Deep Dive – Products to Support the Fixed Element

Please go to www.menti.com and use code 9643 0354

Introductions

- Alastair Brett: Senior Engagement Manager
- Helen Mytton-Mills: Payment Policy Manager
- Benjamin Butterworth: Senior Analyst

- Products can be accessed via Future NHS: Products and Tools to support the Fixed Payment - Payment system and costing support - FutureNHS Collaboration Platform

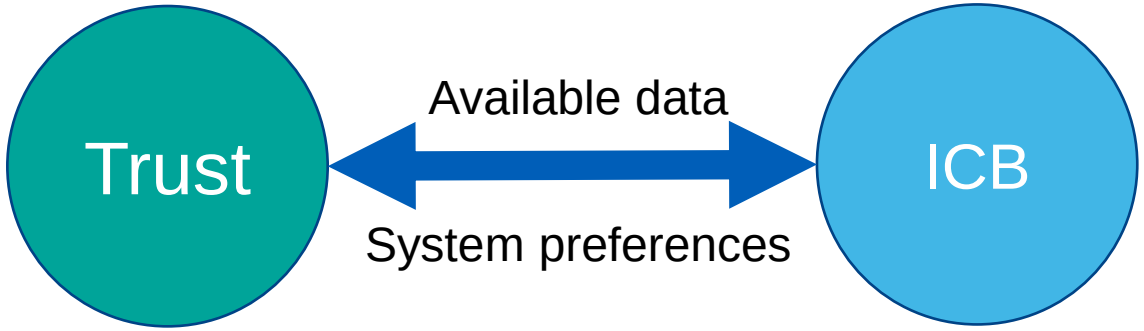
- Please access www.menti.com and use the code 9643 0354

Draft development timeline

NHS payment scheme
Engagement and gathering feedback on potential policies **July 2022**
Further engagement on specific policies and future payment system development **September 2022**
Consultation on proposed NHS payment scheme (potentially alongside planning guidance) **October/November 2022**
Publication of final 2023/25 NHS payment scheme (subject to consultation) **February 2023**
2023/25 NHS payment scheme takes effect **1 April 2023**

Fixed element – overview

- The fixed element should be based on a **forward-looking assessment** of the suitable level **of payment required** to deliver the activity identified in the **system plan**.
- Payment scheme rules would **not specify** how the fixed payment should be calculated.
- It will need to be agreed between the provider and commissioner and will depend on available data and local system preference. This should include consideration of previous years' income and adjustments for service transformation, inflation, efficiency, etc.



- A whole system planning approach is expected to be used when setting the fixed element.

Information to support fixed payments

- While there would not be a nationally prescribed approach to setting the fixed element, we expect to produce some national data that should be considered when agreeing these payment levels.
- These data would be shared through various tools, which are currently being developed (and available on FutureNHS for feedback). These include:

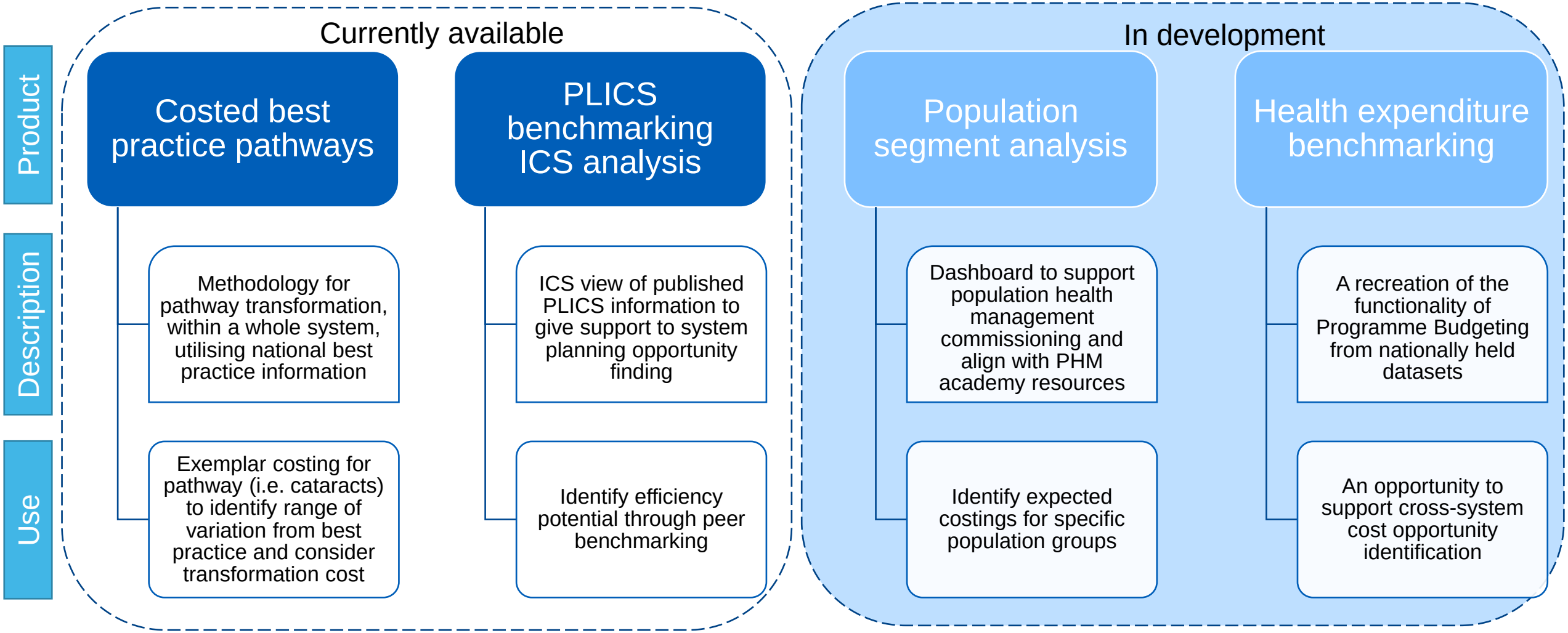
PLICS analysis – gives an ICS view of published PLICS information, identifying potential efficiencies through peer benchmarking

Analysis of best practice – pathway transformation, within a whole system, using national best practice information

- We want systems to use the information in the tools to consider the areas where they have greatest variations from their peers, and where there may be opportunities for efficiencies.

