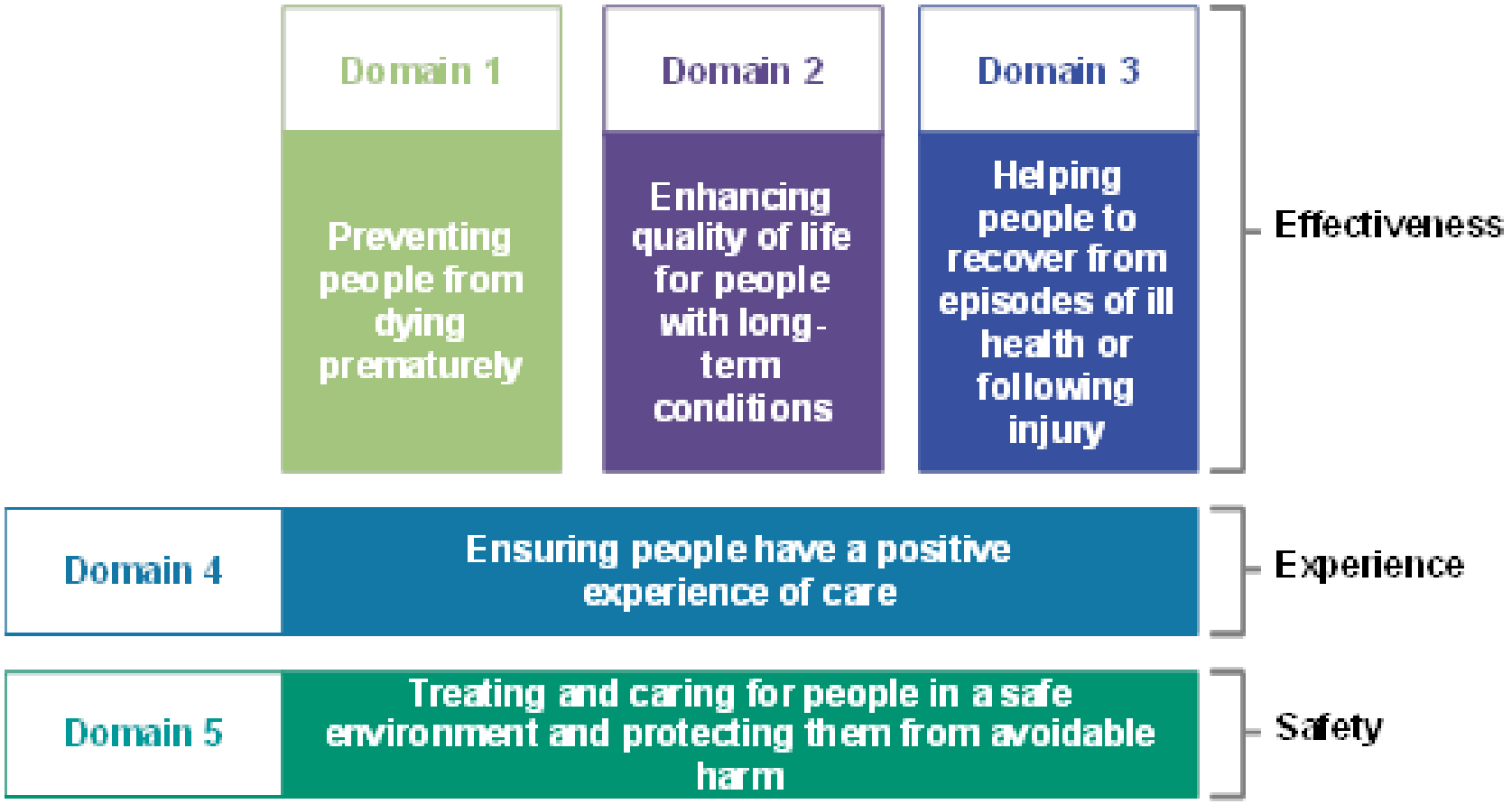
Improving outcomes

- **The five domains of the NHS outcomes framework will help tackle inequalities and advance equality; and**
- **improve the quality of care for patients and outcomes for the people of England.**

NHS Commissioning Board

NHS Outcomes Framework

- **Improving outcomes unites us as commissioners:**



Patients rights: the NHS Constitution

- **We expect the rights and pledges from the NHS Constitution 2013/14 (subject to current consultation) including the thresholds the NHS Commissioning Board will take when assessing organisational delivery.**
- **The delivery of NHS Constitution rights and pledges on waiting times will be taken into account in determining Quality Premium payments for clinical commissioning groups.**

NHS Commissioning Board

Planning to improve outcomes

- **Eliminating long waiting times – zero tolerance on 52+ week waits**
- **Urgent & emergency care – better turnaround times for ambulances**
- **Reducing cancellations – penalties in contract**
- **Mental health – completion of improving access to psychological therapies (IAPT) rollout**

NHS Commissioning Board

Financial control

- **Financial forecast outturn and performance against plan**
- **An assessment of the range of risk inherent in plans and mitigation strategies**
- **Underlying financial position after adjusting for non-recurrent items**
- **Triangulation of spend and activity between commissioning and provider plans**
- **Delivery of running cost targets**

NHS Commissioning Board

Financial planning

The income allocated to clinical commissioning groups and NHS Commissioning Board direct commissioners will be published alongside the planning guidance.

