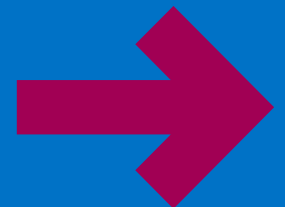


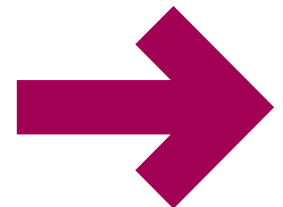
# Specialised Commissioning Update

Congenital Heart Disease Network Event  
10<sup>th</sup> July 2018



# Context and Background - National

- Directly commissioned by NHSE (4 Regions, 10 hubs)
- 149 services across 6 Programmes of Care
- £16bn budget (+CDF £230m)
- If no action taken to control costs they would rise by 7.2% a year over next 5 years (increase in allocation 17/18 and 18/19 around 4%)
- 10 specialities account for 65% spend
- Compliance with service specifications variable
- Inconsistencies in Manual, PELs, IR rules

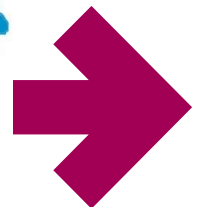
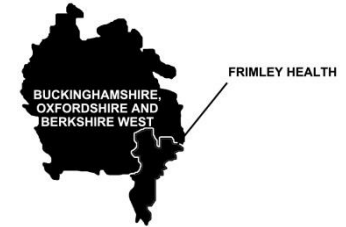
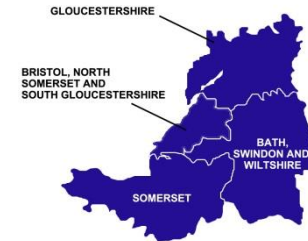
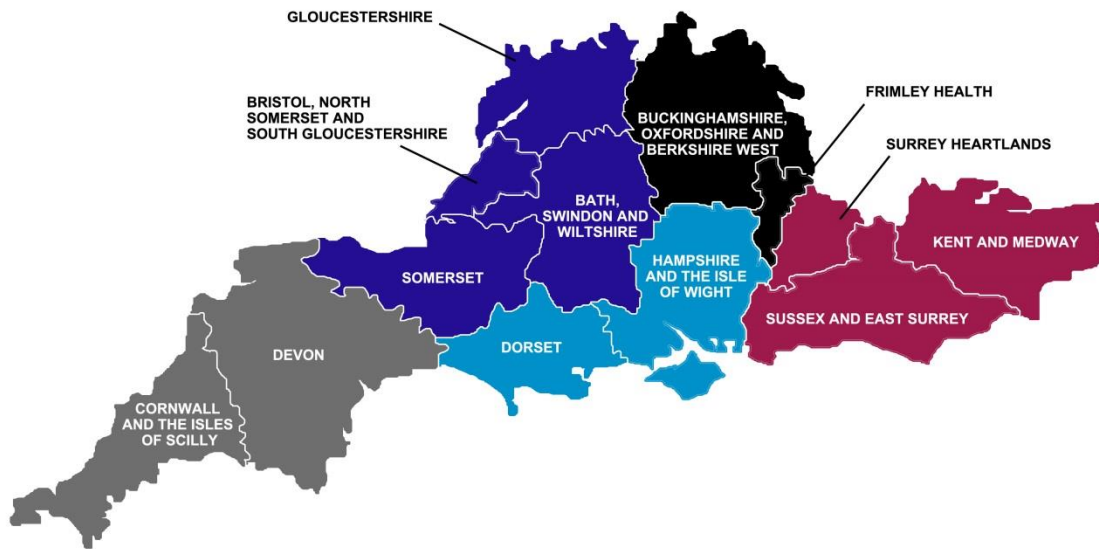


