Payment Systems and Specialised Services Group

Minutes

Wednesday 12 September, 11.00 – 13.00
110 Rochester Row, London

Members Present

Lee Rowlands (chair)	Manchester University NHS Foundation Trust
Azim Fazil (AF)	NHS Birmingham and Solihull Integrated Care Board
Andrew Johnson (AJ)	Addenbrookes NHS Trust
Carmel Harrington (CH)	NHS North East London Integrated Care Board
Dan Gilks (DG)	University Hospitals Coventry and Warwickshire NHS Trust
Dave Boehmer (DB)	NHS England
Gareth Worsley (GW)	North of England Specialised Commissioning Group
Jim Jowett (JJ)	NHS South, Central and West Commissioning Support Unit
Jonas Akuffo (JA)	NHS England
Justine Stalker-Booth (JSB)	NHS England
Liesl Hacker (LH)	The Christie NHS Foundation Trust
Nikki Harris (NH)	United Lincolnshire NHS Trust
Peter Farnall (PF)	NHS West Yorkshire Integrated Care Board
Rob Unsworth (RU)	NHS England

HFMA/Guests Present

Teena Chowdhury, RCP (TC)
Ben Renshaw, HFMA (BR)
Hayley Ringrose, HFMA (HR)

1 Welcome and apologies
LR welcomed everyone to the meeting and introductions were made. Apologies were received from Alastair Brett, Edward Gold, Juliet Wareing, Madi Parmar, Matt Tucker, Nicola Malyon, Paula Monteith and Yusuf Loonat. Azim Fazil attended in place of Heather Moorhouse, Gareth Worsley attended in place of Kim Hubbard and Peter Thompson attended in place of Helen Maguire.

2 Declarations of interest
There was nothing to note.

3 Membership matters
Ian Kendall has now retired. The group noted their thanks for Ian's contribution and support to the group.

Alastair Brett is changing role so will be stepping down from the group. He will supply a new contact to take his place. JA and DB will also continue to attend as central NHS England representatives.

LR and HR will be reviewing membership after this meeting to ensure that there is a mixture of representatives and geographical areas covered.

4 Minutes of the last meeting
The group confirmed that the minutes from the previous meeting on 24 May 2023 were an accurate record. One amendment was noted on page 5 that bone narrow should be bone marrow.

The group reviewed the action log and this was updated during the meeting.

5 NHSE/RCP work on the future of outpatient care strategy
Teena Chowdhury attended the meeting to share details of a joint project between NHS England and the Royal College of Physicians to create a new strategy for outpatient services.

A copy of the presentation is included as appendix 1. The following points were noted during the discussion:

The work will include clearly defining what is meant by outpatient services. This is likely to include patients accessing planned specialist care but not including day case surgery.

The intention is for value to be at the centre of the strategy and to ensure the strategy is implementable.

The project team has been working with The Patient Association and a patient panel has been established to input into the process. There will also be a patient survey.

A series of summits is taking place to discuss the key issues with stakeholders. These include a wide range of representatives of different levels and backgrounds. The discussions will include group clinics, advice and guidance and digital.

The final summit is on 14 September and will include discussion on contracting as well as other issues.

Themes which have been identified in the three summits that have taken place so far include:

- the importance of patient choice
- personalised care that takes into account the outcomes that matter to specific patients
- a more integrated approach to care
- workforce and workforce anxiety.

The strategy will not solve all the issues but should set up the landscape so that the problems can be addressed and to allow patient outcomes to be a central driver.

After the final summit has taken place, the intention is to publish the strategy in December 2023.

It was noted that this is a different piece of work to the elective recovery programme but there will be overlap given the impact waiting times have on all areas of the service.

The project is likely to identify some short-term goals but also identify areas that need to be addressed in the medium and long term.

Group members noted the importance of discussing delivery models as some of the ideas being discussed are likely to require a significant change in how care is delivered.

It was also noted that whatever is released will need to be able to be applied locally. There is currently significant regional variation, for example in HIV services. LC commented that it is likely the national strategy will set out recommended principles. It will be up to local systems to look at how these are applied.

Group members noted the risk that this simply shifts the problem somewhere else rather than solving it.

The strategy is likely to support funding and commissioning as it will help with providing accurate data to prove what providers are delivering. It is crucial to be able to record what is being done and more importantly what is not being done.

