

## Optum Commissioning Annual Review 2015/16



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# 1 Executive Summary

## 1.1 Introduction

Welcome to the Optum Commissioning Annual Review for 2015/16 which focuses on the achievements of the Optum commissioning team over the past twelve months and outlines our approach to future commissioning strategies.

Throughout this year the team has worked alongside a variety of NHS commissioning bodies to improve care, deliver value for money and drive change. Some key highlights from the past year have included the following:

### Thames Valley and Wessex CCGs

Supporting an established collaboration of 18 Clinical Commissioning Groups (CCGs), Optum delivered an evidence-based cost improvement programme of over £830k (approximately 2% of the total commissioning portfolio) for 2015/16. Added to our previous six years working with this CCG cohort, we have delivered a cumulative benefit to the local health economy of over £26m.

The team has also been working on developing new ways to improve efficiency and decrease cost pressures in the 16 London trusts. Solutions have included the convention of the London Exterior Collaborative (see section 2.2 for more details) and the development of new reporting solutions such as Tableau, which ensure CCGs have timely, pertinent and actionable information at their fingertips (see section 2.4.2 for more detail).

Additionally, the team has also been working on developing programmes such as the Thames Valley Cardiac Programme, which seeks to manage cardiology spend locally and within London. Further details on the Thames Valley and Wessex CCGs can be found in section 2.

### Lincolnshire Commissioning Support Programme

Following a rigorous procurement process throughout 2015, Optum received accreditation as an approved supplier to provide Commissioning Support Services under the NHS England Lead Provider Framework (LPF).

In October 2015 Optum was successful in winning the first tender under the LPF to provide the 'End-to-End' Commissioning Support Services to South Lincolnshire and South West Lincolnshire CCGs (whilst also providing a subset of services to Lincolnshire East CCG) for an initial three year period from February 1st 2016.

Following a successful handover and mobilisation period, the Optum Team is now focused on delivering the new service offerings. Further details of which can be found in section 3.1.

### Bedfordshire CCG

Building on the successful implementation of one of the first prime contractor models in the country in 2014, Optum has continued to provide an integrated dermatology service to the patients of Bedfordshire CCG with an increased demand for the 'one-stop shop' for all dermatology referrals seen throughout 2015/16. In the past year we have reduced referral-to-treatment times from above 18 weeks to between two and four weeks, whilst also reducing acute activity down from 93% to under 13% – entering quicker, appropriate care in the most appropriate settings. Further details can be found in section 3.2.

## **Dorset**

In April 2015 Optum was tasked with building a programme for Public Health Dorset to provide a single point of access for health and wellbeing services. The result, Live Well Dorset, is now available to over 750,000 people and encourages healthy lifestyle choices to help reduce the prevalence of chronic and long-term diseases in the area. In our first year we have provided interventions to over 6,500 individuals and the high engagement figures (69% after three months) demonstrates the success of the service. Further details can be found in section 3.3.

## **Quick Wins**

Over the past months we have developed the quick wins programme as a means of helping CCGs address in-year financial problems. The programme looks for opportunities within the existing contract portfolio where quality and value for money can be improved. In April 2016, we identified over £1.6m of immediate efficiencies for Milton Keynes CCG and we are currently running similar programmes with North Derbyshire and South West Lincolnshire CCGs.

## **NHS England Lead Provider Framework**

Optum continues to offer end-to-end commissioning support services to NHS organisations under the NHSE LPF. We have coordinated a supply chain of 23 partners which includes a variety of small to medium scale enterprises, large scale consulting, advisory and audit companies, and voluntary sector organisations. We are able to utilise our UK expertise, which has been built up through years of supporting the NHS in the UK, and our international experience, to offer high quality commissioning services to the NHS. Further details can be found in section 4.

I would like to thank the team for all their hard work in what has been another very successful year. I would also like to thank our colleagues in CCGs, CSUs, councils and service providers for their ongoing support, collaboration and innovation.

**Damian O'Boyle**  
**Programme Director, Optum**

## 1.2 A Short Introduction to Commissioning

### The Commissioning Cycle

Commissioning health services is a cyclical process running throughout the financial year, which proceeds through several distinct stages, namely: planning, procurement and monitoring. Across all programmes, Optum seeks to facilitate, support and enhance commissioning whilst always putting patients first. The following diagram illustrates each stage of the cycle.



#### Planning

Planning takes the form of assessing health needs, reviewing current provision, identifying gaps and priorities and capacity planning. This helps commissioners choose which services should be improved or decommissioned based on accurate data and information around geographical location and demand within the population, ensuring there is no duplication of services and that services are of the highest possible standard.

#### Procurement

The procurement stage of the commissioning cycle involves service design, defining contracts, procuring appropriate services and managing demand. This stage is developed with clinicians in order to ensure that appropriate demands are being met. Service specifications are drafted in order to be included in contracts taking into consideration quality stipulations such as Commissioning for Quality and Innovation (CQUIN) schedules which sets out a commitment to make a proportion of providers income conditional on taking steps to improve quality and innovation. Checks and balances at this stage are used to ensure that services are not overused and approaches are developed to support and incentivise the optimum utilisation of services by patients.

#### Monitoring

The monitoring stage of the commissioning cycle relates to the ongoing monitoring of activity and quality, data validation and payment, stakeholder and patient views, and feedback. Through this monitoring, commissioners can see whether providers are delivering the care that is contractually mandated while also reviewing any quality concerns within the year. Commissioners can also ensure that only activity that is agreed within the contract is being charged and paid for, allowing contract challenges where necessary.



## The Optum approach

Throughout this report, the team has highlighted where existing offerings fall within the commissioning cycle and how they support these three main commissioning stages.

Optum's approach, developed in line with commissioner colleagues, focuses on five best practice tenets which are designed to provide strong assurances for the commissioner.

### 1. Contract management

Optum provides an experienced contract management function. All contract leads are trained contract negotiators and have developed a strong forensic understanding of each contract within their respective portfolios. Using our proprietary tools and technologies, contract managers review each contract line by line to ensure that efficiencies and opportunities can be identified, and performance is robustly managed. Our contract managers also establish strong and effective working practices with clients. This combination ensures that our NHS colleagues can expect to meet local and national targets and patients can expect continuous improvement in the delivery/provision of care.

### 2. Delivering efficiencies

The team has developed a series of successful, evidence-based Quality, Innovation, Productivity and Prevention (QIPP) schemes. Our approach, based on monitoring data held within our Commissioning and Contracting Application, enables us to transform pathways, undertake clinical audit, review drug usage and local prices, and work alongside NHS colleagues to manage demand. This gives us full insight into patient care and delivers contractual efficiency and value for money for the client.

### 3. Accurate forecasting

Using capacity and repatriation plans, developed with NHS colleagues, as a baseline, the team provides monthly forecasts that accurately capture trends, seasonal variations, challenges and contract intelligence to provide accurate outturn positions. This prudent but informed approach removes unexpected financial shocks and enables the confident prediction of commissioning spends.

### 4. Detailed reporting

Optum reports activity down to individual commissioner, for example CCG and GP practice level, in a timely manner to enable actions to control performance. The team provides granularity, and actionable analysis that enables our clients to fully understand the drivers of performance and enact change to mitigate adverse variances.

### 5. Innovation

Optum develops joint strategic action plans with organisations to ensure that all our services are of high quality and value for money. Optum embed staff within client sites to fully understand pressures and drivers, turning NHS challenges into joint innovative solutions.

## 2 Thames Valley and Wessex CCGs London Commissioning Support

### 2.1 2015/16 Summary

#### 2.1.1 Overview

The Optum commissioning team has been managing 16 London contracts on behalf of Thames Valley and Wessex CCGs (TVWCCGs) since 2009. 2015/16 represents the sixth year of the retendered contract. Previously, both acute and specialised activity referred into London was managed by the Optum commissioning team. However, due to the changes in the NHS structure brought about by the Health and Social Care Act 2012, only acute activity into London is managed on behalf of a collaborative of 18 TVWCCGs, with specialised activity falling under the remit of NHS England (NHSE). The approximate total contract value for this acute activity is £50.6m.

There are a number of drivers of London activity including geographic proximity, GP choice and patient choice. However, much of the acute activity could be commissioned from local providers where the Market Forces Factor (MFF) is significantly less (up to 20 percent lower in some cases) and where patients can receive their treatment closer to their homes.

The TVWCCGs' budget for London activity represents a small proportion of the London provider's income and in the majority of cases, TVWCCGs are minority commissioners. As such, rather than seek terms that would be wholly beneficial to these minority CCGs outside of London, London providers defer to agreements made with their London CCGs, which represent a more significant percentage of their contract income.

In an environment of limited negotiation power, the team has continued to review all TVWCCG London data to ensure only appropriate activity is paid for, sought all available beneficial contract terms within host CCG documentation and worked alongside CCGs and providers to alert them to performance pressures and implement demand management options.

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"I've worked with Optum for several years now on a CCG and strategic clinical network level. Their performance, responsiveness, flexibility and quality across our projects have always been outstanding. Optum offers a collaborative, decisive and innovative style that is consistently impressive."

**Dr. Raj Thakkar, GP, Pound House Surgery**  
**Clinical Commissioning Director for Planned Care, Chiltern CCG,**  
**Cardiac lead, Thames Valley SCN, NHSE, AF champion, Thames Valley, NHSIQ**

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### 2.1.2 Finance

There was an average 11.7% increase in referrals into London from TWCCGs in 2015/16 (when compared to 2014/15 levels). Some of this growth and associated cost has been suppressed by the team's initiatives, as such the increased activity has translated into only an approximate 3% overspend against budget – a £1.59m over performance. Please see the table below for a breakdown of the year-end position by provider, based on the Month 12 flex data received from London Trusts.

High cost patients, in-year trust mergers, movement of neurology and wheelchair budget from NHSE and uncertainty around the specialised algorithm used to apportion specialised activity were significant cost pressures in the portfolio.