# Context and Background – South Region

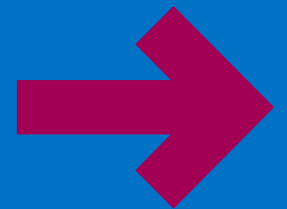
- Financially challenged region with £3.2bn budget and £60m overspend (2017/18)
- £182m (5.9%) recurrent QIPP target for 2018/19
- 70 contracts varying from <£2m to £380m
- Linking with 13 STPs across the South
- 3 commissioning hubs need to cover new SE/SW Regions
- For specialised services, the “whole system” is generally greater than any one current STP footprint (System of Care)

# The Operating Model and System of Care based around Major Trauma Centres at:

- Plymouth
- Bristol
- Oxford
- Brighton (including interface / joint working with London)
- Southampton

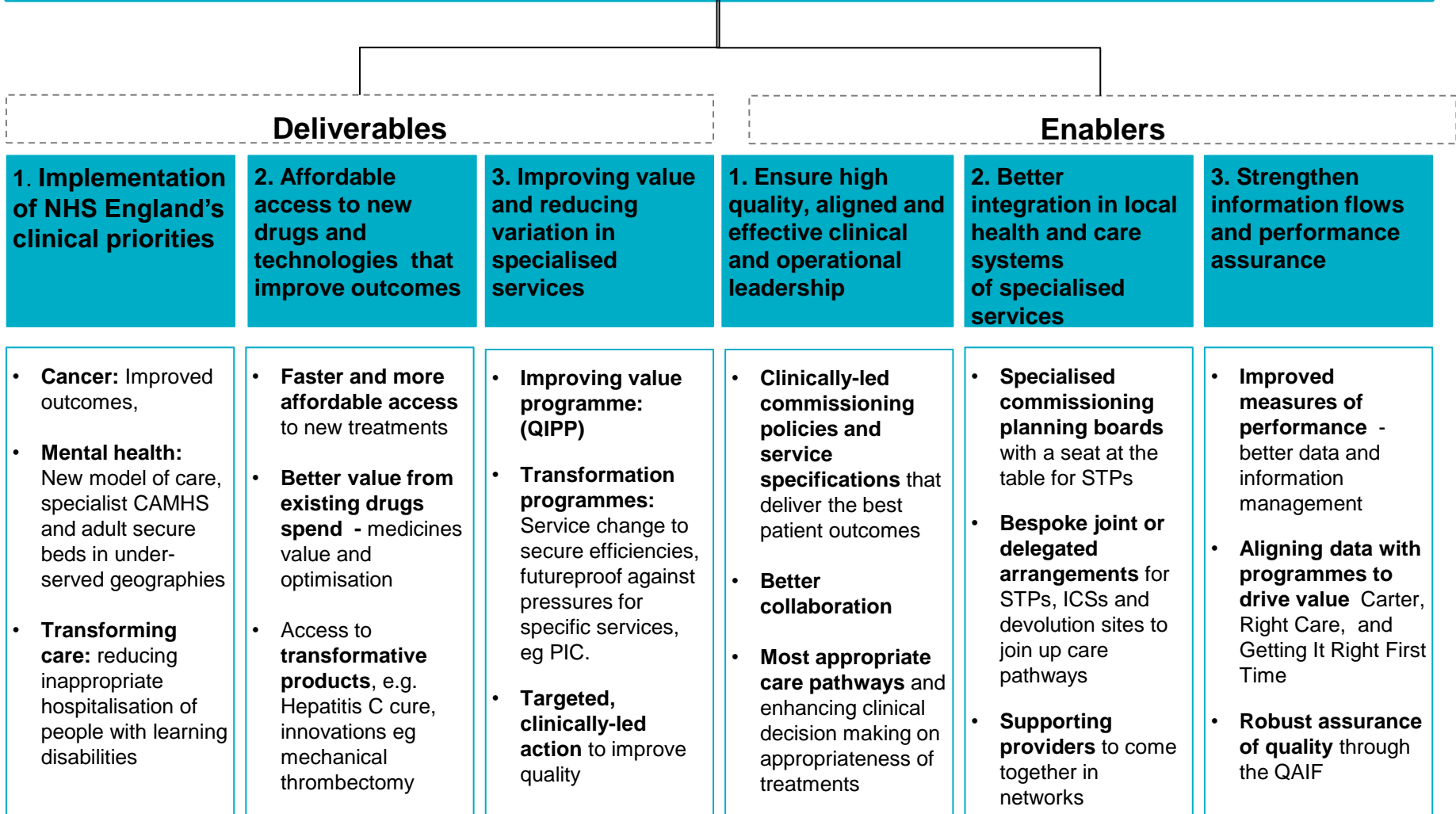


# Our priorities



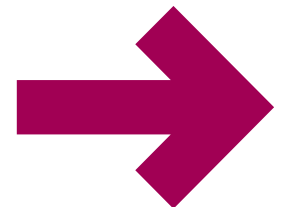
# Specialised Commissioning: Strategic priorities for 2018/19 and 2019/20

We work in partnership with patients, clinicians and other stakeholders to commission specialised services that are high quality, equitable, accessible, sustainable and affordable. By working in this way and in collaboration across whole pathways we ensure the best outcomes and positive experience.

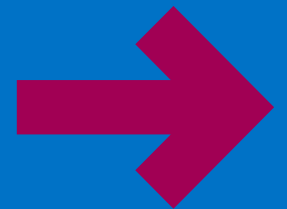


# Congenital Heart Disease Networks

- Networked working is at the heart of the model of care for congenital heart disease agreed by the NHS England Board.
- Many standards describe how networks should function and their responsibilities, and the service specification for paediatric cardiac and adult congenital heart disease services states that ‘the model of care ... is based on an overarching principle of a Congenital Heart Network.
- Many, if not all, centres already have networking arrangements in place with a greater or lesser level of formality.