Details to include:

- **surplus policy;**
- **managing risk;**
- **planning assumptions; and**
- **integrated care.**

NHS Commissioning Board

Financial planning

We want to promote strong and autonomous clinical commissioning groups. In doing so, we want them to regard their financial resources as the means to secure better patient outcomes, rather than numbers to feed into technical accounting mechanisms. They should set an annual budget against their plan and ensure that they operate within it throughout the year. As such, we will expect strong clinical commissioning group financial accountability with greater scrutiny in those cases where our approach to risk management has identified that more regular or in depth financial reporting is needed. The key measures are:

- financial forecast outturn and performance against plan;
- an assessment of the range of risk inherent in plans and mitigation strategies;
- underlying financial position after adjusting for non-recurrent items;
- triangulation of spend and activity between commissioning and provider plans; and
- delivery of running cost targets.

NHS Commissioning Board

Financial planning (cont…)

- **Each commissioning organisation should plan for cumulative surplus of 1% at end of 13-14 (including historic surplus not drawn down);**
- **Historic surpluses and deficits at 31 March 2013 from PCTs will be attributed to CCGs and NHS CB pro rata;**
- **Commissioners should plan to be in 2% recurrent surplus by the end of 13-14;**
- **All commissioning organisations to set aside 2% for non recurrent expenditure in 13-14. CCGs should only commit against this following approval from NHS CB;**
- **CCGs must have appropriate risk management and pooling arrangements;**
- **CCGs asked to hold at least 0.5% contingency to mitigate local health economy risks;**
- **CCGs will manage and administer the £300m per annum reablement provision;**
- **Individual running cost allowances for CCGs already published in line with national £25/head;**
- **National provider efficiency requirement for 13-14 tariff is 4%. Estimated provider inflation 2.7%. Net tariff adjustment -1.3%;**
- **30% marginal tariff for non-electives to continue. Commissioners should budget for 100%. NHS CB will administer the balance working in partnership with CCGs and Providers**

Summary of Mandate Funding 2013-14

NHS Commissioning Board

	£m	£m
Programme Costs	£88,040	
Running Costs	£2,014	
Social Care	£859	
Central Commitments/ Reserves	£1,023	
TOTAL FUNDING 2013-14		**£91,936**
Technical Allocations		
Annually Managed Expenditure	£300	
Technical Accounting	£360	
TOTAL TECHNICAL ALLOCATIONS 2013-14		**£660**
Carry Forward 2012-13	£1,184	
Public Health Section 7a	£1,843	
TOTAL OTHER ALLOCATIONS 2013-14		**£3,027**
TOTAL MANDATE FUNDING 2013-14		**£95,623**
Mandate as per v37		£95,623

This represents a 2.6% uplift compared to 12-13 baseline

Allocation of mandate sum 2013-14

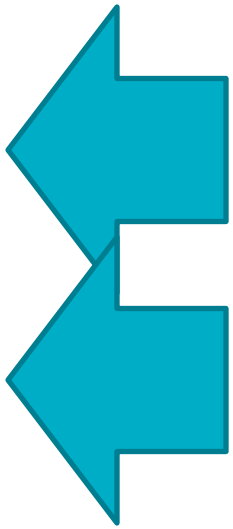
NHS Commissioning Board

	2012-13 Adjusted Baseline £m	Uplift %	Uplift £m	2013-14 £m
Funding for Local Health Economy Commissioning	£63,888	*2.6%*	£1,671	£65,559
Funding for National Commissioning	£24,711	*2.6%*	£642	£25,354
Funding for Other Commitments	£1,007	*1.6%*	£16	£1,023
TOTAL CORE FUNDING	**£89,606**	**2.6%**	**£2,330**	**£91,936**
Other Allocations				£3,687
TOTAL 2013-14 ALLOCATION				**£95,623**