Trust	Budget Envelope	Forecasted Outturn	Variance
Barts Health NHS Trust	£1,628,649	£2,159,249	-£530,600
Chelsea and Westminster Hospital NHS Foundation Trust	£1,567,449	£1,640,450	-£73,001
Epsom and St Helier University Hospitals NHS Trust	£2,143,615	£1,984,765	£158,850
Great Ormond Street Hospital for Children NHS Foundation Trust	£1,702,348	£1,775,311	-£72,963
Guy's and St Thomas' NHS Foundation Trust	£5,815,428	£6,168,974	-£353,546
The Hillingdon Hospitals NHS Foundation Trust	£4,938,189	£5,176,454	-£238,265
Imperial College Healthcare NHS Trust	£6,330,694	£6,574,150	-£243,456
King's College Hospital NHS Foundation Trust	£2,547,869	£2,401,337	£146,532
Moorfields Eye Hospital NHS Foundation Trust	£1,616,302	£1,771,053	-£154,751
London North West Healthcare NHS Trust	£2,600,803	£2,895,853	-£295,050
Royal Brompton & Harefield NHS Foundation Trust	£5,010,598	£5,187,091	-£176,493
Royal Free London NHS Foundation Trust	£1,869,753	£1,963,846	-£94,093
The Royal Marsden NHS Foundation Trust	£1,378,694	£1,317,446	£61,248
Royal National Orthopaedic Hospital NHS Trust	£3,233,478	£3,336,451	-£102,973
St George's University Hospitals NHS Foundation Trust	£3,693,533	£3,514,923	£178,610
University College London Hospitals NHS Foundation Trust	£6,873,262	£6,682,864	£190,398
<b>TOTAL</b>	<b>£52,950,665</b>	<b>£54,550,219</b>	<b>-£1,599,554</b>



### 2.1.3 Quality

In addition to providing detailed financial analysis within monthly reports, the commissioning team also uses dashboards to keep track of provider quality throughout the year. Raw figures each month are summarised in a table to enable easy monitoring of 18 weeks referral to treatment, MRSA and clostridium difficile infection rate metrics. Below is a table detailing the figures for 2015/16.

Provider Name	Snapshot as February 2016		Annual total: March 2015 to March 2016	
	Admitted Adjusted % within 18 weeks	Non Admitted % within 18 weeks	MRSA	C. difficile infection
London North West Healthcare NHS Trust	68.7%	66.7%	44	54
Royal Free London NHS Foundation Trust	77.8%	67%	24	68
Royal National Orthopaedic Hospital NHS Trust	81.2%	88.8%	0	2
The Hillingdon Hospitals NHS Foundation Trust	78.4%	84.6%	8	13
Guy's and St Thomas' NHS Foundation Trust	83.3%	74.6%	10	55
St George's University Hospitals NHS Foundation Trust	76.8%	78.7%	26	33
King's College Hospital NHS Foundation Trust	Not published	Not published	14	88
Great Ormond Street Hospital For Children NHS Foundation Trust	Not published	Not published	2	7
Moorfields Eye Hospital NHS Foundation Trust	88.4%	81%	0	0
The Royal Marsden NHS Foundation Trust	95.2%	77.9%	0	43
Chelsea and Westminster Hospital NHS Foundation Trust	82%	70.2%	4	10
University College London Hospitals NHS Foundation Trust	89.5%	52.1%	16	102
Royal Brompton & Harefield NHS Foundation Trust	83.6%	90.5%	0	19
Epsom and St Helier University Hospitals NHS Trust	76.5%	85.5%	40	30
Imperial College Healthcare NHS Trust	73.9%	74.3%	36	82
Barts Health NHS Trust	Not published	Not published	66	78

Annual total of Clostridium difficile infection for all CCGs in the country. Patients aged two years and over by Acute Trust – Trust Apportioned only.  
Annual total of methicillin resistant staphylococcus aureus (MRSA). Total Reported Cases (Trust Assigned, CCG Assigned and Third Party).

### 2.1.4 Quality, Innovation, Productivity and Prevention Plans

As part of 2015/16, the commissioning team implemented a series of QIPP plans to focus on improving the quality of services and to reduce costs within London. In total, the commissioning team identified just under £5m worth of activity which was worthy of further investigation, of which over £830k was found to be incorrect. At 2% of contract value, this demonstrates how working with providers can improve data quality, enhance innovative commissioning, and maximise efficiencies for the health economy.

Below is a short summary of each QIPP Plan:

### 2.1.5 Demand Management

The Demand Management QIPP aims to reduce referrals into London through the effective targeting and education of key referrers. Optum contract leads distributed finance and activity reports and met with CCG colleagues on a monthly basis to review any in year activity variations and discuss opportunities to repatriate with an aim to reduce the exposure on London contracts.



2.5.1 Stages of the Commissioning Cycle

*Demand management*

### Procedures of Limited Clinical Value

A list detailing Procedures of Limited Clinical Value has been developed by Optum's in-house pharmacist to ensure compliance with commissioning policies. CCGs were also encouraged to use this document in contract negotiations with local providers, with a view to recouping the entire MFF differential from the provider when these procedures are referred onto London. This discourages local providers from inappropriately referring into London in contravention of local policy.

#### 2.1.5.1 Prior Approvals

In order to ensure that treatments are effective as well as evidence based, prior approval schemes define more clearly, and openly, the criteria for NHS funded treatment. When providing certain services, trusts must seek approval from TWWCCGs and Optum. This has proven an effective method of gatekeeping activity into London and ensuring that where appropriate, patients can be offered care at providers that are closer to home, providing equal quality for better value.

To ensure that the prior approval process runs as smoothly as possible, the Optum commissioning team has compiled a comprehensive list of treatments, services, drugs and devices that required prior approval with relevant criteria. In addition to this, the team has collated all policies from London contracts into a spreadsheet for ease of decision making and embedded a process for submitting, approving and communicating approvals. Decisions were frequently made on an ad-hoc basis; for example, ensuring that all patients requesting usage of High Cost Drugs (HCDs) met all relevant NICE criteria. Monitoring compliance against the prior approval schemes is undertaken monthly using a sophisticated Commissioning and Contracting Application (CCA) query, which uses all ICD-10 and OPCS codes to challenge providers where they have not sought prior approval or where the patient does not meet the relevant criteria. All prior approvals are reported monthly in the performance report.

The Optum commissioning team's work around prior approvals has benefited the TWWCCGs by providing an insight into service developments and increasing knowledge of approval for drug treatments.

#### 2.1.5.2 Data Diagnostics

Throughout the year, data analysis was undertaken to inform a rapid care pathway diagnostic which identified the areas with the greatest potential for improving quality and efficiency.

This analysis of the Secondary Uses Service (SUS) and Service Level Agreement Monitoring (SLAM) data provided guidance to the team in identifying the need for and the means of, undertaking more detailed data assessments. This helped to steer clinical and case note reviews.

Efficiencies were realised through a variety of means including identifying errors, providing evidence to support contract challenges and applying the learning to the agreement of new contracts.

Once any issues were identified, work was then carried out alongside TWWCCG colleagues to reduce costs as much as possible.

Issues identified through this QIPP included:

- Attribution challenges: Identifying charges within the data for patients who were not registered to one of the TWWCCGs at the time of treatment.
- Identification of specialised activity that is chargeable to NHS England but was included in CCG data due to the incorrect application of information rules.



#### 2.1.5.2 Stages of the Commissioning Cycle

*Defining contracts*

*Monitoring activity and quality*

### Business Intelligence Solutions

Commissioners need to be supported with the essential tools necessary to improve the strategic and operational decisions for their locality. The growing use of more dynamic technologies used by commissioners has made it possible for commissioners to have access to the most up to date data on the go at any time. Optum is committed to improving reporting methods that will allow for data to be presented in more innovative and dynamic ways to further support evidenced based commissioning. In 2016/17 commissioner colleagues will receive more customisable self-service reporting that allows for bespoke analysis and that allows commissioners to drill down to service line level across all data sets.

#### 2.1.5.3 Commissioning and Contracting Application

The Commissioning and Contracting Application (CCA) uses the SUS and SLAM data provided by the London trusts to identify where patient activity and pathways do not relate to TVWCCG patients or the care provided is not as contractually mandated. The CCA contains over 200 checks against data to ensure that care is appropriate whilst capturing trending information to provide benchmarks.



#### 2.1.5.3 Stages of the Commissioning Cycle

*Invoicing, data validation and payment*

#### 2.1.5.4 High Cost Drugs

Medicines optimisation has been an integral component in securing greater value for money from commissioner's medicines expenditure, specifically medication exempt from the Payment by Results tariff (PbR) and in ensuring adherence to best practice guidance, for example NICE. Following the new commissioning arrangements for specialised services, the portfolio of high cost drugs commissioned by CCGs reduced significantly with the mainstay being biologic drugs used in ophthalmology, rheumatology, gastroenterology and dermatology. The Optum commissioning team pharmacist continued to review and validate expenditure on high cost medication via SLAM and SUS data to provide commissioner assurance that usage was appropriate and in line with NICE or local agreement.

The establishment of an agreed list of medication that is routinely funded by the commissioner (the High Cost Drug Schedule), together with criteria for exceptional case funding, provided a robust system for the correct attribution of medication spend to both specialised and non-specialised commissioners. Monitoring of provider proformas by the Optum commissioning team pharmacist gave further assurance of adherence to NICE criteria for ongoing treatment.



#### 2.1.5.4 Stages of the Commissioning Cycle

*Procuring appropriate services*  
*Invoicing, data validation and payment*  
*Monitoring activity and quality*

### Challenge Process

The challenge process ensures that every individual query or challenge is tracked from inception through to resolution. Within the PbR reconciliation timeframes the commissioning team identifies queries using CCA and manual contract lead review. Each challenge is detailed and assigned a unique identifier within the response to the provider. If the challenge is disputed by the provider the response is considered by the team within the monthly challenge review session. The challenge may then be restated, a process that continues until the end of the quarter, whereby the responsible contract lead closes down outstanding challenges as part of negotiation. All challenges remain open until they are either resolved with the provider or the appropriate action taken e.g. a fully evidenced credit note or a reduction in SLAM.

#### 2.1.5.5 Local Price Review

The number of local prices in the London portfolio has been reduced significantly since the removal of specialised activity. The Optum commissioning team received local prices from trusts for contract negotiations and they were compared with the final prices used in-year. Prices were challenged against local, London, non-mandatory prices and national benchmarks whilst disparities across commissioners were also queried.



#### 2.1.5.5 Stages of the Commissioning Cycle

*Invoicing, data validation and payment*

#### 2.1.6 Thames Valley and Wessex London Referral Survey

Optum set out to understand the drivers behind current referral patterns. Using outpatient first attendances as a proxy for referrals, analysis shows an increase in the number of patients being referred to London hospitals.

Year on year there has been an approximate 12% increase in GP referrals to London providers. This growth is having an adverse effect on the local health economy as patients are drawn into the London health system for prolonged periods of time (e.g. with follow up appointments), during which the TVWCCGs are forced to pay MFF premiums.

Optum sent a survey out to the TVWCCG GPs. The survey investigated the main areas of concern that GPs had when referring to local trusts and any factors which might make them refer to non-local trusts. Optum also asked whether GPs were willing to actively reduce London referrals and what information they would need to reduce unnecessary referrals into London.