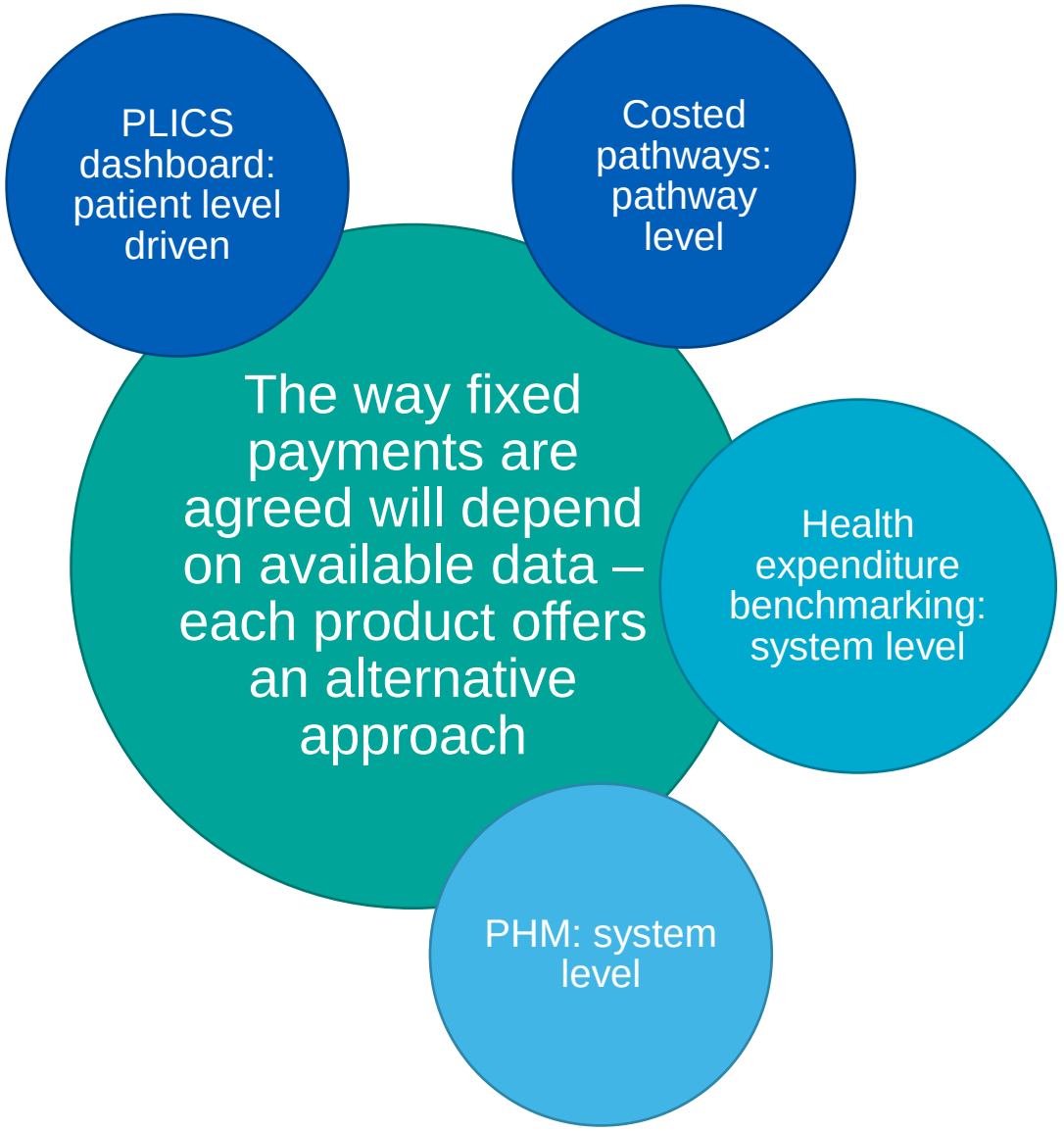
We will cover both products in detail today, and plans for future product release

Fixed element – products overview



Quantifying the fixed element

- Use the most appropriate data based on availability and robustness
- Each product cuts the “cake” in a different way
- Products aims to provide richness of information to support decision making
- Each product is a resource to look at the health management of a population



Engagement Question themes

- **How are systems expected to use the tools/set their fixed payment?**
  - Systems may be expected to share planning templates that outline key opportunities for transformation and improvement towards using their funding to meet the needs of their population for the multi-year planning period
  - Systems will consider their cost data information for assessing opportunities and transformation
- **What is going to be mandated?**
  - All of the tools will be non-mandatory, but there is an expectation of change away from the block rollover to address key areas of opportunity and to evidence those changes
  - Regions will expected to see a balanced plan and will challenge holes
- **How much flexibility systems have to set the fixed element?**
  - Local determination is vitally important
  - Tools offer support in a pressured period to identify opportunities for consideration
- **How do they relate to other tools available from NHSE e.g. model hospital?**
  - Currently separate, but looking to integrate into a single offering in the future
  - Resources on NHS Futures: PAPI, PHM Academy and Pricing and Costing
- **How these tools are different from prices as benchmark information?**
  - Prices are highly granular benchmark information
  - Tools and products provide support for system planning, new care models, and delivery of more granular pathways