- NHS England is now planning to commission formal consistent and formal implementation of the network standards across all providers of specialised CHD services.



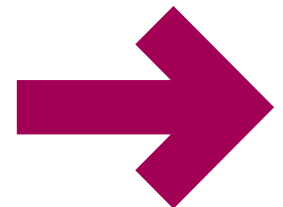
# Current payment mechanism - PbR





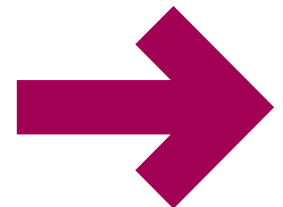
# Payment by Results in the acute sector

- PBR is the payment mechanism that covers the majority of acute services in England and represents circa 60% of the income of an average acute hospital
- Under PBR commissioners pay all providers of NHS healthcare a national tariff or price for each patient seen or treated, taking account of the relative complexity of the patient's healthcare needs.
- PBR has tariffs for admitted patient care, accident and emergency and outpatient attendances and some outpatient procedures.
- Its development is well under way for adult mental health and some community services.



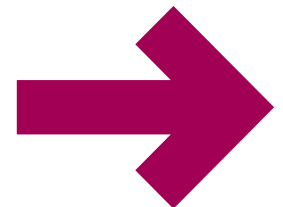
# Payment by Results in the acute sector

- At its simplest, PBR works as follows: a patient spell (from admission to discharge) can be made up of a number of episodes. These episodes are coded and turned into healthcare resource groups (HRG's), which are the unit of healthcare or currency underpinning PBR depending on the complexity of the patient and the treatment received. A national schedule of tariffs attaches a preset price to each HRG.
- Tariffs are currently determined by collecting costs from all NHS providers of healthcare and adjusting the costs to reflect inflation, advances in technology and changes to guidance from the National Institute for Health and Clinical Excellence.



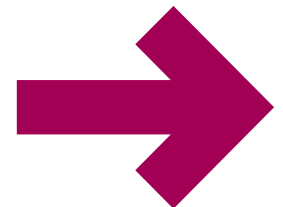
# Basis for PbR to work

- For the system to work two key questions must be answered:
- How is the activity measure defined?
- How is the tariff determined
  
- What is the activity measure used?
  
