



Healthcare
Costing
for **Value**
Institute

Increasing clinical engagement in costing

Case study

Wrightington, Wigan and Leigh NHS Foundation Trust

December 2019

Contents

Summary	3
Introduction	4
Increasing clinical engagement in costing	4
Future plans	8

Summary

The NHS holds an increasingly detailed volume of information – on both activities and costs – about how its resources are used at patient level. Combined with other data sources, patient-level costing (PLICS) provides clinical teams with a rich source of information to help them understand their patients and services. Linking patient-level costs with outcomes allows the NHS to promote value for the patient, ensuring that resources are used in the most effective way possible to provide high quality care.

The challenge for costing teams is how to encourage clinicians to use PLICS data. How do you overcome and address the challenges raised about data quality? How do you get them to understand that the data can support their improvement initiatives?

The costing team at Wrightington, Wigan and Leigh NHS Foundation Trust face similar challenges to other trusts. Since 2016 their priority has been to increase engagement with clinicians to drive improvements in the quality of the data used in PLICS, and to demonstrate how the data can help clinical services to reduce variation and improve patient care. This case study describes a range of practical approaches they have taken to make this happen.

Introduction

Wrightington, Wigan and Leigh NHS Foundation Trust (WWL) is an acute trust providing services for a population of around 300,000 people in the Borough of Wigan. The trust operates across three hospital sites with a total of 758 inpatient beds, an outpatients centre and a dedicated eye unit, and now also provides community services in Wigan. The annual budget is around £350 million.

The trust implemented PLICS in 2009, and has always tried to make sure that the data was understood by users including clinicians. However, although the processes in place for costing were considered to be comparatively robust, and quarterly PLICS reports were produced, there was little response or feedback from the report recipients. It became apparent that there was limited engagement with, or use of, PLICS data because the reports were too complicated. Potential users had little confidence in the reported activity volumes or the apportioned costs.

Hence, since late 2016, the priority for the trust's costing team has been to increase engagement with clinicians to drive improvements in the quality of the data used in PLICS, and to demonstrate that better use of data and intelligence could improve services for patients.

The trust has a costing team with two full time members of staff who have been supported in the drive to increase clinical engagement in PLICS by the informatics and business intelligence functions.

This case study highlights some of the initiatives that have been successful in increasing the quality of engagement between clinicians and the trust's finance and informatic teams.

In 2018 the trust was awarded the HFMA costing award.

Increasing clinical engagement in costing

Clinical costing lead

Key to much of the progress in increasing clinical engagement in PLICS has been enthusiastic clinical leadership at a senior level.

A specialist trauma and orthopaedic surgeon was the trust's clinical costing lead for six years, before stepping down from this role earlier in 2019. The newly appointed clinical costing lead is also the trust's Getting it right first time (GIRFT) lead, which strengthens the focus on clinical engagement in the use of data.

The new clinical costing lead is keen that the costing team become core members of improvement initiatives that are reliant on data and intelligence, and so the team members now go to the monthly GIRFT/ Model Hospital meetings led by the medical director, and will also attend clinical audit meetings.

Clinical involvement in the design of PLICS dashboards

The first clinical costing lead implemented a “Virtual” PLICS Board with membership made up of clinicians and other staff who were willing to be contributors to the costing process.

The costing team work within individual services to understand what clinicians do or don’t want to see on the PLICS dashboard for their service area, as well as identifying where content or the approach to presentation of information may act as a distraction to the key intelligence they need.

The finding from these discussions are then validated via the Virtual Board, and the feedback is incorporated into the dashboard designs. One key element of dashboard design championed by the Virtual Board has been the ability for clinicians across the trust to compare their data with their peers.

There are plans to turn the Virtual Board into a face to face Costing Club. This will be partly a steering group and partly an open forum for discussion on the use and interpretation of data. Membership will be drawn from clinical, operational management, finance, coding and business intelligence functions. The aim will be to ensure PLICS is embedded across the organisation to drive efficiencies through the identification of unwarranted variation. This forum will also develop the way intelligence is presented and further promote clinical and operational engagement.

Supporting financial improvement

Supporting the delivery of savings targets

In 2018 the trust had a large savings target of £14m to meet, and a number of “Big Schemes” were established to contribute towards the total figure required. One scheme was the ‘Maximising Contribution’ scheme, which included making sure that the trust’s decision making was based on robust activity and cost data.

The executive team tasked all divisions to validate their own information within a two-month timeframe.