Products to Support the Fixed Element

PLICS Analysis Products

- A cross-system view of provider information at a granular level to support systems in costing services, pathways, and transformation in fixed element planning
- Costing data taken from national cost collection is a rich source of information across a system
- Benchmarking capabilities for cost and activity data for acute, mental health, IAPT and ambulance services (Community expected shortly)
- Can identify unwarranted variation between providers within systems, and demographically similar ICSs
- Can support improvement of technical efficiency and allocative efficiency

Access dashboard here: Enhanced PLICS analysis - Payment system and Costing support -FutureNHS Collaboration Platform

Development timeline

For 22/23

- Encourage systems to start focusing on cost as the basis for setting their fixed payment
- Support systems to share, where appropriate, local cost information to achieve system objectives
- Develop and publish a system view dashboard using published PLICS data from NHSD (aggregated, non-granular)

During 22/23

- Utilise the PLICS data in a way that is meaningful and useful for systems and provide ‘Use case’ examples
- Sector engagement to understand needs and wants from PLICS data
- Attempt to resolve ongoing access issues to PLICS data

Medium term priorities

- Develop a whole system dashboard that brings in the granular PLICS data
- Engagement with the sector
- Self-service PLICS interface for bespoke analysis

Benefits of using PLICS

- Uses real costing information based on system population, providing a more accurate reflection of system needs
- Can drill down into system costs for first time- costs by provider, HRG sub-chapter
- Includes costing information for range of services (currently acute and mental health, expanding to include greater range of secondary care services)
- Can highlight opportunities for collaboration between providers, and following best practice between systems
- **Highlights opportunities to improve technical and allocative efficiency in an evidence-based multi-year plan**

Access dashboard here: Enhanced PLICS analysis - Payment system and Costing support -FutureNHS Collaboration Platform

PLICS Analysis rationale

- NPS guidance to provide evidence for setting fixed payment
- Expectation for systems refer to evidence in setting fixed payments, such as PLICS analysis
- PLICS analysis can be used to identify areas of opportunity for system transformation, providing data to support planning
- Potential for templates to highlight areas for changes in **technical** and **allocative efficiency**
  - Where unit costs for activity (relative to system population) can be transformed to reduce unwarranted variation away from benchmarks
  - Reinvestment of resources to better manage variation in expenditure across acute services
  - The opportunities for greater **allocative efficiency** can be driven by gains from improved **technical efficiency**, producing a multi-year plan to meet these objectives

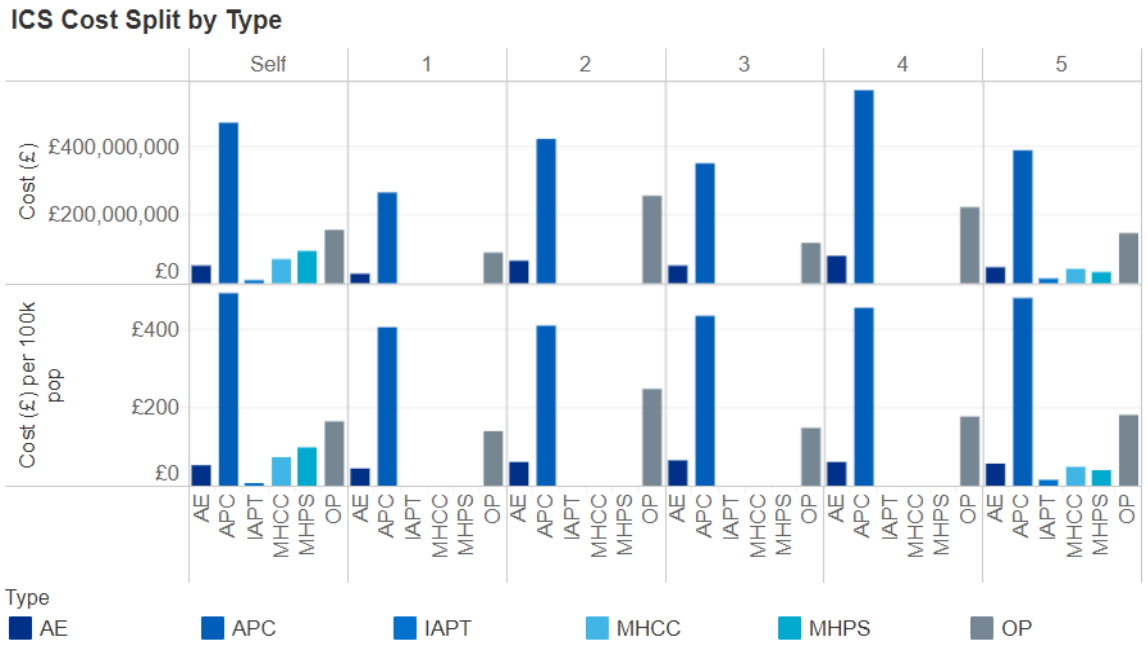
PLICS Analysis example

- Based on existing dashboard data from 19-20 cost collection- more detailed data will be made available in September
- Data provides costing information that highlights greatest variation in costs by ICS population, above and below comparison ICSs
- Can compliment ICS objectives- core20plus5 may steer system towards transforming services for perinatal care and circulatory diseases, supported by PLICS analysis
- Can also explore specific elements of activity- between providers, at HRG level, volume of activity etc., to identify opportunities to transform services