- To have a workable tariff system you need to decide what it is you are paying for – what is the unit of healthcare? This unit of healthcare is often referred to as the currency. The currency used for admitted patient care (covering a spell of care from admission to discharge), procedures undertaken in outpatients and accident and emergency attendances is the healthcare resource group (HRG).
  
- The currency for outpatient attendances is the attendance itself, split between first and follow-up attendances and the broad medical area (defined by a treatment function code).
  
- HRGs group services that are clinically similar and require similar resources.



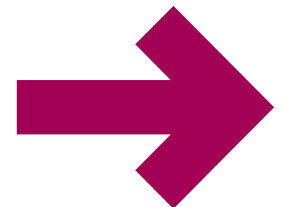
# How is an HRG assigned?

- Clinical coders assign clinical codes to patients based on the notes made by clinicians. There are codes to represent the diagnosis made for a particular patient (ICD-10) and for any procedures or interventions undertaken (OPCS-4).
- For PBR to work as it is designed, it relies on good clinical coding. Clinical coders translate what has happened to a patient during their time in hospital into codes using the following:
  - ICD-10 The 10th edition of the International Statistical Classification of Diseases and Related Health Problems
  - OPCS-4 Version 4 of the Office of Population, Censuses and Surveys Classification of Surgical Operations and Interventions.
- With about 26,000 of these codes in use, no payment system could operate at this level of detail while being timely and useful to the organisations reliant on the data generated. So the codes are grouped into about 1,500 services that are clinically similar and require similar resources to provide the treatment and care – healthcare resource groups.



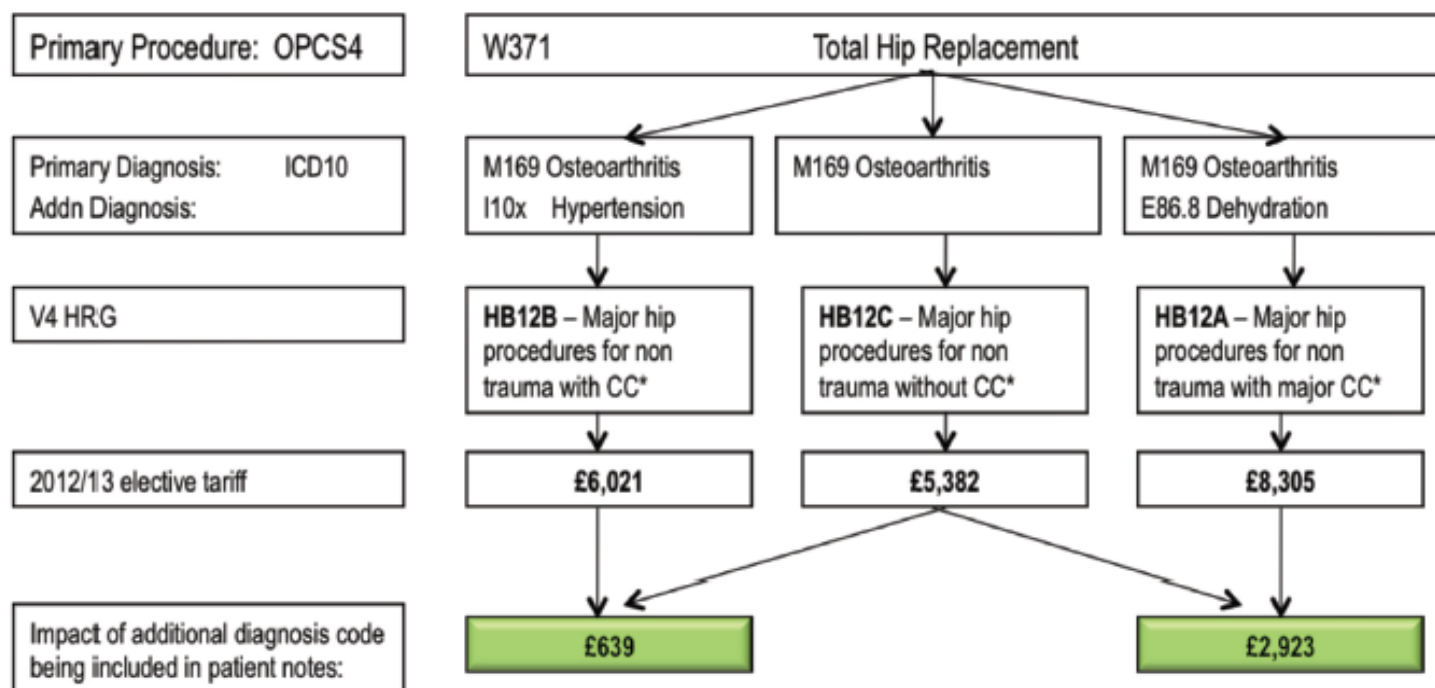
# Importance of recording and coding activity