- Firstly, there was a focus on assessing the accuracy of the costing model in partnership with divisional managers. This review included a check that the latest data, such as patient cohorts, staffing structures and floor areas, were being used to allocate costs. Through working with the clinical service teams to agree the relevant costs and methodologies for allocation at patient level, service managers developed an increased level of confidence that the PLICS data was robust enough for use in decision making.
- Once the PLICS data had been validated, it was then more reliable to use in the identification of loss-making specialties. Through the triangulation of three data sources; internal service line reports, reference costs and Model Hospital, the specialties with the greatest opportunities for financial improvement were identified.

Specialties showing a loss in service line reporting, who also had a high reference cost index and were highlighted in Model Hospital as having a large opportunity for improvement, were prioritised for closer analysis. This included data quality improvements, with subsequent improvement plans put in place.

This initiative enabled managers to plan both cost reducing and income generating schemes to contribute to the savings target. Ensuring this was a mandatory process across the trust meant that

not only was there a concerted effort to improve data quality, but the combined impact of this initiative was £440k which contributed toward savings targets.

Improving theatre data quality and efficiency

The trust's business intelligence team build specific apps for use by services. One of their most successful apps focuses on data quality and has a section for theatre usage.

The theatre system, ORMIS, collects time data for each stage of an operation, such as arrival in the theatre suite, anaesthetic, operation start and end, recovery and discharge. The costing and business intelligence teams worked with theatre staff to feed in the time data from ORMIS into the data quality app. The app checks those data points and highlights to the ORMIS team those patients with excessive recorded times in theatre for further investigation.

Use of this app to improve the quality of data used in PLICS has resulted in more efficient use of theatres, with an increase in patients treated within the same cost base.

Revising the tariff for specialist complex hip revision

The trust hosts a specialist trauma and orthopaedic centre undertaking complex procedures for patients across the North West, including a specialist complex hip revision service. In order to justify the continuation and potential expansion of what is regarded as an effective clinical service, the specialty's consultants were keen to demonstrate the service could deliver a positive financial impact.

The costing team worked with the clinicians to demonstrate that the costs incurred for some revision surgeries, particularly the extra complex ones from out of area, exceeded the income due to the trust. Following clinical validation of the coding data and a focus on the correct allocation of costs, liaison with NHS Improvement, other specialist trusts and the National Orthopaedic Alliance has resulted in consultation and it is hoped that there will be changes to the tariff in the future.

Supporting quality improvement

'Quality Champions' projects are proposed and led by individuals within the trust to implement quality improvements to benefit patients. Many of these initiatives also have financial benefits. This initiative is chaired by the chief executive so has a high profile within the trust.

The costing team has used PLICS to support the Quality Champions to identify potential savings for projects in the development phase, and measure the savings generated through more mature projects. Promotion of the successes of these projects keeps the initiatives high on the trust's agenda and encourages other staff to become Quality Champions once they see how they can contribute to the improvement agenda and generate significant savings.

Reducing waits for physiotherapy

One Quality Champion project was led by a physiotherapist who identified that some inpatients were waiting over a weekend to have an assessment before discharge, with no clinical reason for remaining in hospital. The criteria were changed so that these patients were allocated a higher priority for physiotherapy and assessed at weekend when required, meaning half of them were discharged immediately. This resulted in benefits to the patients who were then mobile more quickly, reducing the risk of longer-term issues.

PLICS data demonstrated that there was no additional cost as physiotherapists were working at the weekend, but there were indicative savings due to reductions in length of stays.

Improving the cost model to more accurately reflect clinical practice

The costing team has recently improved its cost model in two key areas, which means that the PLICS data more accurately reflects actual clinical practice.

Allocating medical staff costs at patient level

The costing team had previously had difficulties in attributing the costs of medical staff at patient level. Although annual consultant job plans were required for all divisions, they were produced on a variety of formats, were often incomplete, out-of-date or missing altogether.

The trust now has in place job planning software called Allocate, which provides them with a standardised and centralised approach to job planning. This provides system users with a more straightforward way of reviewing and updating job plans, and gives the costing team more accurate and up-to-date data so the costs of consultants can be allocated at patient level in PLICS.

With this system in place, the costing team can demonstrate how senior medical costs are applied at patient level and therefore provide clinicians with reassurance on the accuracy of PLICS information.

Allocate can also support job planning for nursing staff and this is now being considered as it will produce not only the patterns of nursing costs across wards and clinics but also information on patient acuity.

Allocating cost of prostheses at patient level

The trust previously had a system in place to record details of prostheses used in surgery, but this was an old system no longer being supported by the supplier. Following a review of high procedure costs in the trauma and orthopaedic division, it became apparent that only one theatre now used this system and so the costs of prostheses were not being correctly allocated to patients.

The National Joint Registry (NJR) collects information on all hip, knee, ankle, elbow and shoulder replacement operations in order to monitor the performance of joint replacement implants and the effectiveness of different types of surgery. The trust was already submitting online details of the prostheses being used in operations to the NJR.

