

# Costing for Integrated Care Boards and Systems

*“For me, obtaining best value comes down to the intelligent use of data to make good decisions – whether you are an integrated care board deciding what investments will have the greatest impact on your population’s health, a provider seeking to optimise a care pathway or a clinician wanting to obtain excellent outcomes for patients. In our resource-constrained world, optimal or best-value decisions will be made by combining our excellent costing information with the wealth of outcome and performance data we have at our disposal in an intelligent way.”*

Bill Gregory, past HFMA president

Integrated care boards, as part of the wider integrated care system, have four key aims:

- improving outcomes in population health and health care
- tackling inequalities in outcomes, experience and access
- enhancing productivity and value for money
- helping the NHS to support broader social and economic development.

To meet these aims, it is essential that systems have open and honest discussions about how to use constrained resources to deliver the maximum value for patients, for the NHS, and for wider society. These discussions need to be informed by two things:

- timely, accurate, and relevant financial data to understand how resources are distributed across organisations and pathways
- data on the health needs of the population and outcomes achieved, to measure how effectively resources are distributed.

Gathering and using this data at a system level can be challenging. A shift in behaviours and cultures is required to realise the potential of the information gathered across the NHS. In addition, leaders in health and social care need to ensure that in the pursuit of maximising value at a population level, sight is not lost of the experiences of individual patients. Collaboration, rather than competition, generates an opportunity to explore fundamental, outcomes-based changes in the way resources are allocated driving maximum value for local populations.

Adopting a value-based approach to improving population health will support the delivery of the ICB’s aims and will enable the transformation of NHS services in a sustainable way.

## Healthcare Costing for Value Institute

The HFMA's Healthcare Costing for Value Institute was established in 2015 to provide a platform for support and ideas exchange with a focus on applying the theory of value-based healthcare in practice and maximising the value of patient-level costing information. Understanding cost and activity data is no longer just of interest to provider organisations. Collaborative working to meet system control totals, means that ICBs must understand the cost drivers, patient outcomes, and resources used across their systems, in order to maximise the value that can be achieved for all parts of the population.

The Institute works with NHS organisational partners and provides a programme of networking, training, resources and thought leadership across four key themes, which are essential to delivering a value-based approach to healthcare.

### Confident costing

Costing remains high on the NHS agenda and with the move to system working understanding the cost of delivering care is essential in order to allocate resources as effectively as possible. The Institute provides a support network where partners 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

Good-quality data is fundamental to providing the right care to the right patient in the right place. Patient-level costing information plays an integral part in the decisions that need to be made across pathways, organisations and systems. The challenge is how to make the most of patient-level cost data to support improvements in the delivery of care and to support system leaders as they look to improve the health of their local populations in a financially sustainable way.

The Institute has a series of toolkits to help partners turn the cost and activity data generated into powerful intelligence. The Institute's support network allows partners to share examples of how they have embedded patient-level costing within their organisations and systems and how they have worked with clinicians and others to use data to support service redesign.

### Driving value

As we move to a more collaborative, integrated approach to designing and delivering health services, the question of how we allocate finite resources in a way to maximise outcomes becomes increasingly important. The concept of 'value' in healthcare is seen as a key lever to support this.

The Institute has a growing reputation for bringing together finance leaders, data analysts, and clinicians to explore what value means for the NHS. Institute partners have the opportunity to hear from those at the cutting edge – both nationally and internationally – and take back practical ideas for their own organisations and systems.

### Innovation

The Institute continues to promote value-based healthcare and costing and push the boundaries of what is currently in place. This is supported by Institute-led projects which aim to challenge current practices and the existing culture. The Institute works with its partners, associates, and commercial partners 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 value and costing.