In relation to expansion of digital technologies it was noted that there are a significant proportion of long-term care patients who are IT literate and would welcome hybrid care, but the choice needs to be with the patient. There are currently a host of different suppliers of digital solutions trying to sell their products to the NHS, making it a market led exercise at present. It would be useful to share the success stories of the ones that work. One suggestion was for all patient facing technology to feed through the NHS app.

The group noted that it would be useful to have an updated on this subject area especially once it reaches the implementation stage. HR noted the suggestion.

ACTION: HR/LP to set up follow up presentation in 2024.

6 National updates

6.1 NHS England payment team
RU gave an update on the latest developments. The main points were:

Elective Recovery Fund (ERF)

NHS England communicated the 2% reduction to targets which was as a result of the industrial action. Further details will be shared as more details are confirmed.

The April/May data is now available and June data is due to be released imminently. This should allow organisations to get a picture of the Q1 position against ERF target.

Group members noted that profiling is still a significant issue in terms of assessing current position. RU responded that it should be a flat profile across the year.

It was noted that this doesn't reflect the wording in Julian Kelly's letter to the service so some clarification would be useful. RU noted the comments.

It was also noted that it is difficult to reconcile the overall system-level ERF to the individual commissioner/provider relationship targets. It would be very useful to be able to see detailed provider baselines as lots of areas are trying to do this locally but feel that a central shared approach would avoid duplication.

RU responded that this can be done by request but there are IG issues around a widespread release of the data. It should be possible to send the script out to reduce the need to organisations to create their own.

ACTION: RU to confirm profiling requirements

ACTION: RU to provide scripting for organisations to be able to recreate their baseline calculations

2024/25 payment scheme

The NHS payment scheme is currently in a two-year cycle with 2024/25 being the second year. There will be an amendment consultation looking at a number of areas including:

- rewrite of CQUIN rules so it is not transacted financially
- amendment to the cost uplift methodology
- update to high cost drugs and devices
- amendment to support the GIRFT right care, right place strategy
- update to LVA arrangements for specialised activity (all other LVA relationships carried forward from 2023/24).

The amendment consultation will be released in November, the details will be confirmed pre-Christmas and then published in the new year.

6.2 NHS England specialised commissioning update
JSB gave an update on the latest specialised commissioning updates and progress towards delegation from 2024/25. A copy of the presentation is included as appendix 2 and the spreadsheet referenced in the presentation which contains the current list of service line codes, has been shared with the group separately. Please note that both documents are not to be shared beyond the group.

ACTION: JSB to share presentation and spreadsheet with HR/LP

6 HFMA updates

6.1 To note the publication detailed within attachment 2
This was noted.

7 Any other business
There was nothing to note.

8 2023 meeting dates

- 22 November 2023, 11.00 – 13.30 (virtual)

HFMA Payment Systems and Specialised Services Group

Actions: 12 September 2023

Item	Action	Lead	Status
5.0	HR and LP to set up follow up presentation from Teena Choudhury in 2024.	HR/LP	Outstanding
6.1	RU to confirm profiling requirements.	RU	Outstanding
6.1	RU to provide scripting for organisations to be able to recreate their baseline calculations.	RU	Outstanding
6.2	JSB to share presentation and spreadsheet with HR/LP	JSB	Completed

Royal College of Physicians

Future of outpatient care - strategy

NHS England

What are we trying to achieve?

- Reducing health inequalities
- Safer care
- Integrated care
- Personalised care (evidence based)
- Better outcomes

Royal College of Physicians

NHS England

Workstreams

- Patient engagement and involvement
  - Patient survey
  - Focus groups and reports
- Literature review
- Case studies, best practice, blog series – *Medical Care – driving change*
- Stakeholder engagement
  - Meetings
  - Survey
  - Social media

Summits, themes and enablers

Summit 1
25 May 2023
Stakeholder engagement

Summit 2
21 June 2023
Accessing quality care

Summit 3
6 July 2023
Future models of care

Summit 4
14 Sept 2023
Delivering care fit for now and the future

Themes (wider context)
Patient experience
Digital health
Health inequalities
Implementation of change

Enablers
Integrated care
Workforce
Training
Research

Royal College of Physicians

NHS England

Questions and comments through the summits

- How can commissioning and contracting enable implementation taking account of local variation?
- Commissioning and contracting can push us forward to optimise existing models to improve access to quality care
- Regional variations in commissioning impacts the workforce's ability to deliver care
- Commissioning can enable the delivery of personalised care (by preventing fragmentation of service delivery)
- Commissioning should consider whole person care and holistic care needs
- How can commissioning and contracting support with meeting the current and future demands?
- What can we do to prevent commissioning and contracting creating perverse outcomes?