There were 133 responses to the Thames Valley and Wessex London Referral survey and the answers were generally positive with encouraging views regarding directing referrals to local trusts in the future. An analysis of the survey responses has enabled Optum and the TVWCCGs to understand the drivers behind current referrals into London and a range of ideas as to how to direct this activity away from London and towards local providers where the cost to the commissioner is usually lower.

GPs identified issues such as waiting times and patient communication as primary concerns, and additionally gave some valuable insight into the reasons why patients are continually being referred into London providers. Patient choice and specialist treatment were the main drivers mentioned, but consultant-to-consultant referrals were also cited as a key component of London demand.

The CCGs and the Optum commissioning team are using the output to inform referral solutions. These include targeted education to patients about the benefits of using local services and the need to update local service directories. The survey has also been used by the CCGs to investigate referral issues and wider GP referral satisfaction at large.



2.1.6 Stages of the Commissioning Cycle

*Demand management*

## 2.2 The London Exterior Collaborative

TVWCCG commissioners have historically found it difficult to negotiate favourable terms with London trusts partly because of the CCGs' limited spend compared to London CCGs, who tend to negotiate the contracts on terms more agreeable to themselves. This problem is further exacerbated by the limited information that some host CCGs filter out to non-London associates.

In order to overcome these problems, Optum convened the London Exterior Collaborative (LEC), whereby out of London CCGs who are associates to London contracts are able to act collectively when dealing with London trusts and host CCGs. Following successful engagement with a number of commissioners, 32 out of London CCGs have now joined the LEC, representing a collective spend of £217m within London (indicative figures from 14/15). The immediate benefits of joining the LEC include:

- Monthly LEC calls that allow CCGs to share updates on local and London providers, to raise issues regarding London trusts, to share best practice in contracting and commissioning, and to impart news and advice on national issues.
- The distribution of papers, minutes and presentation slides from NHSE, Monitor and other commissioning workshops, as well as associate and contract management meetings for London trusts that individual CCGs may not have been able to attend, thus ensuring all are up to date with the latest developments.
- The ability to formally respond to individual CCG issues with London trusts as a LEC collective with £217m London spend.

To date, the LEC has been successful in securing a number of items particularly favourable to out of London CCGs that would not have happened without the collective approach taken by the collaborative:

- Consideration by London CCGs of the inclusion of a combined out of London list for procedures of limited clinical value (PLCV) in future London contracts.
- Using collaborative power to ensure that trusts who previously had insisted on retaining non-contractual status now formalise their arrangements through the standard NHS contract, providing assurance for the commissioner.
- Providing a collective response to NHSE on the specialised/non specialised split to ensure CCGs are only responsible for acute activity.
- Establishing new contractual status with new host commissioners to ensure that out of London CCG interests are better represented.
- Responding to the 2015/16 tariff dispute between NHS England, Monitor and London providers; the collective opposition taken by the LEC to an unfavourable variant contract being developed between a London CCG and trust eventually forced both to instead pursue the nationally mandated 2015/16 NHS Standard Contract.
- Gaining consensual agreement from a number of London trusts regarding the early notification for long stay patients. This will enable out of London CCGs to consider appropriate local repatriation or to allow for the cost risk within financial forecasts.



## 2.2 Stages of the Commissioning Cycle

### *Identifying gaps and priorities*

*User and Local Authority views, choice*

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“The LEC has given us access to a wider range of views on London contracting issues and to understand if other CCGs are facing the same problems and concerns. It also gives the smaller associate CCGs outside of London the opportunity to raise shared concerns with trusts and other NHS bodies within London.”

**Mark Balaam**

**Assistant Director, Contracting and Performance, West Essex CCG**

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### 2.3 Heart Failure in Thames Valley – Case of Need for Change

In 2015, Optum was engaged by Chiltern CCG on behalf of the Thames Valley CCGs to help develop an integrated approach to the management of heart failure with the outcome of improving the quality of care delivered, reduction in hospital admissions and the delivery of efficiency savings.

In 2013/14 across the Thames Valley CCGs there were 7,380 non elective (emergency) hospital admissions where heart failure was a primary diagnosis or recorded during the patient stay. This represents an estimated 24% increase in admissions when compared to activity in 2011/12. Given that a rate of one in four patients with chronic heart failure will be readmitted within three months of a hospital stay, there is significant potential for the effective management of heart failure. Over the last three years, emergency admission activity within Thames Valley has increased, and is estimated that if the growth in emergency hospital admissions as a result of heart failure continued unabated, the cost to the Thames Valley CCGs would be approximately £6.24 million per year by 2017/18.

It has been estimated that effective management after an acute admission can reduce re-admission into secondary care by 30–50% in the short and medium term. As seen, a proportion of people with diagnosed heart failure will be at high risk of emergency admission and readmissions. This group of patients is likely to benefit from the coordinated care of a multidisciplinary heart failure team and this could impact on the local service provision needed.

Optum engaged with both local clinicians and the Thames Valley Strategic Clinical Network to outline the size of the issue, for example, prevalence, spend in HF, to identify gaps between current and best practice and to outline what efficiencies could be expected if best practice was adopted. The team undertook a data diagnostic of local activity and impact analysis of heart failure and the efficiencies released through the adoption of a multidisciplinary, integrated model of care.

Our findings were presented to the Thames Valley CCGs as part of the Cardiac Strategic Clinical Network as a case of need for change and initiating a programme of change aimed at improving the quality of heart failure care within the region.



*2.3 Stages of the Commissioning Cycle*

*Service design/redesign  
Demand management*

## 2.4 Reporting

Essential to understanding and driving evidence based decisions to impact activity is timely and pertinent reporting. Over the course of the year, in liaison with a number of Thames Valley and Wessex GPs and stakeholders, the Optum commissioning team developed a number of different reports to assist CCGs to view areas of spend in granular detail and identify any activity driving over performance.



### 2.4 Stages of the Commissioning Cycle

- Health Needs Assessment*
- Reviewing current provision*
- Identifying gaps and priorities*
- Demand management*
- Monitoring activity and quality*
- Feedback*

### Herts Valleys CCG

In April 2016, Optum was commissioned by Herts Valleys CCG to take on the contract management arrangements of a portfolio of 15 London acute providers valued at £50m per annum. Optum is working alongside the CCG to achieve a handover of extant contracts and support the resolution of any outstanding issues. Optum's remit is to plan, coordinate, undertake and document robust contract negotiations and settlements. It is Optum's responsibility to ensure that these contracts are in line with the NHSE national planning requirements and comply with other relevant quality and performance standards.

Effective performance reporting is essential and Optum will provide the Herts Valleys CCG with monthly performance reports that are relevant, user-friendly, accurate and timely and include emerging variances. The reports will include contracted and non-contracted activity against plan/budget, including commentary on developments in non-contracted activity and incorporate bench-marking of services provided by Trusts. The reports will support the CCG in its consolidated financial forecasting and performance reporting.

Optum is also providing Herts Valleys CCG with a formal quarterly finalised position, following the nationally agreed 'freeze date', of the performance reports detailed above, to enable reconciliation and payment of invoices.

### 2.4.1 CCG Reports

The CCG report, circulated each month as the team receives the latest data from London Trusts, provides a detailed in-depth analysis of year to date activity from each of the 16 London providers specific to each CCG. The report gives a number of essential summaries including:

- Cluster by cluster comparison
- CCG peer comparison
- Trust trends by CCG over three years
- High cost patients highlight reports
- Trust activity by treatment function code
- Activity and spend trend data

An example of a CCG report can be seen on the following pages.



#### 2.4.1 Stages of the Commissioning Cycle

*Monitoring activity and quality  
User and Local Authority view, choice  
Feedback*

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“The London Commissioning Team has delivered excellent work despite a series of very challenging external factors. The specialised split, new tariffs and a 12% increase in referrals have all made the London commissioning environment very complex but the team has still managed to achieve QIPP targets, reassure commissioners and ensure the best outcomes for Thames Valley and Wessex patients.”