CCG Distribution

NHS Commissioning Board

	2012-13 Adjusted Baseline £m	Uplift %	Uplift £m	2013-14 £m
Funding for Local Health Economy Commissioning				
CCGs				
Secondary & Community	£52,553			
Prescribing	£8,320			
Other	£1,058			
TOTAL	£61,931	*2.3%*	£1,424	£63,355
Running Costs	£1,335	*0.7%*	£10	£1,345
TOTAL CCG	**£63,266**	***2.3%***	**£1,434**	**£64,700**
Local Authorities				
Social Care	£622	*38.1%*	£237	£859
TOTAL LOCAL HE COMMISSIONING	**£63,888**	***2.6%***	**£1,671**	**£65,559**



NHS Commissioning Board

Allocations

- **The NHS Commissioning Board has concluded that the formula proposed by the *Advisory Committee on Resource Allocation (ACRA)* accurately predicts the future spending requirements of CCGs based on the pattern of need as it is being met from that particular budget.**

- **But it is concerned that use of the formula on its own to redistribute funding would predominantly have resulted in higher growth for areas that already have the best health outcomes compared to those with the worst. On the face of it, this appears inconsistent with the NHS Commissioning Board's public purpose to improve health outcomes for all patients and citizens and reduce health inequalities.**

- **It will therefore conduct an urgent, fundamental review of the approach to allocations, drawing on the expert advice of *ACRA* and involving all partners whose functions impact on outcomes and inequalities. It will be completed in time for initial conclusions to inform 2014/15 allocations.**

- **In the mean time, it has opted for an above real terms uniform increase in funding to all CCGs that will give these new organisations stability in their first year.**

NHS Commissioning Board

QIPP

- **Clinical commissioning groups must take ownership of local plans.**
- **Cost improvements in providers must have explicit clinical agreement from the Trust's Medical and Nursing Directors.**
- **Area Directors must be active in overseeing clinical commissioning group agreement to cost improvements.**
- **We must use all the tools available to us: National Quality Dashboard, NHS Safety Thermometer, staff and patient views – and act quickly where there is doubt.**

Quality and patients' safety must not be compromised as we seek out efficiencies.

NHS Commissioning Board

Tools and levers to support commissioning

To secure better outcomes for patients we will provide a number of financial and related levers that commissioners can use in their overarching strategies:

- **the NHS Standard Contract;**
- **Quality Premium;**
- **Commissioning for quality and innovation (CQUIN); and**
- **Financial and business rules.**

Standard Contract

Commissioners must use sanctions if they are not satisfied over the completeness and quality of a provider's data on the Secondary Uses Service (SUS).

We will work with clinical commissioning groups and providers to develop comprehensive clinical data for secondary care. We will expect secondary care providers to be able to account for the outcomes of all patients they treat and to adopt modern, safe standards of electronic record keeping by 2014/15. In 2013/14 we will expect secondary care providers to comply with data collections that have been approved by the Information Standards Board.

The NHS Commissioning Board will produce advice by 31 March 2013 on what a high quality data set should look like and ask each clinical commissioning group to identify its own strategy in the light of our advice by 30 September 2013.

Will be an e-Contract format

NHS CB will oversee fundamental review of incentives, rewards and sanctions during 2013/14.

NHS Commissioning Board

Continuity of care

- **Commissioner Requested Services are services that will be considered for protection should a provider fail. Monitor will publish guidance for commissioners to follow to ensure that key NHS services remain available for patients if a provider experiences serious financial difficulty.**

- **As part of the Continuity of Service framework, commissioners will decide which services should be designated Commissioner Requested Services. Providers of Commissioner Requested Services will be subject to additional licence conditions in the proposed NHS provider licence.**

- **Initially, all services offered by NHS foundation trusts that were previously identified in their terms of authorisation as "mandatory services" will automatically be classified as Commissioner Requested Services.**

NHS Commissioning Board

CQUIN

- 2.5% of contract value
- 2% locally determined, 0.5% linked to national goals (where applicable)
- National CQUINs
    - Friends and Family test
    - NHS Safety Thermometer (excluding VTE) particularly pressure sores
    - Improving dementia care
    - Venous thromboembolism
- Payments will only be made if minimum requirements set out in “Innovation, Health and Wealth" are met

NHS Commissioning Board

CCG outcomes indicator set

- **Previously Commissioning Outcomes Framework**

- **The Clinical Commissioning Group Outcomes Indicator Set (CCG OIS) includes NHS Outcomes Framework indicators that can be measured at clinical commissioning group level and additional indicators developed by NICE and the Health and Social Care Information Centre. These indicators are published alongside this guidance and will provide clear, comparative information for clinical commissioning groups, Health and Wellbeing Boards, local authorities and patients and the public about the quality of health services commissioned by clinical commissioning groups and the associated health outcomes. They will be useful for clinical commissioning groups and Health and Wellbeing Boards in identifying local priorities for quality improvement and to demonstrate progress that local health systems are making on outcomes. The CCG OIS have been selected on the basis that they help contribute to better outcomes across the five domains of the NHS Outcomes Framework**

NHS Commissioning Board

Quality premium

- Will be paid in 2014-15 for improvements in 2013-14

- Four national measure
  - Years of life lost from health care amenable causes
  - Avoidable emergency admissions
  - Friends and family test
  - HCAI

- Three locally agreed measures

- Access to QP will depend on remaining within approved Resource Limit and achieving key NHS Constitution Rights

- QP will not be paid where there is significant in year quality failure

NHS Commissioning Board

Planning and assurance

We will support clinical commissioning groups to ensure that every plan is as strong as it can be.

