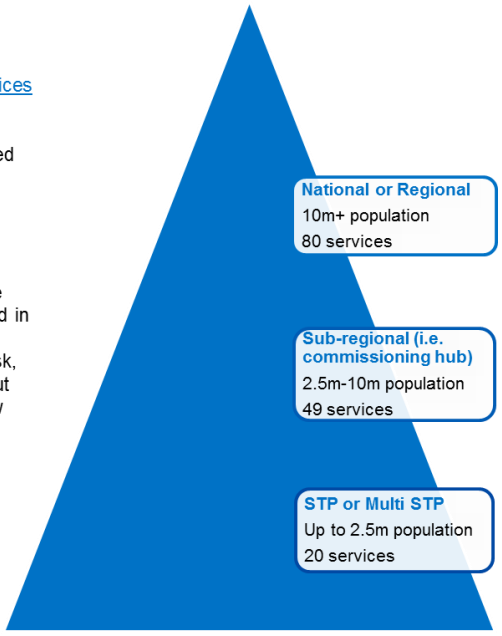
Appendix C – Specialised Commissioning

South of England – Specialised Commissioning and STP's:

Next Steps following Triangulation events

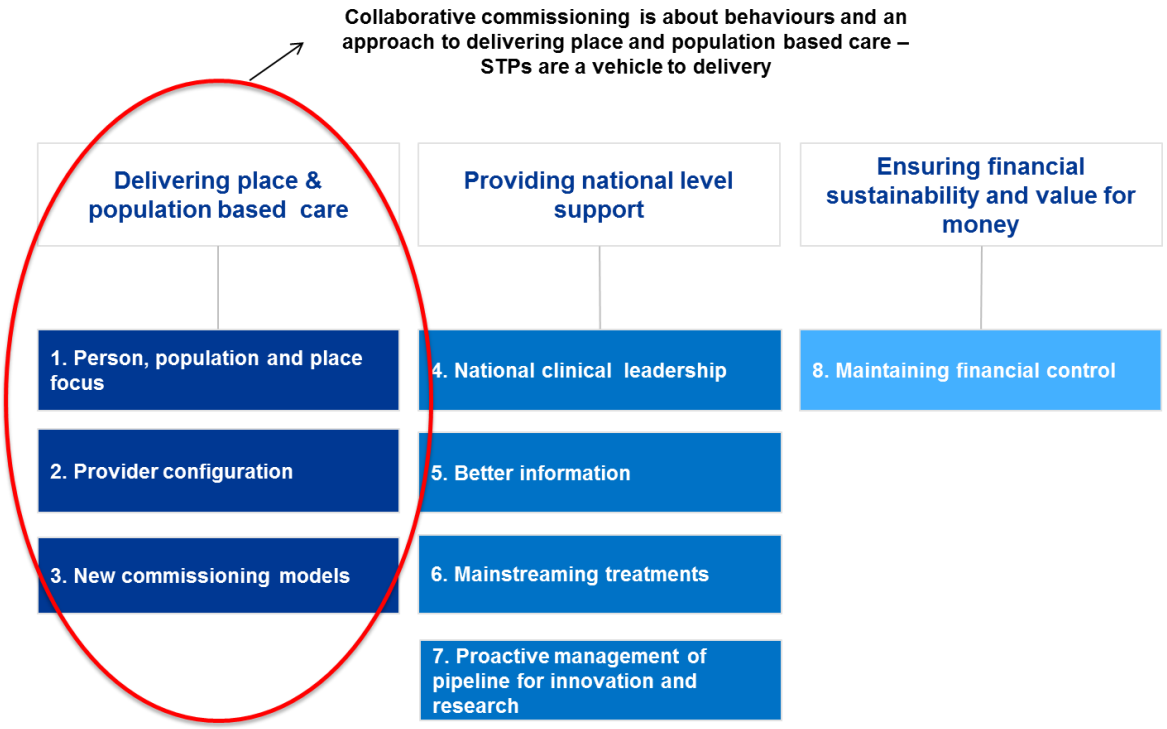
Background: For specialised services, appropriate commissioning levels might vary

- To support the move to place and population-based approaches for specialised commissioning we have differentiated the 149 specialised services by population footprint. This can be found in the Specialised Services Commissioning Intentions for 17/18-18/19.
- This exercise has suggested which services could be planned and delivered at the:
  - National/regional level
  - Sub-regional/collaborative hub level
  - STP or Multi STP footprint level*
- All four regions were engaged in this exercise to determine the appropriate segmentation into the commissioning levels. The North region was involved in the original national exercise. This involved use of a segmentation tool to classify, based around five factors (patient numbers, provision, financial risk, service specifications and strategy. The other three regions then carried out their own exercises independently and used these to collaboratively review the national exercise. Programme of Care Boards were also invited to comment on the initial list.
- The focus of the collaborative commissioning programme is on supporting STPs and Regional Teams to adopt population based approaches for the commissioning of specialised services.
- There is an exercise still to be done to develop a policy position as to the commissioning models on the place-based spectrum that would be appropriate for individual specialised services regardless of which commissioning level they sit within – particularly in relation to full devolution. We are working closely with the devolution programme on this and the development of the policy framework.



*For the purpose of this exercise we have not explored services which could be planned and delivered on a CCG footprint level.

Strategic Framework for specialised commissioning centred around place-based care



Four options being developed to support the move to place-based commissioning

Below is the spectrum of options available within the current legislative framework to support a move to placed-based commissioning of specialised services.

National Service Specifications will still apply regardless of which model of place-based commissioning is pursued.