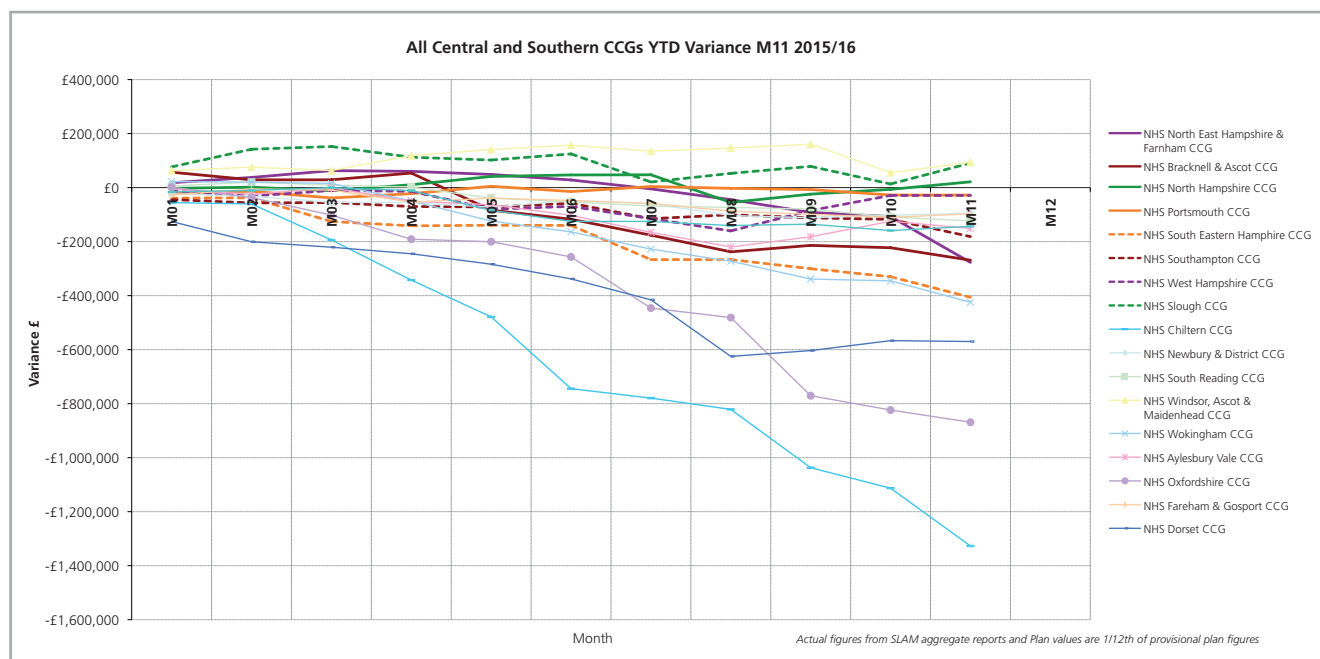
#### Rachel Wakefield

**Associate Director Business Planning and QIPP**

**Windsor, Ascot & Maidenhead CCG; Bracknell & Ascot CCG; Slough CCG**

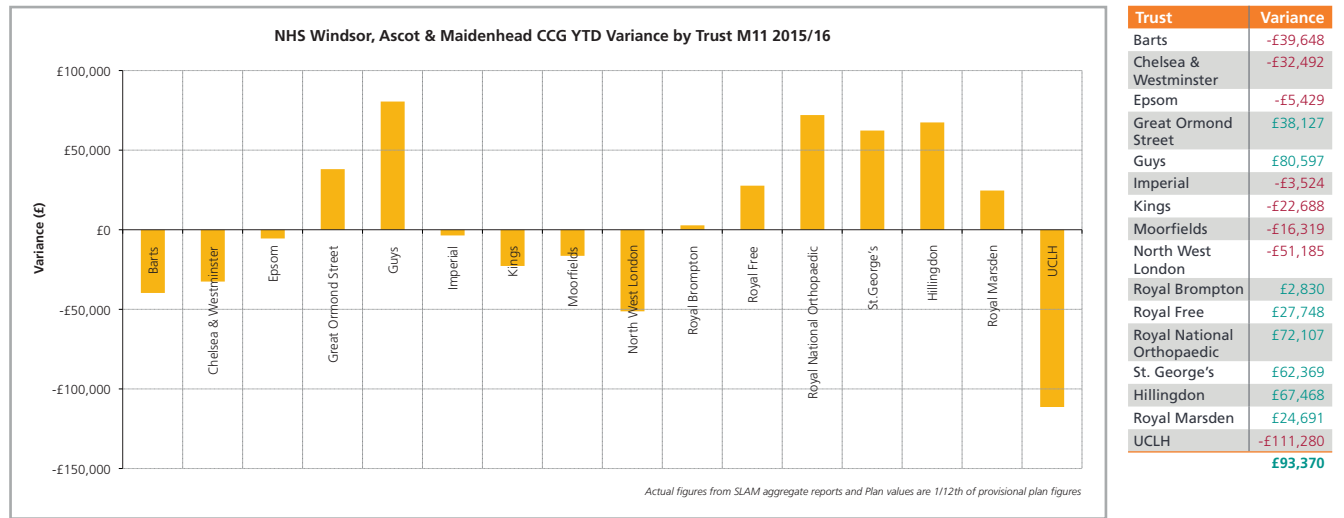
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## Summary of all Central and Southern CCGs by Variance YTD

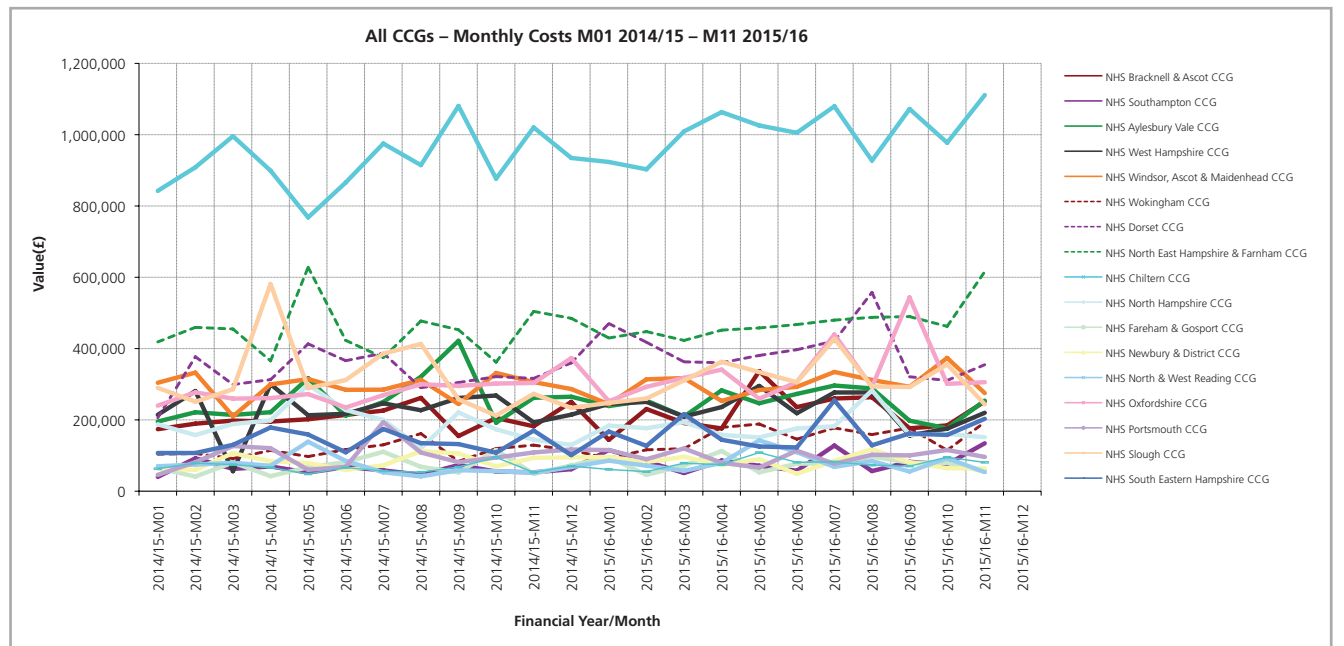


CCG Name	Month	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11
NHS Bracknell & Ascot CCG	Plan YTD	£202,517	£405,033	£607,550	£810,066	£1,012,513	£1,215,099	£1,417,616	£1,620,133	£1,822,649	£2,025,166	£2,227,682
	Actual YTD	£145,512	£376,212	£578,708	£756,236	£1,095,919	£1,332,250	£1,593,709	£1,857,942	£2,036,592	£2,247,809	£2,496,481
	Variance	£57,004	£28,821	£28,842	£53,830	£-83,337	£-117,151	£-176,093	£-237,809	£-213,943	£-222,643	£-268,799
NHS Chiltern CCG	Plan YTD	£897,766	£1,795,532	£2,693,297	£3,591,063	£4,488,829	£5,386,595	£6,284,360	£7,182,126	£8,079,892	£8,977,658	£9,875,423
	Actual YTD	£953,314	£1,856,078	£2,887,011	£3,933,430	£4,967,403	£6,131,125	£7,063,787	£8,003,378	£9,117,115	£10,090,698	£11,202,575
	Variance	£-55,548	£-60,547	£-193,714	£-342,367	£-478,575	£-744,530	£-779,427	£-821,252	£-1,037,223	£-1,113,040	£-1,327,152
NHS Newbury & District CCG	Plan YTD	£73,815	£147,629	£221,444	£295,259	£369,074	£442,888	£516,703	£590,518	£664,333	£738,147	£811,962
	Actual YTD	£97,281	£179,126	£275,761	£350,843	£441,279	£490,989	£576,082	£694,005	£775,844	£840,249	£906,684
	Variance	£-23,466	£-31,497	£-54,317	£-55,584	£-72,205	£-48,101	£-59,379	£-103,487	£-111,511	£-102,102	£-94,722
NHS North & West Reading CCG	Plan YTD	£69,452	£138,904	£208,356	£277,808	£347,260	£416,712	£486,164	£555,616	£625,068	£694,520	£763,972
	Actual YTD	£85,538	£149,407	£208,661	£288,872	£431,436	£541,942	£611,367	£696,156	£760,256	£853,552	£907,504
	Variance	£-16,086	£-10,503	£-305	£-11,064	£-84,176	£-125,230	£-125,203	£-140,540	£-135,189	£-159,032	£-143,532
NHS South Reading CCG	Plan YTD	£67,927	£135,854	£203,781	£271,708	£339,635	£407,562	£475,489	£543,416	£611,344	£679,271	£747,198
	Actual YTD	£62,129	£115,829	£194,778	£269,556	£378,388	£460,732	£543,625	£616,774	£691,081	£788,024	£870,278
	Variance	£5,798	£20,026	£9,003	£2,152	£-38,753	£-53,169	£-68,136	£-73,358	£-79,737	£-108,753	£-123,081
NHS Windsor, Ascot & Maidenhead CCG	Plan YTD	£309,707	£619,414	£929,121	£1,238,829	£1,548,536	£1,858,243	£2,167,950	£2,477,657	£2,787,364	£3,097,071	£3,406,779
	Actual YTD	£246,815	£543,573	£865,844	£1,120,481	£1,407,388	£1,701,092	£2,033,184	£2,331,345	£2,626,676	£3,041,316	£3,313,409
	Variance	£62,892	£75,842	£63,278	£118,348	£141,148	£157,151	£134,766	£146,312	£160,688	£55,756	£93,370
NHS Wokingham CCG	Plan YTD	£114,187	£228,373	£342,560	£456,746	£570,933	£685,119	£799,306	£913,492	£1,027,679	£1,141,866	£1,256,052
	Actual YTD	£91,995	£207,853	£327,408	£506,226	£694,754	£849,108	£1,027,075	£1,185,979	£1,366,257	£1,487,091	£1,680,487
	Variance	£22,191	£20,520	£15,151	£-49,479	£-123,821	£-163,989	£-227,769	£-272,487	£-338,578	£-345,226	£-424,435
NHS Aylesbury Vale CCG	Plan YTD	£233,999	£467,998	£701,997	£935,995	£1,169,994	£1,403,993	£1,637,992	£1,871,991	£2,105,990	£2,339,989	£2,573,988
	Actual YTD	£238,922	£492,652	£702,816	£986,430	£1,233,319	£1,506,634	£1,803,780	£2,091,936	£2,288,115	£2,464,602	£2,725,243
	Variance	£-4,923	£-24,654	£-819	£-50,434	£-63,324	£-102,641	£-165,788	£-219,945	£-182,125	£-124,613	£-151,255
NHS Oxfordshire CCG	Plan YTD	£253,760	£507,520	£761,281	£1,015,041	£1,268,801	£1,522,561	£1,776,321	£2,030,082	£2,283,842	£2,537,602	£2,791,362
	Actual YTD	£252,404	£544,394	£863,118	£1,206,027	£1,469,157	£1,779,130	£2,222,396	£2,511,310	£3,054,357	£3,361,212	£3,660,113
	Variance	£1,357	£-36,874	£-101,837	£-190,987	£-200,356	£-256,569	£-446,074	£-481,229	£-770,515	£-823,610	£-868,751
NHS Fareham & Gosport CCG	Plan YTD	£68,314	£136,629	£204,943	£273,257	£341,571	£409,886	£478,200	£546,514	£614,828	£683,143	£751,457
	Actual YTD	£95,713	£141,581	£214,000	£327,123	£380,412	£457,659	£536,551	£633,835	£713,857	£793,223	£874,605
	Variance	£-27,399	£-4,952	£-9,057	£-53,866	£-38,841	£-47,774	£-58,351	£-87,321	£-99,028	£-110,080	£-97,148
NHS Dorset CCG	Plan YTD	£344,629	£689,258	£1,033,887	£1,378,516	£1,723,145	£2,067,775	£2,412,404	£2,757,033	£3,101,662	£3,446,291	£3,790,920
	Actual YTD	£470,193	£889,796	£1,254,593	£1,623,478	£2,006,810	£2,405,805	£2,827,935	£3,382,048	£3,705,055	£4,012,965	£4,360,787
	Variance	£-125,564	£-200,538	£-220,706	£-244,961	£-283,665	£-338,030	£-415,531	£-625,015	£-603,393	£-566,674	£-569,867
NHS North East Hampshire & Farnham CCG	Plan YTD	£447,732	£895,464	£1,343,196	£1,790,928	£2,238,661	£2,686,393	£3,134,125	£3,581,857	£4,029,589	£4,477,321	£4,925,053
	Actual YTD	£429,688	£857,733	£1,280,327	£1,730,758	£2,189,834	£2,658,114	£3,138,815	£3,626,422	£4,121,416	£4,584,726	£5,052,066
	Variance	£18,045	£37,731	£62,869	£60,170	£48,827	£128,279	£-4,690	£-44,565	£-91,827	£-107,405	£-277,013
NHS North Hampshire CCG	Plan YTD	£181,697	£363,393	£545,090	£726,787	£908,483	£1,090,180	£1,271,877	£1,453,573	£1,635,270	£1,816,967	£1,998,663
	Actual YTD	£184,504	£361,810	£556,578	£716,030	£867,195	£1,043,291	£1,224,395	£1,508,676	£1,659,394	£1,823,460	£1,977,244
	Variance	£-2,808	£1,583	£-11,488	£10,756	£41,288	£46,889	£47,482	£-55,103	£-24,124	£-6,494	£21,419
NHS Portsmouth CCG	Plan YTD	£95,645	£191,289	£286,934	£382,578	£478,223	£573,867	£669,512	£765,156	£860,801	£956,445	£1,052,090
	Actual YTD	£115,242	£204,912	£325,296	£404,946	£473,304	£588,427	£665,501	£767,805	£868,016	£983,876	£1,079,831
	Variance	£-19,598	£-13,623	£-38,362	£-22,368	£4,918	£-114,560	£-4,011	£-2,649	£-7,215	£-27,431	£-27,742
NHS South Eastern Hampshire CCG	Plan YTD	£128,358	£256,716	£385,073	£513,431	£641,789	£770,147	£898,505	£1,026,862	£1,155,220	£1,283,578	£1,411,936
	Actual YTD	£167,274	£294,496	£510,698	£654,899	£781,257	£910,168	£1,045,007	£1,185,451	£1,330,588	£1,481,628	£1,638,003
	Variance	£-38,916	£-37,780	£-125,624	£-141,468	£-139,468	£-140,021	£-146,502	£-158,588	£-175,368	£-200,050	£-226,068
NHS Southampton CCG	Plan YTD	£71,196	£142,391	£213,587	£284,782	£355,978	£427,173	£498,369	£569,565	£640,760	£711,956	£783,151
	Actual YTD	£115,469	£199,202	£268,863	£354,875	£427,482	£485,077	£613,572	£669,981	£752,842	£829,532	£964,610
	Variance	£-44,274	£-56,811	£-55,277	£-70,093	£-71,504	£-58,904	£-115,203	£-100,416	£-112,082	£-117,576	£-181,459
NHS West Hampshire CCG	Plan YTD	£232,495	£464,990	£697,485	£929,980	£1,162,475	£1,394,970	£1,627,465	£1,859,961	£2,092,456	£2,324,951	£2,557,446
	Actual YTD	£244,816	£496,569	£708,093	£943,697	£1,242,447	£1,464,497	£1,742,332	£2,020,329	£2,177,321	£2,354,018	£2,586,601
	Variance	£-12,321	£-31,579	£-10,607	£-13,717	£-79,972	£-169,526	£-114,866	£-160,368	£-84,865	£-29,068	£-29,155
NHS Slough CCG	Plan YTD	£325,273	£650,546	£975,819	£1,301,092	£1,626,364	£1,951,637	£2,276,910	£2,602,183	£2,927,456	£3,252,729	£3,578,002
	Actual YTD	£248,640	£508,427	£823,677	£1,188,526	£1,524,294	£1,852,921	£2,256,143	£2,549,460	£2,848,782	£3,239,382	£3,487,099
	Variance	£76,633	£142,119	£152,141	£112,566	£102,070	£124,716	£20,767	£52,723	£78,674	£13,347	£90,903