Questions we are considering at summit 4: 14 Sept

- What services need to be commissioned that support both primary and secondary care?
- How do we fund the breadth of services to meet patients' needs?
- How do we commission multi-professional care?
- How do we commission diagnostic pathways and monitoring and support pathways?

Next steps

- Final stage of the listening and engagement exercise
- Reflecting on the work so far to draft the strategy
- Strategy to be published in December 2023

Specialised Commissioning: Delegation

HFMA Meeting 12/09/23

In Confidence and not for sharing outside of the members at this stage

Key Documents Underpinning Specialised Commissioning Services (Not Changing!)

- The Prescribed Specialised Services Manual aka *The Manual*
  - Version 6, Published in March 2023
  - Summarises each of the 153 Specialised Services including how activity is identified
  - Adult Critical Care is the 154th Service
  - The Manual also includes useful background, purpose and a list of databases and clinical registries
- *Published Service Specifications (c250)* https://www.england.nhs.uk/specialised-commissioning-document-library/service-specifications/
  - These define the core and developmental service standards of care expected from commissioned providers.
- *Clinical commissioning policies routinely commissioned (c165)* https://www.england.nhs.uk/specialised-commissioning-document-library/routinely-commissioned-policies
  - These define access to a service for a particular group of patients. NICE TAGs either replace or are incorporated as appropriate. These are important documents that are developed to ensure consistency in access to treatments nationwide.

Key Documents Underpinning Specialised Commissioning Services (Not Changing!)

- *Policy statements or Urgent Policy Statements (c30 routinely commissioned and c19 not routinely commissioned)* https://www.england.nhs.uk/specialised-commissioning-document-library/policy-statements-urgent-policy-statements/
  - Used when NHS England needs to implement a policy quickly.
  - Still been through the standard process in line with all other polices, including evidence review, impact analysis and decision by the Clinical Priorities Advisory Group (CPAG), however they have not been subject to public consultation.
  - Once the policy statement is published, a full clinical commissioning policy may be developed.
- *Clinical commissioning policies not routinely commissioned (c66)* https://www.england.nhs.uk/specialised-commissioning-document-library/non-routinely-commissioned-policies/
  - These set out the services which are not routinely commissioned.

Service Line Codes and Identification Rules (*being updated to support delegation*)

- We currently have 307 service line codes (and growing!)
  - Codes all start with “NCBPS” and have 8 characters
  - Originally grouped – for example all service lines with “01” related to cancer services and all “23” related to children’s services but this limited us to 26 options
  - Now using a “number plate” approach – i.e. 01 and 61 and 23 and 73 to retain some logic!
- Every service line code has been mapped to the 154 service lines in The Manual
- Every service line code has been mapped to:
  - Services suitable and ready to be delegated in April 2024 (*Green*) or
  - Services suitable but not ready for delegation in April 2024 (*Amber/Orange)* or*
  - Services not suitable for delegation – mostly highly specialised (*Red*)
  - Services related to Green or Amber service lines which will remain funded on a hosted basis - includes network funding (*Blue)*
- This means that a service set out in The Manual, may include a combination of green, amber, red and blue.
- Looking to add a narrative for new codes and then publish on Futures on a regular basis.
- *Under review with Amber only including services which will be ready for delegation by April 2025*

What changes are being made?

- We are not expecting to remove any Service Line Codes, but there are reasons why the list will continue to grow:
  - Starting point is the Service Portfolio Analysis published by NHS England on 31/5/22. https://www.england.nhs.uk/commissioning/spec-services/key-docs/#roadmap
  - Additions for new services being commissioned or new service specifications e.g. NCBPS08V: MR-Guided Laser Interstitial Thermal Therapy (MRGLITT) (Adults).
  - Additions to separate elements of a service which will be retained but are a discreet element of a wider service which is being delegated e.g. NCBPS29X is Pectus Surgery for Adults and NCBS29Y is Pectus Surgery for Children which are part of Thoracic Surgery.
  - Additions to separate low volume/high-cost surgery – for example in neurosurgery. The 3 new service line codes NCBPS08E-G are a sub-set of NCBPS08S which is “Green”. The 3 new codes will also be “Green” but will potentially have different Commissioned Provider Lists (CPLs). This is currently being tested for Neurosurgery but could apply to other LVHC services too and can be actioned post-delegation.
  - Additions for service expenditure which should remain funded on a hosted basis e.g. funding for clinical networks (which needs to be ring-fenced)
  - Splitting of service lines to provide clarity – e.g. NCBPS01M for Head and Neck Cancer which is ICD-code based being split between Cancer Surgery (should be only providers on the CPL) and other activity such as biopsies, scopes (only specialised when undertaken at designated specialist centres)
  - To support better identification – e.g. NCBPS08Z Neuro-Spinal Surgery