We expect all STPs to have a 'seat at the table' by 2017/18

By 2020 we expect all STPs to take on greater responsibility for relevant services

Spectrum of place-based commissioning

Model 1 - 'Seat at the table'
- No legal change, or material organisational impact across the parties involved
- Decisions about a function are taken by the function holder but with input from another body
- Accountability and responsibility for function remains with original function holder (including budgetary responsibility and funding for overspends)

Model 2 – Joint arrangements
- Two or more bodies with separate functions that come together to make decisions together (e.g. S.75 partnership arrangements)
- Accountability and responsibility for function remains with original function holder (including budgetary responsibility and funding for overspends)

Model 3 – Delegation
- Exercise of the function is delegated to another body (or bodies)
- Decision-making and budget rest with the delegate(s)
- Ultimate accountability and responsibility for function remains with original function holder (including budgetary responsibility and funding for overspends)

Model 4 – Devolution
- Function transferred to another legal body on a permanent basis (meaning responsibility, liability, decision-making, budgets and everything else) by a transfer instrument under the Cities and Local Government Devolution Act provisions.
- Accountability and responsibility for those functions transfers to the new 'owner' (including budgetary responsibility and funding for overspends) who will be accountable to the relevant national body for the function in question

STP's and Specialised Commissioning in the South of England.

Specialised Commissioning (South) Delivery Director is now a part of the STP

NHS England recently held 7 triangulation events across the South of England (Exeter, Bristol, Oxford, Southampton, Brighton and London), including one for all Mental Health Trusts. These events highlighted:

- Areas of alignment between STP planning and that of Specialised Commissioning
- Areas where further work will be required in order to coordinate pathways across different STP footprints and NHS England regional boundaries
- Areas where alignment of commissioning within STP's brings about opportunities to improve planning, contract and transformational delivery.

The Vision for Specialised Services in the STP:
Through collaborative work within and across STPs to develop plans to commission high quality, evidence based, patient focused and efficient models of care to enable the delivery of high performing specialised services. **This supports:**

The STP Ambition:
Equity and excellence to the provision of specialised care through patient-centred, outcome based commissioning processes. This requires coordination between provider organisations to ensure that care is delivered in specialist departments where necessary with local repatriation where possible. **Which will be:**

Based on clear principles:
- High quality care
- Focus on outcomes
- Planning 'footprints' determined by evidence base
- Minimise pathway variation within & between providers
- Eradication of occasional practice
- Network solutions to address access and
- Optimise use of existing infrastructure
- Strong clinical leadership
- Multidisciplinary design
- PPV engagement.

To support our:

Proposal:
Through collaborative work within STPs to develop plans to commission high quality, evidence based, patient **focused** and efficient models of care – enabling the delivery of high performing specialised services grounded in:
- Catchments
- Consolidation
- Clustering
- Compliance

To address ….

The challenges we recognise:
The STP must
- Address variation
- Resolve derogations
- consolidate provision where required
- The current state is inefficient (Carter) and not sustainable
- Specialised Commissioning within and across STPs needs to deliver an ambitious QIPP to support financial recovery
- Service fragility and fragmentation must be addressed where required
- Services must be compliant with specifications and deliver the best outcomes
- Change will result in better training opportunities
- We must plan for the future and drive required changes collaboratively

Finance and QIPP Delivery

NHS England Specialised Commissioning (South) has calculated financial allocations based on the utilisation of Specialised Services by the STP (constituent CCGs) population. These allocation will contribute to the STP control total

The do nothing scenario for Specialised Commissioning within the STP sets out the financial impact of assumed growth based on national indicators for population growth for the CCGs in the STP

In order to close the gap (to break even) and deliver against its element of the financial gap Specialised Commissioning is planning for both Transactional and Transformational QIPP which will be cumulative over the duration of the STP

- Transactional QIPP will include areas that have historically delivered savings for example High Cost Drugs and Devices
- Transformational QIPP will include areas covered in the draft document attached and are intended to come into effect mid-way through 2017/18 (part year effect assumed as 1.5%)

QIPP has been set at c3% for all providers across the STP and for the duration of the plan. This is split down as follows:

- Transactional – For year one, this will be 1.5% inclusive of c1% for High Cost Drugs and Devices – leaving a balance of 0.5% to be delivered via other transactional means . In future years, we would anticipate transactional QIPP at no more than 1%.
- Transformational – For year one this will be 1.5%, increasing over time

The split is even across providers at the moment but Transformational schemes may have a greater impact on certain services and this will be reflected in reporting during the course of delivery of the STP The split is even across providers at the moment but Transformational schemes may have a greater impact on certain services and this will be reflected in reporting during the course of delivery of the STP

Transformational QIPP Scheme Development

- **Referral Support pathways for surgical pathways**
- **Health Coaching prevention in cardiology**
- **Spread use of GS1 and PEPPOL standards for HCD's and devices**
- **Medicines optimisation**
- **Enhanced supportive care for cancer pathways**

Specialised Commissioning Key Lines of Enquiry

✔Does the plan provide evidence that they are looking to take more responsibility/decision making for the planning and commissioning of specialised services?

✔Have they indicated a plan to pool budgets for specialised services, and have they considered risk/gain share as part of the solution?

✔Does the plan for specialised services focus on the clinical priority areas OR Does the plan for Cancer/Mental Health/Learning Disabilities include specialised services as part of the solution?

✔Does the plan have realistic/credible financial assumptions for specialised services (that are whole pathway inclusive, realistically deliverable, and include robust financial impact assessment) in the context of regional plans?

✔Does the plan provide sufficient assurance around how they have/will engage patients and the public on decisions that will have an impact on specialised services?

STPs: BNSSG and Somerset