## NHS Windsor, Ascot & Maidenhead CCG YTD Variance by Trust

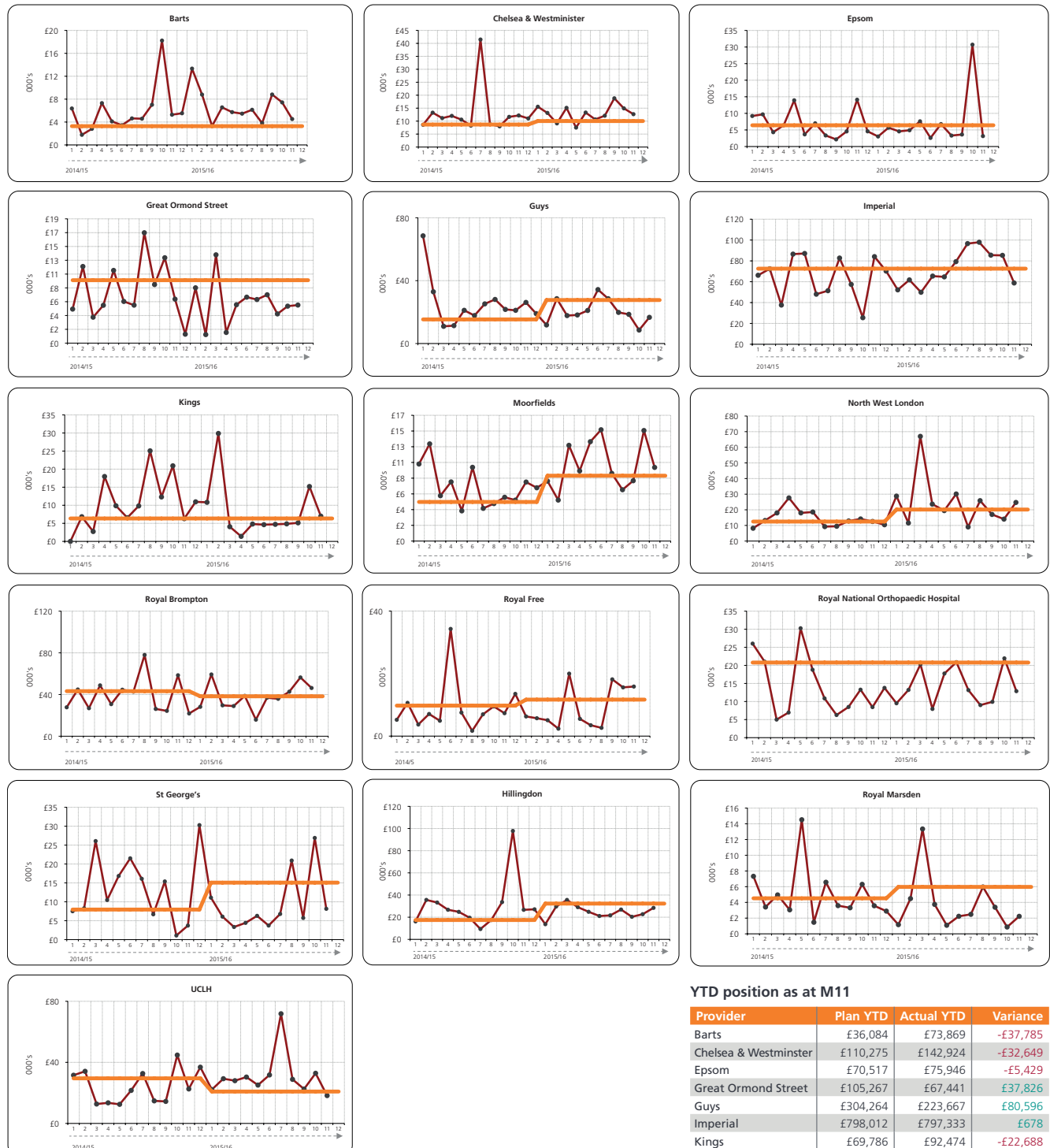


## Summary of all Central and Southern CCGs by Monthly Costs



## NHS Windsor, Ascot & Maidenhead CCG Monthly Trend by Trust

Trends in Monthly Actual Costs For Each Provider, from M01 2014/15 to Current (Actual figures from SLAM aggregate reports and Plan values (orange line) are 1/12th of provisional plan figures).



### YTD position as at M11

Provider	Plan YTD	Actual YTD	Variance
Barts	£36,084	£73,869	£-37,785
Chelsea & Westminster	£110,275	£142,924	£-32,649
Epsom	£70,517	£75,946	£-5,429
Great Ormond Street	£105,267	£67,441	£37,826
Guys	£304,264	£223,667	£80,596
Imperial	£798,012	£797,333	£678
Kings	£69,786	£92,474	£-22,688
Moorfields	£96,028	£112,348	£-16,319
North West London	£221,773	£271,174	£-49,401
Royal Brompton	£421,380	£418,853	£2,527
Royal Free	£128,424	£100,676	£27,748
Royal National Orthopaedic Hospital	£228,619	£156,512	£72,107
St. George's	£165,814	£103,445	£62,369
Hillingdon	£355,151	£273,968	£81,183
Royal Marsden	£65,684	£40,993	£24,691
UCLH	£229,700	£340,981	£-111,281



### 2.4.2 Tableau Project

Optum has implemented a new data visualisation tool which provides the Thames Valley and Wessex programme with improved performance reporting on all acute activity commissioned from London providers.

This new reporting style is a collaborative approach from Optum in response to requests from NHS organisations for innovative business intelligence-style and data-driven analytic capabilities. This new reporting capability, co-designed with CCG colleagues, will ensure first-class performance reporting on ever-increasing volumes of data.