PLICS Analysis example

	Breakdown Group 1	ICS Activity	ICS Cost	ICS Cost per 1K	Benchmark cost per 1K	Variation in cost per 1K	%
3	Certain infectious and parasitic diseases	24900	£ 48,692,174.47	£ 28,716.80	£ 18,287.04	£ 10,429.76	57.03%
4	Codes for special purposes	405	£ 609,520.83	£ 359.47	£ 261.18	£ 98.29	37.63%
5	Diseases of the circulatory system	44025	£ 132,673,496.90	£ 78,245.80	£ 56,944.04	£ 21,301.76	37.41%
6	Diseases of the eye and adnexa	16030	£ 21,634,051.43	£ 12,758.94	£ 10,401.80	£ 2,357.15	22.66%
7	Symptoms, signs and abnormal clinical and laboratory findings, not elsewhere classified	57525	£ 51,409,951.19	£ 30,319.64	£ 25,254.24	£ 5,065.40	20.06%
8	Injury, poisoning and certain other consequences of external causes	36750	£ 104,849,996.34	£ 61,836.55	£ 52,207.54	£ 9,629.01	18.44%
9	Diseases of the respiratory system	56575	£ 93,875,157.79	£ 55,364.01	£ 48,459.19	£ 6,904.82	14.25%
10	Neoplasms	59400	£ 92,158,296.07	£ 54,351.47	£ 48,328.21	£ 6,023.26	12.46%
11	Pregnancy, childbirth and the puerperium	33955	£ 72,365,526.52	£ 42,678.44	£ 38,063.31	£ 4,615.13	12.12%
12	Diseases of the ear and mastoid process	2935	£ 4,089,759.12	£ 2,411.98	£ 2,193.94	£ 218.05	9.94%
13	Diseases of the musculoskeletal system and connective tissue	30850	£ 68,344,480.87	£ 40,306.98	£ 38,194.88	£ 2,112.11	5.53%
14	Diseases of the skin and subcutaneous tissue	14135	£ 18,396,007.01	£ 10,849.27	£ 10,297.20	£ 552.07	5.36%
15	Diseases of the genitourinary system	32480	£ 52,421,927.38	£ 30,916.47	£ 29,760.40	£ 1,156.06	3.88%
16	Diseases of the digestive system	72825	£ 98,126,633.03	£ 57,871.37	£ 55,734.30	£ 2,137.06	3.83%
17	Diseases of the blood and blood-forming organs and certain disorders involving the immune mechanism	13760	£ 9,486,022.40	£ 5,594.50	£ 5,419.07	£ 175.43	3.24%
18	Mental and behavioural disorders	4500	£ 9,926,621.84	£ 5,854.35	£ 5,751.18	£ 103.16	1.79%
19	Incomplete episode linked to HES finished episode	145	£ 381,394.46	£ 224.93	£ 225.49	-£ 0.56	-0.25%
20	Diseases of the nervous system	12580	£ 19,847,014.39	£ 11,705.02	£ 12,727.05	-£ 1,022.04	-8.03%
21	Factors influencing health status and contact with health services	17750	£ 11,528,094.93	£ 6,798.83	£ 7,507.61	-£ 708.77	-9.44%
22	Endocrine, nutritional and metabolic diseases	13070	£ 15,022,932.08	£ 8,859.96	£ 9,954.32	-£ 1,094.36	-10.99%
23	Certain conditions originating in the perinatal period	6610	£ 6,790,031.14	£ 4,004.50	£ 4,531.15	-£ 526.65	-11.62%
24	Not linked to a HES episode	7415	£ 9,317,001.94	£ 5,494.81	£ 7,680.83	-£ 2,186.01	-28.46%
25	Congenital malformations, deformations and chromosomal abnormalities	1535	£ 2,732,502.09	£ 1,611.53	£ 4,593.54	-£ 2,982.01	-64.92%

Fixed element: ICS PLICS Dashboard



Using the data, we can go deeper than before into costing data to identify how to transform activity and expenditure in system:

- Look between providers, are there differences in overall activity and unit costs? Are there opportunities to implement better practice?
- Looking at sub-chapter information, are there any specific underlying drivers of cost?
- Compare with additional data (e.g., for non-acute services), are there relationships whereby greater non-acute activity alleviates acute pressure?

Fixed element – Potential planning template

		Benchmark		ICS cost per 1K	Variation	%	Total ICS Cost	Acute Provider 1	Acute Provider 2	Acute Provider 3	Acute Provider 4
Transformation Opportunity											
Diseases of the respiratory system											
Activity							56,575	13,865	18,430	13,200	11,080
Cost		**£ 48,459.19**		£ 55,364.01	£ 6,904.82	14%	£ 93,875,157.79	£ 23,854,439.09	£ 31,120,329.06	£ 20,477,366.82	£ 18,423,022.82
Unit cost							£ 1,659.30	£ 1,720.48	£ 1,688.57	£ 1,551.32	£ 1,662.73
Certain conditions originating in the perinatal period											
Activity							6,610	1,115	2,765	1,695	1,035
Cost		**£ 4,531.15**		£ 4,004.50	-£ 526.65	-12%	£ 6,790,031.14	£ 1,265,395.69	£ 2,597,959.37	£ 1,026,943.98	£ 1,899,732.10
Unit cost							£ 1,027.24	£ 1,134.88	£ 939.59	£ 605.87	£ 1,835.49