- For organisations providing healthcare accurate recording and coding of patient activity is paramount. This can be illustrated by the next example, where the payment received can vary by more than £2,000 depending on the diagnosis codes included in the patient's notes.



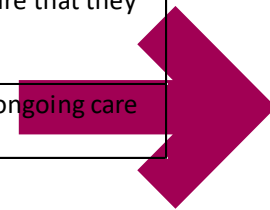
# Importance of recording and coding activity

## IMPACT OF CLINICAL CODING ON TRUST INCOME – ELECTIVE HIP REPLACEMENT



# Treatment Function Code Examples

Code	Treatment Function Title	Comments
<b>Surgical Specialties</b>		
170	CARDIOTHORACIC SURGERY	<a href="#">Should only be used where there are no separate SERVICES for Cardiac Surgery and Thoracic Surgery</a>
171	PAEDIATRIC SURGERY	This is paediatric general surgery
172	CARDIAC SURGERY	Surgical treatment of the heart or great vessels
173	THORACIC SURGERY	Surgical treatment of diseases affecting organs inside the thorax (the chest). Generally treatment of conditions of the lungs, chest wall, and diaphragm
174	CARDIOTHORACIC TRANSPLANTATION	To be used by recognised specialist units and associated outreach services only. Includes pre- and post-operative services
<b>Other Children's Specialist Services - The Paediatric TREATMENT FUNCTION CODES represent CLINICS OR FACILITIES intended to provide</b>		
221	PAEDIATRIC CARDIAC SURGERY	Surgical treatment of the heart or great vessels
222	PAEDIATRIC THORACIC SURGERY	Surgical treatment of diseases affecting organs inside the thorax (the chest). Generally treatment of conditions of the lungs, chest wall, and diaphragm
242	PAEDIATRIC INTENSIVE CARE	Only to be used by designated Paediatric Intensive Care Units
<b>Medical Specialties</b>		
320	CARDIOLOGY	<a href="#">SERVICES treating diseases and abnormalities of the heart</a>
321	PAEDIATRIC CARDIOLOGY	<a href="#">Dedicated SERVICES to children with diseases and abnormalities of the heart, with appropriate facilities and support staff</a>
327	CARDIAC REHABILITATION	Rehabilitation SERVICE for PATIENTS with or recovering from heart related conditions such as heart attacks or from procedures such as coronary artery bypass surgery to ensure that they achieve their full potential in terms of physical and psychological health
331	CONGENITAL HEART DISEASE SERVICE	The management and treatment of congenital heart disease, this includes the ongoing care of children in to adulthood



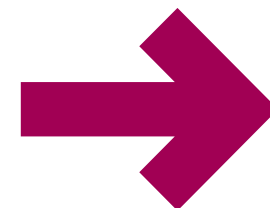
# Importance of recording and coding activity