Optum has used existing reports which have been replicated and improved using the new platform. Additional content will be created and made available to CCG colleagues using the same portal. Improved analytic techniques, such as statistical process control which oversees the analysis of trends, are being applied to Thames Valley and Wessex datasets. Improved at-a-glance visualisations include:

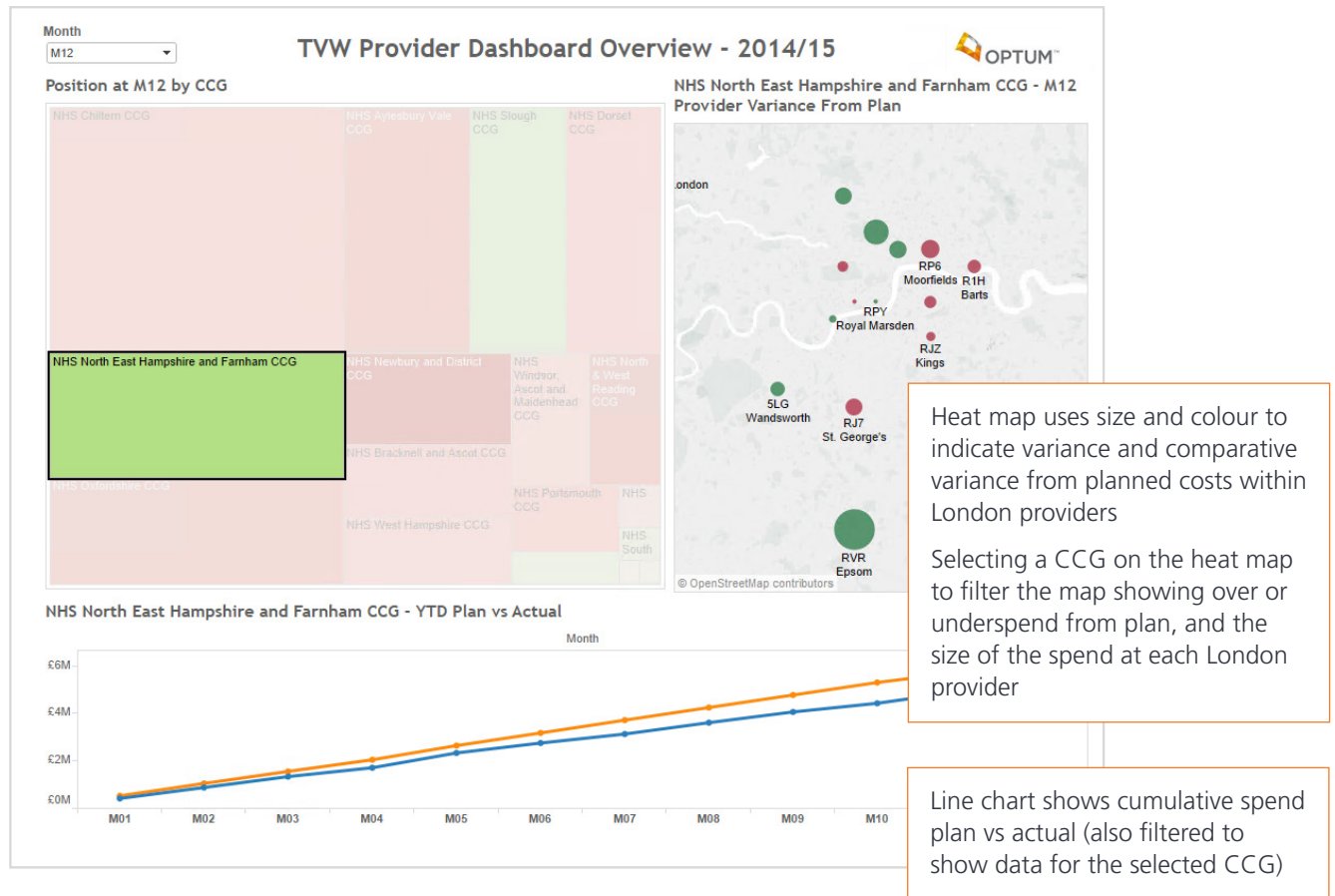
- Geographical mapping
- Heat maps
- KPIs
- Pie, Bar and Trend charts
- Dynamic chart edge
- Highlight and filter feature (allows customers to tell a story with their data)

Some of the key benefits include:

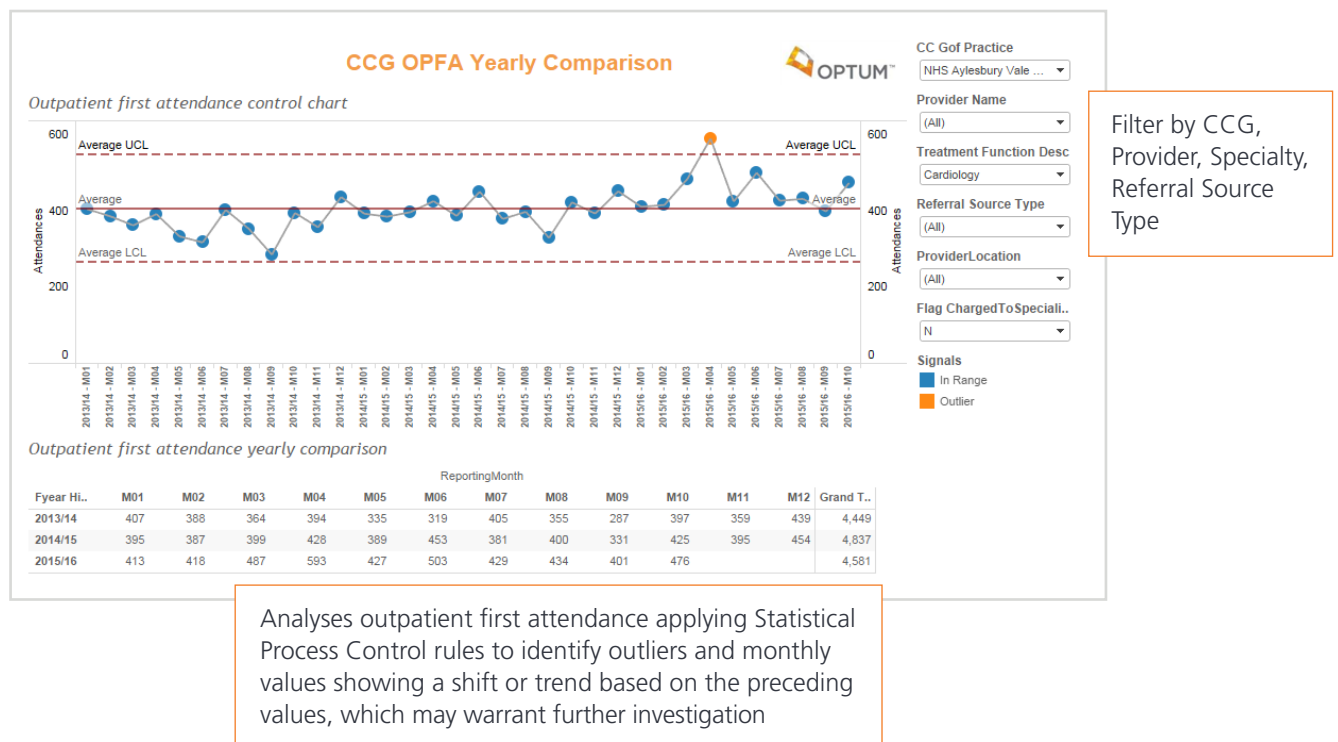
- More powerful business intelligence analytic capabilities
- Capacity to report on larger volumes of data covering longer time-frame
- Web-based user-interface accessed via standard web browsers
- Key personnel can access reports directly at any time from an N3 connection
- Improved dashboard design
- Interactive, dynamic visualisations
- Visualisations incorporate geographical mapping
- Simple filtering and drill-through options to identify areas of concern
- Customisable reports
- Straightforward user-interface
- Functionality to export row-level data for further analysis
- Export static PDFs to email to colleagues or use in presentations
- Export packaged workbooks to maintain dynamic functionality

Example screenshots can be seen on the following pages.