Fixed element – Potential planning template

Indicative Fixed payment profile	Diseases of the respiratory system					Certain conditions originating in the perinatal period				
	Total ICS Cost (£)	Acute Provider	Acute	Acute Provider 3	Acute	Total ICS Cost (£)	Acute Provider 1	Acute Provider 2	Acute Provider 3	Acute Provider 4
2023/24	93,500,000	**24,000,000**	**31,500,000**	**20,000,000**	**18,000,000**	6,800,000	**1,200,000**	**2,600,000**	**1,100,000**	**1,900,000**
2024/25	93,000,000	**23,000,000**	**32,000,000**	**20,000,000**	**18,000,000**	7,000,000	**1,200,000**	**2,600,000**	**1,300,000**	**1,900,000**
2025/26	92,000,000	**23,000,000**	**31,000,000**	**20,000,000**	**18,000,000**	7,300,000	**1,200,000**	**2,700,000**	**1,500,000**	**1,900,000**
2026/27	90,000,000	**22,000,000**	**30,000,000**	**20,000,000**	**18,000,000**	7,800,000	**1,300,000**	**2,800,000**	**1,700,000**	**1,900,000**
2027/28	89,000,000	**22,000,000**	**29,000,000**	**20,000,000**	**18,000,000**	8,200,000	**1,500,000**	**2,900,000**	**1,800,000**	**2,000,000**
Variance from peer efficient cost at end of	**Diseases of the respiratory system**		**Certain conditions originating in the perinatal period**							
Peer ICS UQ or Av cost per 1000 popn (£)	£	48,459.19	£	4,531.15						
ICS cost per 1000 popn	£	52,488.83	£	4,836.05						
Variation	£	4,029.64	£	304.90						
%		8%		7%						

Fixed element – Potential planning template

	Diseases of the respiratory system					Certain conditions originating in the perinatal period				
Actual / Projected Forecast	Total ICS Cost (£)	Acute Provider 1	Acute Provider 2	Acute Provider 3	Acute Provider 4	Total ICS Cost (£)	Acute Provider 1	Acute Provider 2	Acute Provider 3	Acute Provider 4
2023/24	93,500,000	**24,000,000**	**31,500,000**	**20,000,000**	**18,000,000**	6,800,000	**1,200,000**	**2,600,000**	**1,100,000**	**1,900,000**
2024/25	97,000,000	**25,000,000**	**33,000,000**	**21,000,000**	**18,000,000**	6,600,000	**1,200,000**	**2,600,000**	**1,000,000**	**1,800,000**
2025/26	99,000,000	**24,000,000**	**34,000,000**	**22,000,000**	**19,000,000**	7,000,000	**1,300,000**	**2,900,000**	**1,000,000**	**1,800,000**
2026/27	101,000,000	**25,000,000**	**35,000,000**	**22,000,000**	**19,000,000**	7,100,000	**1,300,000**	**3,000,000**	**1,000,000**	**1,800,000**
2027/28	102,000,000	**25,000,000**	**35,000,000**	**22,000,000**	**20,000,000**	7,200,000	**1,300,000**	**3,000,000**	**1,100,000**	**1,800,000**

	Diseases of the respiratory system					Certain conditions originating in the perinatal period				
Variance from Projected Forecast	Total ICS Cost (£)	Acute Provider 1	Acute Provider 2	Acute Provider 3	Acute Provider 4	Total ICS Cost (£)	Acute Provider 1	Acute Provider 2	Acute Provider 3	Acute Provider 4
2023/24	0	-	-	-	-	0	-	-	-	-
2024/25	-4,000,000	- **2,000,000**	- **1,000,000**	- **1,000,000**	-	400,000	-	-	**300,000**	**100,000**
2025/26	-7,000,000	- **1,000,000**	- **3,000,000**	- **2,000,000**	- **1,000,000**	300,000	- **100,000**	- **200,000**	**500,000**	**100,000**
2026/27	-11,000,000	- **3,000,000**	- **5,000,000**	- **2,000,000**	- **1,000,000**	600,000	-	- **200,000**	**700,000**	**100,000**
2027/28	-13,000,000	- **3,000,000**	- **6,000,000**	- **2,000,000**	- **2,000,000**	1,000,000	**200,000**	- **100,000**	**700,000**	**200,000**

Fixed element- worked example

Breakdown Group 1	ICS Activity	ICS Cost	ICS Cost per 1K	Benchmark cost per 1K	Variation in cost per 1K	%
Certain infectious and parasitic diseases	24900	£ 48,692,174.47	£ 28,716.80	£ 18,287.04	£ 10,429.76	57.03%
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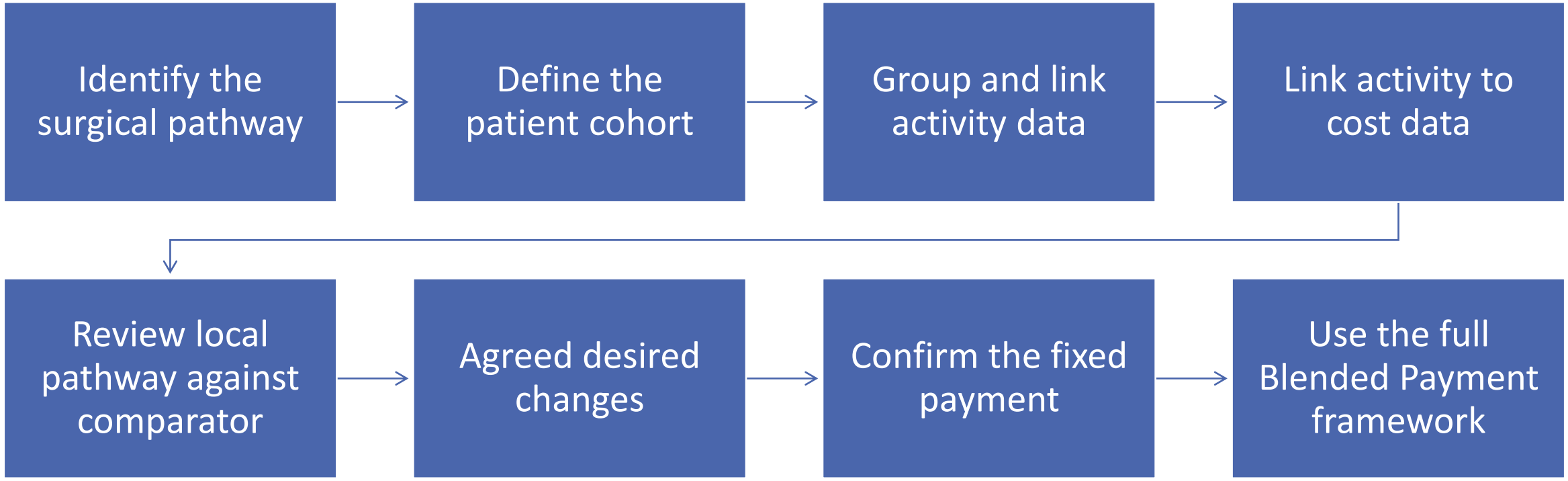
Injury, poisoning and certain other consequences of external causes	36750	£ 104,849,996.34	£ 61,836.55	£ 52,207.54	£ 9,629.01	18.44%