## Outpatient attendance prices 2018/19

Treatment function code	Treatment function description	CONSULTANT-LED (£)				
		WF01B First Attendance - Single Professional	WF02B First Attendance - Multi Professional	WF01A Follow Up Attendance - Single Professional	WF02A Follow Up Attendance - Multi Professional	% uplift to first attendance prices*
170	Cardiothoracic Surgery	371	371	145	186	30%
172	Cardiac Surgery	296	296	114	114	30%
320	Cardiology	157	262	79	131	20%
321	Paediatric Cardiology	195	262	120	151	10%

Treatment function code	Treatment function description	Income based on 1000 appointments £					
		WF01B First Attendance - Single Professional	WF02B First Attendance - Multi Professional	Difference £	WF01A Follow Up Attendance - Single Professional	WF02A Follow Up Attendance - Multi	Difference £
170	Cardiothoracic Surgery	371,000	371,000	0	145,000	186,000	41,000
172	Cardiac Surgery	296,000	296,000	0	114,000	114,000	0
320	Cardiology	157,000	262,000	105,000	79,000	131,000	52,000
321	Paediatric Cardiology	195,000	262,000	67,000	120,000	151,000	31,000

If multi professional outpatient attendances are not recorded correctly the impact on income is shown above (based on 1000 appointments)





# TFCs with no national OP tariff

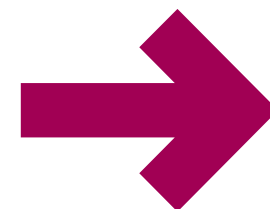
## Treatment Function Codes with no national price 2017/18 and 2018/19

List of Treatment Function Codes (TFCs) which do not have a price for outpatient attendances.

Treatment function code	Treatment function name
174	Cardiothoracic Transplantation
221	Paediatric Cardiac Surgery
222	Paediatric Thoracic Surgery
325	Sport and Exercise Medicine
327	Cardiac Rehabilitation
328	Stroke Medicine
331	Congenital Heart Disease

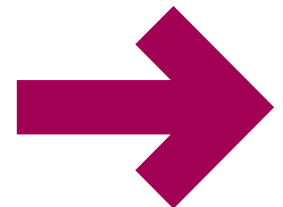
Where no national price exists, local prices are negotiated between the commissioner and provider.

331 (CHD) – a lot of providers are defaulting activity to cardiology or paed cardiology and using PbR tariffs.



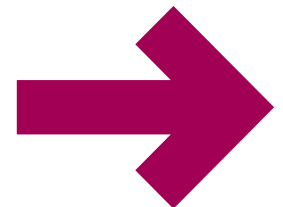
# Identification Rules – Which Commissioner Pays

- From time to time, NHS England publishes the Manual for Prescribed Specialised Services (“the Manual”) which sets out its interpretation of the services which it is responsible for commissioning, including detail on elements of the pathway which remain the responsibility of CCGs and the rationale for this.
- The Manual specifies that The Identification Rules Handbook (“the Handbook”) provides the authoritative statement of the rules that should be applied objectively in order to identify activity which NHS England will fund.