The trust receives a quarterly extract of the costs of prostheses used at WWL and this is now used to match to patients in PLICS to enable the full costs to be added. The NJR data covers around half of the prostheses used in surgery. The costs for the remainder are calculated on an indicative weighted value basis.

Future plans

The recent appointment of a new clinical costing lead has provided a renewed impetus on encouraging engagement between clinical, finance and informatic functions. Some of the planned initiatives are listed below.

- The introduction of a Costing Club, as described above.
- A new dashboard has been produced by the costing software supplier and this is now being customised to provide the intelligence needed by consultants and managers for evidence-based decision making.
- One of the costing team has been appointed as Model Hospital trust ambassador so is reviewing opportunities to maximise the use of this data set across the trust.
- Both members of the costing team are now Future Focused Finance Value makers¹ and Finance & Clinical Educators² which provides them with resources and shared knowledge to improve processes and engagement with clinicians.
- Plans are underway for a locality pathway costing project, in partnership with other local providers. The aim is to cost the entire patient pathway to identify the most effective interventions which provide the best value for both the patients and the system as a whole.
- The trust has recently taken on a community contract, and so work is now underway to develop PLICS in partnership with the clinical staff delivering those services.

¹ <https://www.futurefocusedfinance.nhs.uk/value-makers>

² <https://www.futurefocusedfinance.nhs.uk/finance-clinical-educators>

The Healthcare Costing for Value Institute programme is built around four themes:



Confident costing

Supporting improvements in costing

Costing is high on the NHS agenda with NHS Improvement's mandation of new costing standards. The Institute provides a support network where members have the opportunity to discuss costing challenges with their peers, as well as share learning. Our wide range of Confident costing events and publications ensure we support both those new to costing as well as more experienced costing staff.



Translating data

Making the most of patient-level cost data

Providers of NHS services have increasingly large amounts of data about their patients, with the roll-out of patient-level costing (PLICS) across the NHS. The challenge is how to make the most of patient-level cost data to support improvements in patient care and deliver efficiencies. The Institute has a series of toolkits to support members turn the data generated by PLICS into powerful intelligence. The Institute's support network allows members to share examples of how they have embedded PLICS within their organisation and encouraged clinicians to use PLICS data to support service redesign.



Driving value

Improving patient outcomes at lowest possible cost

The concept of 'value' in healthcare – maximising the outcomes which matter to people at the lowest possible cost – is increasingly seen as a key lever for supporting the delivery of high quality sustainable healthcare. The challenge is how to do this in practice. What is clear is that clinicians and finance staff need to work more closely together to support improvements in value. The Institute has a growing reputation for bringing together senior finance and clinicians to explore what value means for the NHS. Institute members have the opportunity to hear from those at the cutting edge – both nationally and internationally – and take back practical ideas for their own organisations. Our value challenge projects work with members to put the theory of value into practice.



Innovation

Pushing costing and value boundaries

The Institute continues to push forward and promote costing and value-based healthcare. This is supported by Institute-led projects which aim to challenge current practices and the existing culture. The Institute works with its Members, Partners and Associates to learn from and share good practice in the UK and internationally. We are always looking for new ideas and opportunities to ensure that we are at the cutting edge of costing and value.

To view the 2019/20 Institute programme [click here](#)

Further information

For more information about this project, contact

Michael Harrison
Senior Costing Accountant
Wrightington, Wigan and Leigh NHS Foundation Trust

michael.harrison@wwl.nhs.uk

Published by the Healthcare Financial Management Association (HFMA)

The lead author was Rachel Mayman, Institute content creator, under the direction of Catherine Mitchell, head of Institute

While every care has been taken in the preparation of this publication, the publishers and authors cannot in any circumstances accept responsibility for error or omissions, and are not responsible for any loss occasioned to any person or organisation acting or refraining from action as a result of any material within it.

© Healthcare Financial Management Association 2019. All rights reserved.

The copyright of this material and any related press material featuring on the website is owned by Healthcare Financial Management Association (HFMA). No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopy, recording or otherwise without the permission of the publishers.

Enquiries about reproduction outside of these terms should be sent to the publishers at info@hfma.org.uk or posted to the address below. Published December 2019

www.hfma.org.uk

HFMA

1 Temple Way, Bristol BS2 0BU
T 0117 929 4789
F 0117 929 4844
E info@hfma.org.uk

Healthcare Financial Management Association (HFMA) is a registered charity in England and Wales, no 1114463 and Scotland, no SCO41994. HFMA is also a limited company registered in England and Wales, no 5787972. Registered office: 110 Rochester Row, Victoria, London SW1P 1JP HEA.FIN.076 03/17