- NPS payment rules may strengthen use of evidence-based planning to demonstrate achievement of system objectives by addressing key opportunities, with products supporting systems to identify those opportunities
- ICS PLICS data enables analysis of top five HRG sub-categories with greatest costs relative to benchmarked ICS population costs and system peers
- Identifies that disease of the circulatory system are particularly amenable to transformation in the system – warrants further investigation
- Find that greater costs for cataract surgeries are not associated with better quality care, and cross-sector resources (e.g., community care, primary care) are being under utilized.
- Implement multi-year plan using the costed pathways cataracts example, to reduce unwarranted variation in costs and improve quality and efficiency of care for ophthalmology in the system

Fixed element – Costed Pathways

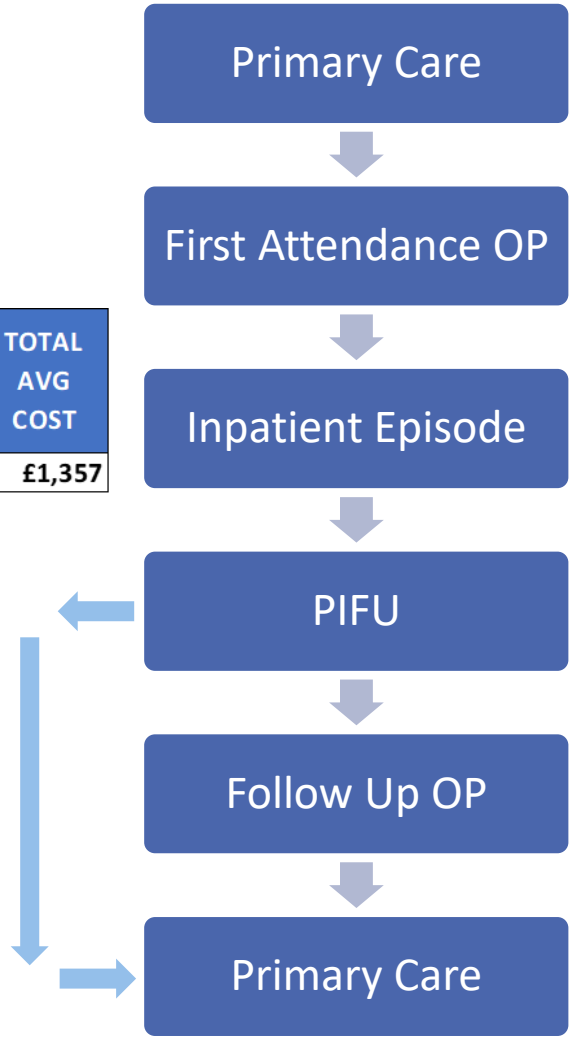
- Costed Pathways (supported by GIRFT) provide a methodology for systems to cost patient pathways, highlighting variation from clinical best practice guidelines in activity and costs.
- An example of analysis using Costed Pathways is provided using GIRFT guidelines for high-volume, low-complexity cataract surgeries.
- The costed pathways methodology and analysis for cataract surgeries is accessible from NHS Futures: Costed pathways (supported by GIRFT) - Payment system and costing support - FutureNHS Collaboration Platform
- Opportunity to rationalise provider activities, consider shift toward best practice and how to set payment through fixed payment and prices for activity in IS

Methodology for Costing Pathways



Costed Pathway Preview

Pathway Element	Optometry First (pre-operative)*		First Attendance OP		Inpatient Episode	Follow Up OP**		Optometry First (post-operative)***	TOTAL AVG COST
Average cost	£72		£120		£1,121	£110		£27	**£1,357**
Interquartile Range			£82-£141		£817-£1349	£73-£122			
Source	Proxy		PLICS & HES		PLICS & HES	PLICS & HES		Proxy	
Theatre Costs	0%		0%		16%	0%		0%	
Ward Costs	0%		0%		3%	0%		0%	
OP Dept Costs	0%		7%		1%	7%		0%	
Overheads	20%		29%		25%	29%		20%	
Staff Costs	80%		55%		47%	55%		80%	
Drugs & Devices	0%		9%		8%	9%		0%	



Costed Pathways – setting value example

- Analysis can be used by systems to recognise unwarranted variation from best practice benchmarks
- This illustrative example shows how variation away from GIRFT best practice among providers leads to increased costs among the ICS.
- Reducing variation away from best practice shown to result in saving across ICS, which could then be reinvested in other services.