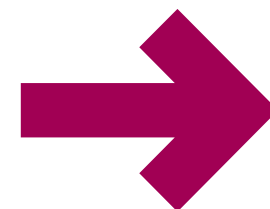
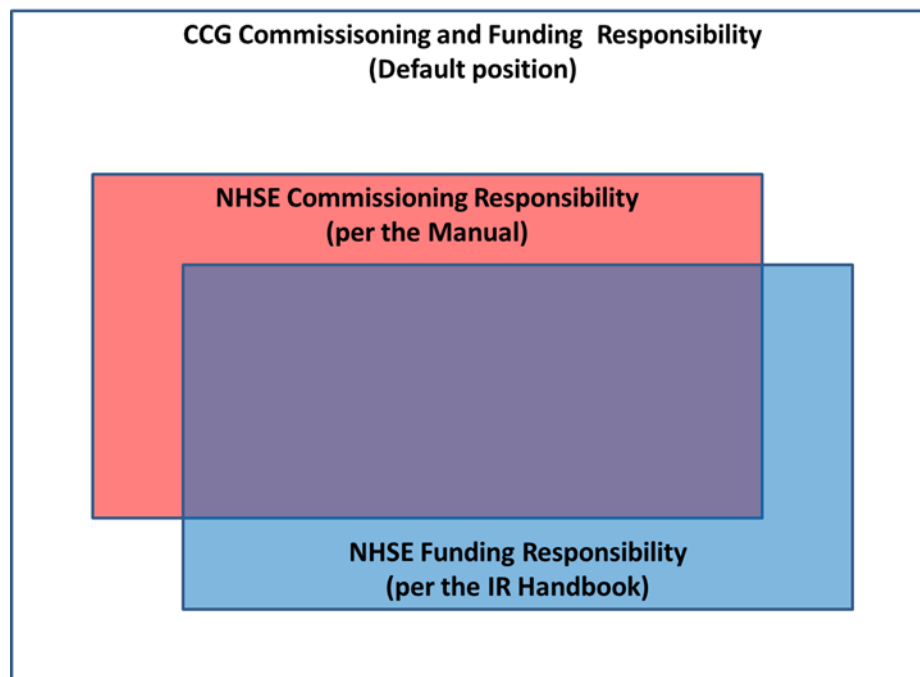


# The Prescribed Specialised Services Tool and Local Rules

- The Handbook specifies the version of the Prescribed Specialised Services Tool (“the PSS Tool”) which should be used as the primary method for identifying specialised activity. The PSS Tool is published by NHS Digital and contains technical logic to identify specialised services from SUS Inpatient and Outpatient data flows.
- The tool requires key fields such as treatment function code, provider code, diagnosis codes, procedure codes and age to be passed through the software.
- The tool will firstly perform a series of data quality checks, and where data passes those checks, the tool will perform a series of logical tests to establish whether the activity meets the criteria for a specialised service identification rule.

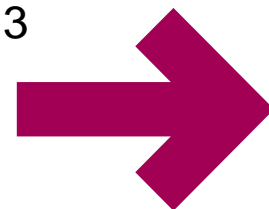


# The Manual vs IR Handbook



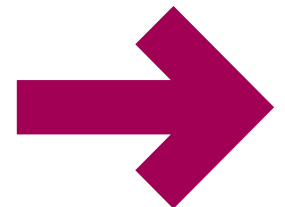
# Adult congenital heart disease services

- Adult congenital heart disease services include activity provided by Specialist Adult Congenital Heart Disease Surgical Centres and Specialist Adult Congenital Heart Disease Centres including outreach when delivered as part of a provider network.
- Services are delivered in a three tier system. Level 1 (Specialist ACHD Surgical Centres) deliver all ACHD care including cardiac surgery, catheter intervention, interventional electrophysiology and pacing. Level 2 (Specialist ACHD Centres) deliver all non-invasive specialist ACHD care and certain units may also provide a limited catheter intervention service to close atrial septal defects and patent foramen ovale. Level 3 (Local ACHD Centres) provide outpatient ACHD services under network arrangements with a Level 1 or 2 unit. Services in Level 3 units are led by a consultant cardiologist with special expertise in ACHD.
- NHS England commissions all adult congenital heart disease services delivered by Level 1 and 2 units. This includes services delivered on an outreach basis as part of a provider network.
- CCGs commission services provided by Local ACHD Centres (Level 3 units).



# Paediatric cardiac services

- Paediatric cardiac services include all activity provided by Specialist Children's Surgical Centres and Specialist Children's Cardiology Centres, including outreach when delivered as part of a provider network.
- Paediatric cardiac services include Congenital heart disease services.
- NHS England commissions all children's cardiac services delivered by Level 1 and 2 units. This includes services delivered on an outreach basis as part of a provider network.
- CCGs commission services provided by Local Children's Cardiac Centres (Level 3 units).



# Questions?