The approach aims to:

- **strike a balance between local determination and priorities; and**
- **to ensure that statutory requirements around improving quality and financial duties are being met.**

No specific targets are being set for improvement of those indicators contained in the NHS Outcomes Framework, other than a defined level of reduction in *Clostridium difficile* infections.

NHS Commissioning Board

Planning and assurance

We expect clinical commissioning groups to:

- **develop their own local priorities through their input into the Joint health and wellbeing strategy;**
- **set out real levels of ambition in plans; and**
- **support local prioritisation by identifying three local priorities* against which it needs to make progress during the year.**

***These priorities will form part of assurance for each clinical commissioning group and will be taken into account when determining whether a reward will be offered via the Quality Premium.**

NHS Commissioning Board

The three lenses approach

The planning and assurance approach reflects the three lenses:

- ***local area based planning*** **– each Health and Wellbeing Board is expected to determine and oversee delivery of local priorities.**
- ***clinical commissioning group organisational planning*** **– each clinical commissioning group to monitor progress against each of the measures set out in the planning guidance (section 2).**
- ***direct commissioning by the NHS commissioning board*** **– we will publish assessments of our own performance and be transparent about any failings and our response to them.**

NHS Commissioning Board

Planning timetable

We will review local improvement identified by clinical commissioning groups against the measures referred to:

i) deliver the mandate; and

ii) be satisfied that clinical commissioning groups are making sufficient contribution to quality improvement within allocated resources.

Clinical commissioning groups to produce clear and credible plans for 2013/14.

Sharing data and planning assumptions with NHS commissioning board area teams.

Both parties to be satisfied that the plans secure best possible outcomes for patients.

NHS Commissioning Board

Next Steps

- First cut of clinical commissioning group plans in January
- Iterative discussion between clinical commissioning groups and Area Directors
- Area Directors are the Board – to lead the planning process and provide definitive advice to clinical commissioning groups
- All contracts to be signed by end of March: clinical commissioning groups and NHS Commissioning Board
- Contract arbitration only available as a last resort – clinical commissioning groups and providers must live up to their new responsibilities

Operational arrangements

18 Month Cycle – 4 Phases

- **Planning**
- **Contracting**
- **In year delivery**
- **Year end assurance and accountability**

NHS Commissioning Board

Content for formal submission

- **Plan on a page - narrative and overview**
- **Template commitment to NHS Constitution & mandate commitments**
- **Trajectories for locally selected outcome framework priorities**
- **Financial templates**
- **Activity trajectories for 4 key measures, elective FFCEs, non-elective FFCEs, first OPs and A&E attendances**
- **Clinical commissioning group assurance of provider CIPS**

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Additional local content

- **Narrative based on clear and credible plans**
- **Larger suite of activity measures and trajectories**
- **QIPP transformational milestones**
- **Quality indicators based on national dashboard**
- **Ongoing quality assurance of provider CIPs**
- **Other indicators including workforce**
- **Patient, public insight and experience**

Assurance process

- **Co-commissioning**
- **Formal submissions**
- **Face to face discussion**
- **Intelligence – current delivery and trends**
- **Joint risk assessment**
- **Development and support**

NHS Commissioning Board

Support in planning

Based on assumed liberty intervention during the planning round will be an exception but may be required in the following circumstances:

- **clinical commissioning groups where there are conditions of authorisation on planning and/or finances;**
- **there are significant financial or quality problems;**
- **there is to be a major service reconfiguration that requires multi-commissioner commitment; and**
- **clinical commissioning groups volunteer – say, because they are not confident of producing a plan that resolves all the issues they face.**

NHS Commissioning Board

Agreement to plans

- **Dialogue phase will result in refinement and improvement**
- **Plans will be assumed as agreed on submission of formal content**
- **Exceptions apply based on intervention principles which requires Area Director agreement before sign-off by governing bodies**

NHS Commissioning Board

In year delivery

Work in progress to involve Area Directors and clinical commissioning groups.

Guidance to be agreed ahead of commencement of new year in April 13.

Guidance to include:

- **in-year monitoring and assurance;**
- **System-wide, clinical commissioning groups, Direct Commissioning;**
- **Intervention and Escalation;**
- **recovery and support.**