	Unit / Source	**GIRFT / Improvement Directorate Pathway best practice**	ICS Average	Variation		**Optometrist 1**	**Optometrist 2**	**Provider 1**	**Provider 2**	**Provider 3**	**Provider 4**
Pre-procedure outpatient activity	Activity / HES	**1.00**	3	2				2	3	4	3
Surgical Intervention activity	Activity / HES	**1.00**	1	-				1	1	1	1
Post procedure outpatient activity	Activity / HES	**0.15**	2	1.85				1	3	3	2
Pre-procedure outpatient cost	Activity * Av cost / HES & Plics	**£ 120.00**	£ 360.00	£ 240.00				£ 240.00	£ 360.00	£ 480.00	£ 360.00
Surgical Intervention cost	Activity * Av cost / HES & Plics	**£ 1,121.00**	£ 1,121.00	£ -				£ 1,121.00	£ 1,121.00	£ 1,121.00	£ 1,121.00
Post procedure outpatient cost	Activity * Av cost / HES & Plics	**£ 110.00**	£ 220.00	£ 203.50				£ 110.00	£ 330.00	£ 330.00	£ 220.00
Total procedure activity in ICS	Units / HES		12000	46,200				2400	1100	1100	1100
Potential efficiency if moving to best practi	£			**£ 5,322,000.00**				£ 1,064,400.00	£ 487,850.00	£ 487,850.00	£ 487,850.00
Approximate value in Fixed Payment 22/23	£			**£29,728,000.00**				£ 4,106,400.00	£ 3,510,100.00	£ 4,434,100.00	£ 2,905,100.00

Costed Pathways – setting value example

- Opportunity for transformation may be affected by other issues - ICS can take account of this within the template for their multi-year plan (Adjustments 1-3)
- This changes the saving goal from £5M to £3.5M, with ICS outlining how this can be achieved (e.g., 15% move towards reduced costs and adoption of activity reflecting best practice in one year).
- As before, can arrange a minimum threshold with commissioners (e.g., 80% progress towards objective by Year 5, aiming for 100%).

Limiting Factors				Reduction				Provider 1	Provider 2	Provider 3	Provider 4
Adjustment 1: Recognising fixed cost								-£ 212,880.00	-£ 97,570.00	-£ 97,570.00	-£ 97,570.00
Adjustment 2: Change in complexity profile								-£ 106,440.00	-£ 48,785.00	-£ 48,785.00	-£ 48,785.00
Adjustment 3: Shifting activity between providers								-£ 53,220.00	-£ 24,392.50	-£ 24,392.50	-£ 24,392.50
Net Targeted Opportunity				**£ 3,459,300.00**	-			**£ 691,860.00**	**£ 317,102.50**	**£ 317,102.50**	**£ 317,102.50**
ICS Proposed profile of move towards best pactice											
Year		Progress Towards Target		Total Cost		Optometrist 1	Optometrist 2	Provider 1	Provider 2	Provider 3	Provider 4
2023/24		0%		£30,103,000.00		£200,000.00	£175,000.00	£ 4,106,400.00	£3,510,100.00	£4,434,100.00	£ 2,905,100.00
2024/25		15%		£29,759,105.00		£300,000.00	£250,000.00	£ 4,002,621.00	£3,462,534.63	£4,386,534.63	£ 2,857,534.63
2025/26		30%		£29,590,210.00		£500,000.00	£400,000.00	£ 3,898,842.00	£3,414,969.25	£4,338,969.25	£ 2,809,969.25
2026/27		75%		£28,033,525.00		£500,000.00	£400,000.00	£ 3,587,505.00	£3,272,273.13	£4,196,273.13	£ 2,667,273.13
2027/28		100%		£27,168,700.00		£500,000.00	£400,000.00	£ 3,414,540.00	£3,192,997.50	£4,116,997.50	£ 2,587,997.50

Costed Pathways – setting value example

As with PLICS analysis, planning around the costed pathways could illustrate greater progress towards meeting objectives when compared to other forecasts/commissioner accounts.

Actual / Projected Forecast	Total Cost		Optometrist 1	Optometrist 2	Provider 1	Provider 2	Provider 3	Provider 4
2023/24	**£ 29,659,105.00**		**£ 240,000.00**	**£ 210,000.00**	**£ 4,002,621.00**	**£ 3,462,534.63**	**£ 4,386,534.63**	**£2,857,534.63**
2024/25	£ 30,685,280.00		£ 360,000.00	£ 300,000.00	£ 4,147,464.00	**£ 3,545,201.00**	**£ 4,478,441.00**	£ 2,934,151.00
2025/26	£ 31,402,560.00		£ 600,000.00	£ 480,000.00	£ 4,188,528.00	£ 3,580,302.00	£ 4,522,782.00	£ 2,963,202.00
2026/27	£ 31,699,840.00		£ 600,000.00	£ 480,000.00	£ 4,229,592.00	£ 3,615,403.00	£ 4,567,123.00	£ 2,992,253.00
2027/28	£ 31,997,120.00		£ 600,000.00	£ 480,000.00	£ 4,270,656.00	£ 3,650,504.00	£ 4,611,464.00	£ 3,021,304.00
Variance								
2023/24	**£ 443,895.00**		**-£ 40,000.00**	**-£ 35,000.00**	**£ 103,779.00**	**£ 47,565.38**	**£ 47,565.38**	**£ 47,565.38**
2024/25	-£ 926,175.00		-£ 60,000.00	-£ 50,000.00	-£ 144,843.00	**-£ 82,666.38**	**-£ 91,906.38**	**-£ 76,616.38**
2025/26	-£ 1,812,350.00		-£ 100,000.00	-£ 80,000.00	-£ 289,686.00	**-£ 165,332.75**	**-£ 183,812.75**	**-£ 153,232.75**
2026/27	-£ 3,666,315.00		-£ 100,000.00	-£ 80,000.00	-£ 642,087.00	**-£ 343,129.88**	**-£ 370,849.88**	**-£ 324,979.88**
2027/28	-£ 4,828,420.00		-£ 100,000.00	-£ 80,000.00	-£ 856,116.00	**-£ 457,506.50**	**-£ 494,466.50**	**-£ 433,306.50**