The Identification Rules

- Every service line code has an Identification Rule (IR)
  - Some IRs are automated and included in the Prescribed Specialised Services Tool published by (what was) NHS Digital
  - Some IRs use HRG codes – e.g. the SB HRG codes for chemotherapy or the SC HRG codes for external beam radiotherapy
  - Some are based on clinical registries or national databases – e.g. cystic fibrosis or outpatient HIV services
- We are deliberately restricting changes to the *content* of the Identification Rules for 2024/25 as much as possible whilst we make the changes to support the new service lines codes being brought in.
- We will be reviewing the PELs and removing some PELs from the PSS Tool – these will instead by published as Commissioned Provider Lists.
- Where possible, we will introduce new automated IRs for new service line codes – e.g. NCBPS08Z which will have the same content as NCBPS06Z but with TFC 150 added (i.e. 06Z+08Z = the current 06Z). *We will be producing a guide/mapping in due course!*
- Aim is to publish a Planning Tool in November so providers/commissioners can see impact.
- From 2025/26, IR content changes for delegated services will be easier as the funding is all in one place.

Other Preparation – Provider Contracts

- The current providers lists (PELs) are being reviewed by regional teams, the national programme of care teams and the quality team
  - There will be a name change to “Commissioner Provider Lists (CPLs)” which will be published by NHS England
  - The lists will be annotated as to which are Restricted Lists (e.g. specialist surgery) and which are Designation Lists (i.e. recognised specialist centres e.g. for allergy)
  - Providers on the current list but with no reported spend will be queried
  - Providers not on the list but with significant spend will be queried
  - Providers on/not on the list with very low spend reported will be removed (but allocation will still be moved to ICBs)
- Baseline Refresh Allocation Exercise – Part 2
  - “Tidy Up” exercise review at an individual provider level to “lose” very low (or negative!) values by service line and ICB (will move to another service line or host ICB)
  - Align CPL review with financial values and reported activity.
- *To note: No change to specialised high-cost drugs and devices in 2024/25 (managed centrally)*

Other Preparation – Payment, Pricing and Governance

- We have proposed 9 areas of payment, pricing or governance changes to support delegation. These are working their way through the various sign-off and governance processes but hope they will be included in either the 2024/25 Consultation Update for the Payment Scheme or Planning Guidance. These are:
  - (1) Changes to the Payment Structure:
    a. Non-elective specialist surgery: moving some specialist tertiary surgery to the variable element of API in 2025/26 with national shadow monitoring in 2024/25 to understand the impact.
    b. Payments for specialist top-ups: moving most (if not all) specialist top ups into the fixed element of the API and managing on a host basis to support system leadership, development of hub and spoke models and care closer to home.
    c. Delegated specialised service LVAs: using the baseline refresh values for specialised services as a starting point rather than SUS but still aligning to the ICB process (i.e. national schedule and direct payment)
  - (2) Introduction of new unit/guide prices in a small number of areas: renal transplantation (unit price in 24/25), HSCT (guide price in 24/25), specialist radiotherapy such as SABR (unit prices in 24/25), NICU ITU/HDU at Level 1 Providers (guide price shadowing in 24/25) & cardiothoracic transplantation (review of guide prices and shad

Other Preparation – Payment, Pricing and Governance

- (3) Planning and governance changes:
  - a. Introduction of a lead ICB approach for a limited number of specialist services which are not reported on SUS: for example, prosthetics, environmental controls and specialist rehabilitation.
  - b. Payment reform in adult critical care: Introduction of a lead provider/lead ICB (on paper) model to support best use of resources/service re-design.
  - c. Continued payment reform in radiotherapy: separating out fixed element into capital charges/lease for key equipment (linacs) and quality premium and working with providers/casemix team to develop new HRGs for remaining costs.
  - d. Payment reform in specialist orthopaedic revision surgery: extension of the pilot work for knee revision surgery into elbow, shoulders and hips – principles are the same but needs tweaking due to delegation.
  - e. A new approach for the funding of corneal tissue: to support elective recovery and work with NHSBT and providers to develop a national strategy. This will potentially include moving the corneal tissue to the device programme.