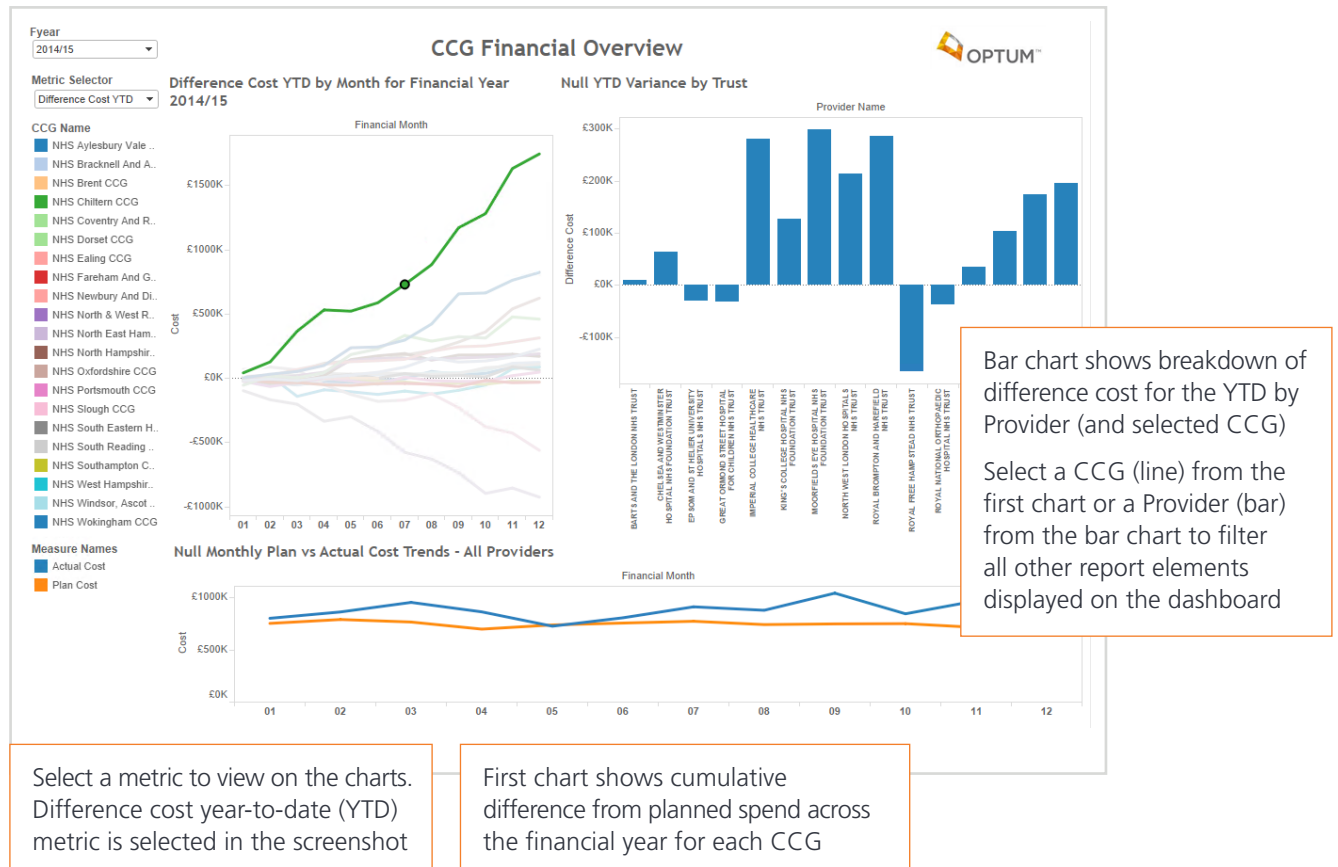
## TVW Provider Dashboard Overview



## TVW Referral Report SPC Analysis



## TVW CCG Report – Financial Overview



### 2.4.2 Stages of the Commissioning Cycle

#### Monitoring activity and quality

### 2.4.3 GP Practice Report

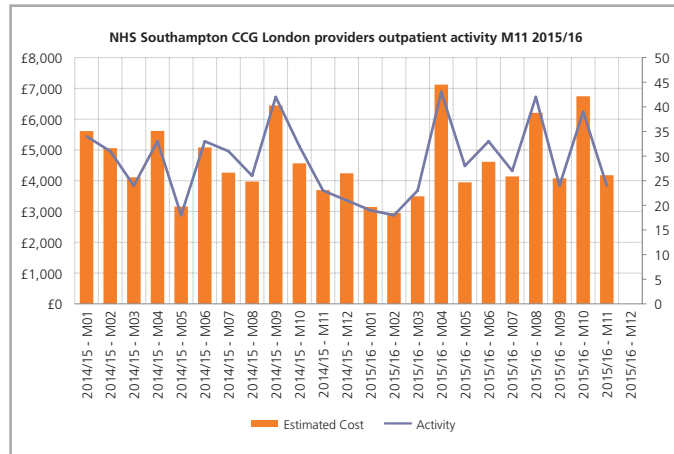
The GP Practice Reports take data provided from the TVWCCGs and break it down by GP practice and specialty, with reports being interactive and customisable. This allows in-depth analysis of referrals from their source and provides:

- Identification of areas where there is a demand for a specific specialty.
- Spend by specialty and GP practice.
- A means to report back to GP practices to make them aware of the activity and cost ramifications of their referrals.
- Identification of areas that could potentially be repatriated locally.

An example GP Practice Report can be seen on the following pages.

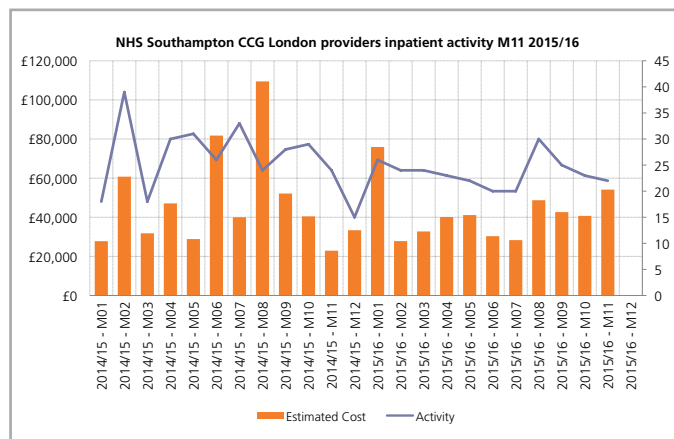
## NHS Southampton CCG Summary of London Providers SUS YTD Activity by Dataset

Reporting Period: M11 2015/16



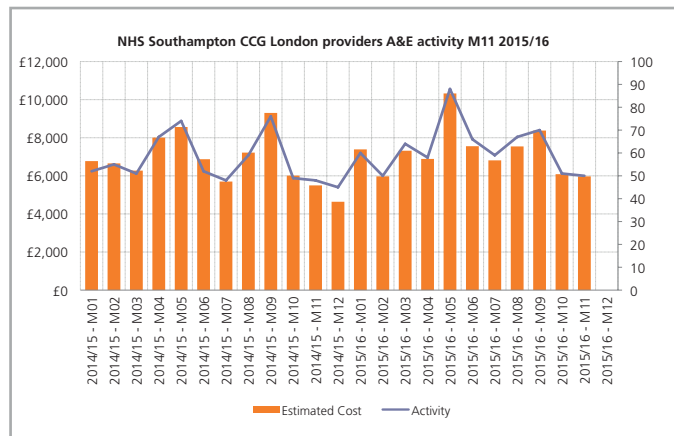
### Outpatient activity

FYM	Activity	Estimated Cost
2014/15 - M01	34	£5,611
2014/15 - M02	31	£5,058
2014/15 - M03	24	£4,111
2014/15 - M04	33	£5,617
2014/15 - M05	18	£3,159
2014/15 - M06	33	£5,082
2014/15 - M07	31	£4,262
2014/15 - M08	26	£3,973
2014/15 - M09	42	£6,446
2014/15 - M10	32	£4,564
2014/15 - M11	23	£3,695
2014/15 - M12	21	£4,241
2015/16 - M01	19	£3,147
2015/16 - M02	18	£2,953
2015/16 - M03	23	£3,493
2015/16 - M04	43	£7,122
2015/16 - M05	28	£3,946
2015/16 - M06	33	£4,615
2015/16 - M07	27	£4,139
2015/16 - M08	42	£6,204
2015/16 - M09	24	£4,076
2015/16 - M10	39	£6,743
2015/16 - M11	24	£4,178
<b>Grand Total</b>	<b>668</b>	<b>£106,436</b>



### Inpatient activity

FYM	Activity	Estimated Cost
2014/15 - M01	18	£27,774
2014/15 - M02	39	£60,758
2014/15 - M03	18	£31,813
2014/15 - M04	30	£47,097
2014/15 - M05	31	£28,860
2014/15 - M06	26	£81,756
2014/15 - M07	33	£39,997
2014/15 - M08	24	£109,451
2014/15 - M09	28	£52,138
2014/15 - M10	29	£40,461
2014/15 - M11	24	£22,906
2014/15 - M12	15	£33,373
2015/16 - M01	26	£75,935
2015/16 - M02	24	£27,817
2015/16 - M03	24	£32,754
2015/16 - M04	23	£40,130
2015/16 - M05	22	£41,126
2015/16 - M06	20	£30,337
2015/16 - M07	20	£28,317
2015/16 - M08	30	£48,708
2015/16 - M09	25	£42,640
2015/16 - M10	23	£40,717
2015/16 - M11	22	£54,141
<b>Grand Total</b>	<b>574</b>	<b>£1,039,005</b>

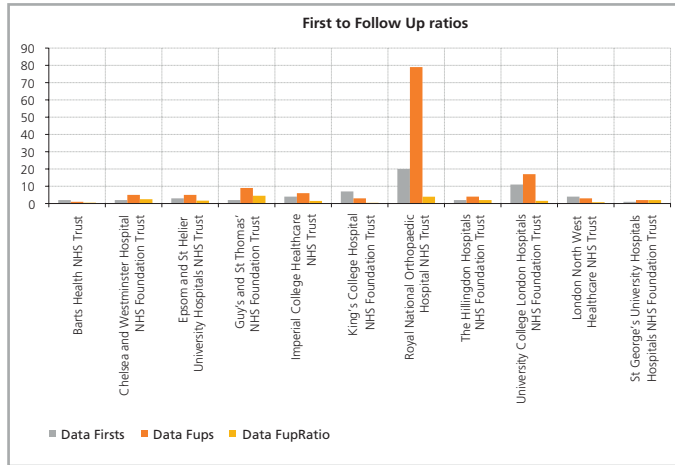


### A&E activity

FYM	Activity	Estimated Cost
2014/15 - M01	52	£6,773
2014/15 - M02	55	£6,653
2014/15 - M03	51	£6,273
2014/15 - M04	67	£8,006
2014/15 - M05	74	£8,563
2014/15 - M06	52	£6,872
2014/15 - M07	48	£5,699
2014/15 - M08	59	£7,219
2014/15 - M09	76	£9,302
2014/15 - M10	49	£6,011
2014/15 - M11	48	£5,498
2014/15 - M12	45	£4,638
2015/16 - M01	60	£7,388
2015/16 - M02	50	£5,973
2015/16 - M03	64	£7,317
2015/16 - M04	58	£6,887
2015/16 - M05	88	£10,325
2015/16 - M06	66	£7,555
2015/16 - M07	59	£6,812
2015/16 - M08	67	£7,544
2015/16 - M09	70	£8,376
2015/16 - M10	51	£6,086
2015/16 - M11	50	£5,970
<b>Grand Total</b>	<b>1359</b>	<b>£161,742</b>

## NHS Southampton CCG SUS First to Follow Up Ratios by Treatment Function – London Providers

Reporting Period: M11 2015/16 Please note that a treatment function must be selected.

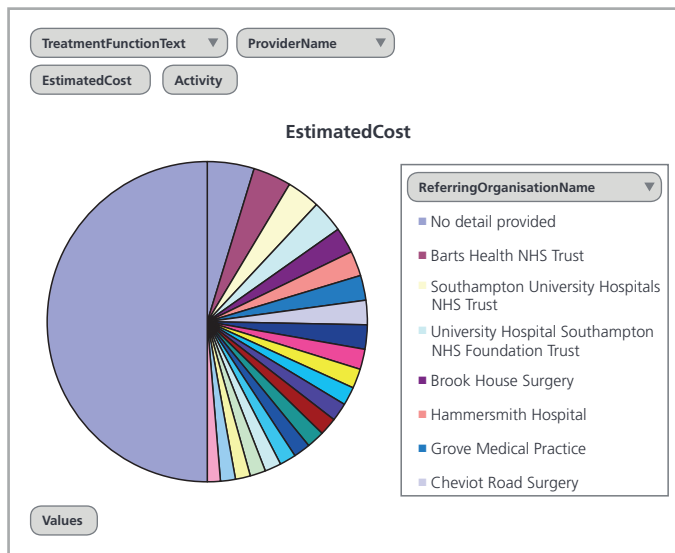


TreatmentFunctionText	Trauma & Orthopaedics		
Provider Name	Firsts	Fups	FupRatio
Barts Health NHS Trust	2	1	0.5
Chelsea and Westminster Hospital NHS Foundation Trust	2	5	2.5
Epsom and St Helier University Hospitals NHS Trust	3	5	1.7
Guy's and St Thomas' NHS Foundation Trust	2	9	4.5
Imperial College Healthcare NHS Trust	4	6	1.5
King's College Hospital NHS Foundation Trust	7	3	0.4
Royal National Orthopaedic Hospital NHS Trust	20	79	4.0
The Hillingdon Hospitals NHS Foundation Trust	2	4	2.0
University College London Hospitals NHS Foundation Trust	11	17	1.5
London North West Healthcare NHS Trust	4	3	0.8
St George's University Hospitals NHS Foundation Trust	1	2	2.0

## NHS Southampton CCG London Providers Outpatient Referrals by GP Practice – Activity and Estimated Cost

Reporting Period: M11 2015/16 Notes: First appointments have been used as a proxy for OP referrals.