Costed pathways uses:	Supporting whole system approach to pathway commissioning
	Signposting clinically validated best practice of GIRFT reports and NHSE policies
	GIRFT has a range of additional costed pathway information, with which this methodology could be useful
How we expect costed pathways to be used:	Methodology to be applied to pathways of interest
	Use of national data e.g. from PLICS - Access the GIRFT best practice recommendations and costed information where available
	Support delivery of transformation of pathways to consider the patient journey optimisation rather than activity demand for currency elements
Options for future use:	Benchmark systems against national benchmarks for specific pathways in line with EL recovery priorities e.g. HVLC; non-mandated use as delivery tool for locally defined pathways of interest with support from national data sources and analyses
Future pipeline delivery options:	Methodology for medical pathway
	Expand costed exemplars for targeted benchmarking

Population Health Management

Long term direction of travel for delivering patient centred care

NHS England looking to support systems in PHM journey

- PHM academy
- Population And Person Insight (PAPI) dashboard
- Pricing and Costing FutureNHS
- PHM Development Programme

Future development options are:

- Publishing good practice payment case studies
- Segmentation mapping for applying to local datasets
- Improving segmented cost information data and analyses
- Guidance and methodologies for payment of PHM initiatives

Resource Library

- PHM academy: Population Health Management Academy - Integrated Care (future.nhs.uk)
- Population And Person Insight (PAPI) dashboard: Population and Person Insight - FutureNHS Collaboration Platform
- Pricing and Costing FutureNHS: Payment system and costing support - FutureNHS Collaboration Platform
- PHM Development Programme: NHS England » Population Health and the Population Health Management Programme

Health Expenditure Benchmarking

- Diagnosis-led analysis of the expenditure on commissioned patient care for a system
- Cross system spend by service line to understand how resources are being used across a system
  - Opportunity to look at primary prescribing data in conjunction with secondary spend for assessing holistic population needs
  - Ability to identify whole system service demands and investigate using detailed data from other tools
- Reduced burden of reporting by utilising spend information from national data sources
  - National Cost Collection
  - Commissioner accounts
- Expected launch September 2022

Whole system planning

- Vital to delivery of NHS Long Term Plan objectives
- The National Payment System use of blended payments is predicated upon a shift to collaboration from competition
- Products are focussed upon supporting this approach

Next steps for product development

Autumn 2022
System level dataset & implementation guidance

Winter 2022
ICS PLICS dashboard and HEB benchmarking product available

Spring 2023
Population Segmentation benchmarking product available

Autumn 2023 Next phase of products co-developed with the sector for use in 2025 NPS

Potential planning template

- Templates could be used to support identification of opportunities for systems (with scaled delivery of anticipated value over a multi-year period if applicable)
- Support available from NHSE to systems for delivery of those plans
  - Sharing of good practice in close to real time
  - Data support for understanding variation causes
  - Access to national resources for adding value to local data
  - Benchmarking information to peer systems and regional systems for establishing useful relationships
- Expectation that transformation to meet national and local objectives is required in all systems
  - Support for locally determining system transformation and building into planning
  - Expectation that key healthcare inequalities will be reflected within planning
  - Support for integrating outcomes of PHM national programmes into system plans
  - Understanding that key variances away from national benchmarks be considered in opportunities

Co-Production for Product Development

- Working around limitations with data

- What we can do is still of great value and use, but relying less upon post-implementation evaluation would improve value for systems and leverage national resources optimally to support system direction

- Expectation is that:
  - For some areas, systems will have more complete data and value could be in supporting how to use that data effectively at a local level e.g. non-acute and primary care
  - For other areas, we are all starting at the same point with different data lenses and can prioritise resource into developing support offerings that tackle the most pressing objectives e.g. healthcare inequalities and PHM

- NHSE has a remit of oversight and assurance; we want to make sure that any rules or expectations are best enabled by how we use our central resources to support systems in achieving national and local objectives

- Local determination can be best supported by a dynamic conversation that maintains understanding of local priorities alongside national priorities and can balance how support is delivered to systems in order to ensure that key needs are met for their population within a financially stable planned envelope

Menti

- How would you value products co-produced with systems: (scale – unlikely to very likely)
- Trust that they meet system needs
- Believe that they would develop in line with ICB's strategic direction
- Feel confident to use them in system planning
- Support all systems maturity stages
- Could support systems with identifying local opportunities
- Could support systems only with national opportunities
- Be high quality and widely available in a useful timeframe

Menti

- Would you be interested in being involved in co-production of current and future products
- Yes - I would value being involved in design and beta testing
- Yes – I would like to contribute to product discussions
- Maybe – I would consider being more involved in the future
- No – I am content with how the products are being currently produced
- No – I would want products produced differently

MENTI

- **Policy proposal for use of products in NPS**

- How would you prefer the payment system to use the tools to support fixed payment? (select one)
- Mandated for use
- Comply or explain
- Local determination with guidance
- Kept out of payment system rules
- Other

Thank you for attending today’s session