Report is based on attended appointments only and includes outpatient procedures.



TreatmentFunctionText	(All)	
ProviderName	(All)	
Referring Organisation Name	Estimated Cost	Activity
No detail provided	£395	2
Barts Health NHS Trust	£323	1
Southampton University Hospitals NHS Trust	£281	2
University Hospital Southampton NHS Foundation Trust	£273	1
Brook House Surgery	£217	1
Hammersmith Hospital	£211	1
Grove Medical Practice	£210	1
Cheviot Road Surgery	£206	1
University College Hospital	£205	1
St Mary's Hospital (HQ)	£170	1
Southampton General Hospital	£165	1
The Royal London Hospital	£155	1
King's College Hospital (Denmark Hill)	£154	1
St. Mary's Surgery	£150	1
Kings College Dental Hospital	£150	1
Chelsea & Westminster Hospital	£142	1
REFERRING ORGANISATION CODE NOT KNOWN	£138	1
Burgess Road Surgery	£138	1
Moorfields Eye Hospital (City Road)	£132	1
Kings @ Queen Mary's Hospital Sidcup	£126	1
Tudor Way Surgery	£126	1
Guy's and St Thomas' NHS Foundation Trust	£110	1
(blank)		
<b>Grand Total</b>	<b>£4,178</b>	<b>24</b>

#### 2.4.4 First Outpatient Referral Reports

Following engagement with a number of the TVWCCGs, the Optum team developed and incorporated the First Outpatient Referral dashboard into the monthly reporting output. The dashboard uses first outpatient attendances taken from SUS as a proxy for GP referrals and allows commissioners to analyse where activity is coming from within their localities.

The presentation of referral rates into London allows CCGs to target GP practices that over-refer into London and which consequently may be accruing additional but avoidable cost due to MFF. The dashboard allows for cross-analysis across GP practices, localities, treatment functions and providers, ensuring commissioners have a wider and more comprehensive view of their London spend.

An example First Outpatient Referral Report can be seen on the following page.



*2.4.4 Stages of the Commissioning Cycle*

*Demand management*

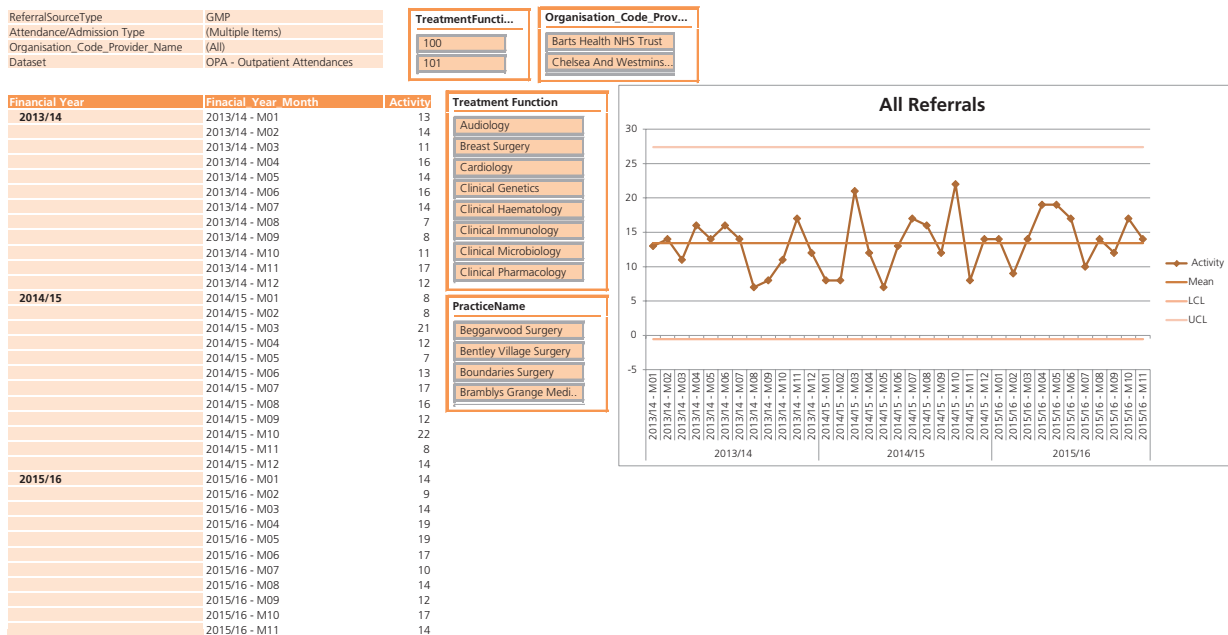
*Monitoring activity and quality*



**ALL REFERRALS****NHS North Hampshire CCG London Referrals at Practice and Locality level****Data Source:** SUS**Month Eleven****Reporting Period:** 2013/14 – 2015/16 Month Eleven

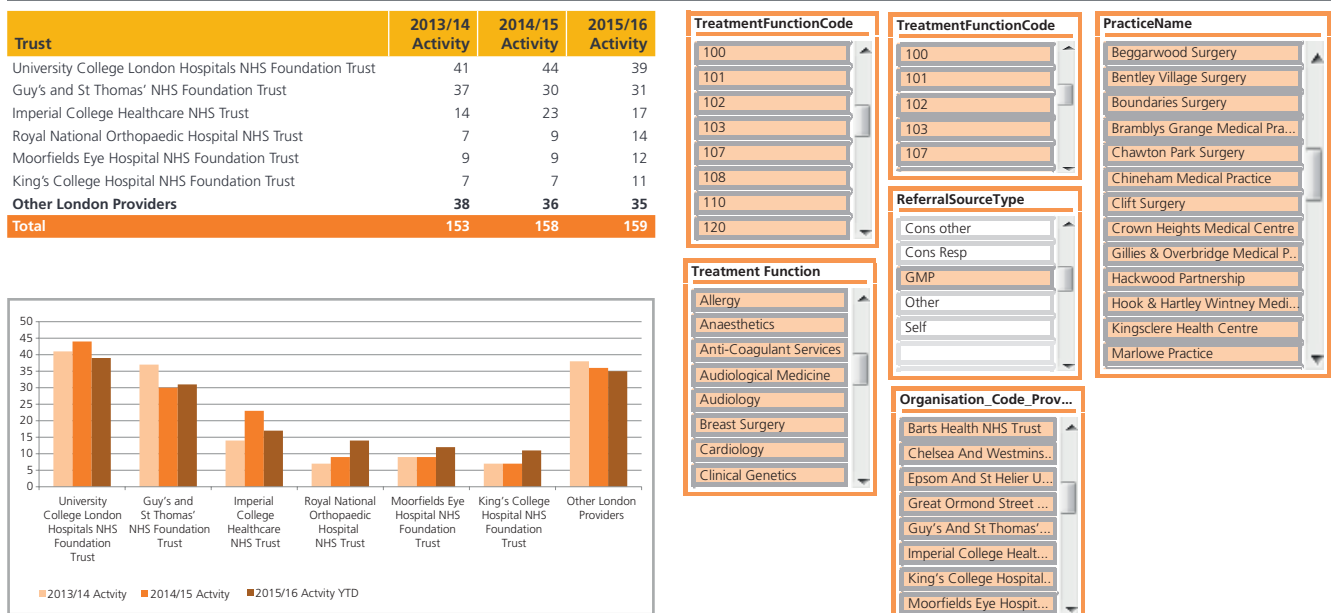
First Outpatient Appointments have been used as a proxy for GP referrals. DNAs are not included in the data, however outpatient procedures are.

Referral rates have been calculated using weighted practice populations. 2015/16 referral rates have been annualised.

**LOCALITY BREAKDOWN****NHS North Hampshire CCG London Referrals at Practice and Locality level****Data Source:** SUS**Month Eleven****Reporting Period:** 2013/14 – 2015/16 Month Eleven

First Outpatient Appointments have been used as a proxy for GP referrals. DNAs are not included in the data, however outpatient procedures are.

Referral rates have been calculated using weighted practice populations. 2015/16 referral rates have been annualised.



### 2.4.5 Performance Report

On the tenth working day of each month, the Optum team release a London commissioning performance report to all CCGs that provides an in depth analysis of financial positions and performance pressures by trust. Alongside a host of other pertinent data the report allows the CCGs to view in thorough detail all of the most up to date information about the London acute contracts. The contents of the performance report include:

- A detailed breakdown of financial position by CCG and trust against contract values and envelope.
- A narrative for overall performance pressures, detailing cost and specialty.
- A summary of all outstanding, progressing and recovered pathway challenges.
- A summary of all NCA and IFR activity received year to date.
- A provider specific self-certification quality dashboard that allows CCGs full insight into London trust quality for quarterly board reporting purposes.
- Trust specific dashboards incorporating finance and quality updates, performance against plan, over performance against zero plan and plan areas, position and forecast by CCG and quality indicators for 18 weeks RTT, C. difficile and MRSA.
- HSI local updates that capture the wider intelligence on trusts and CCG.



2.4.5 Stages of the Commissioning Cycle

*Monitoring activity and quality*

### Capacity Planning

Optum has an established capacity planning process and model that enables CCGs to fully understand their activity. By using an agreed baseline Optum is able to model all demand and give CCGs complete transparency as to how activity and finance costs are derived. Modelling activity allows CCGs to make adjustments to reflect local commissioning requirements or cost pressures. Optum's capacity planning application takes both SUS and SLAM data feeds to assist with modelling demand and specifying the activity and financial requirements for coming years. The team provides an output for each provider and each individual CCG. Each includes a pivot detailing the activity and spend down to treatment function and Health Resource Groups (HRG) level, with adjustments such as growth, national guidance, changes to PbR tariff, local financial adjustments and service changes.

## 3 Lincolnshire Commissioning Support and Other Programmes

### 3.1 Lincolnshire Commissioning Support Programme

Following a rigorous procurement process in early 2015, Optum received accreditation as an 'Approved Supplier' to provide Commissioning Support Services under the NHS England Lead Provider Framework (LPF).

In October 2015 Optum was successful in winning the first tender under the LPF to provide the following 'End-to-End' Commissioning Support Services to South Lincolnshire and South West Lincolnshire CCGs for an initial three year period from February 1st 2016:

- Business Intelligence and Analytics;
- Communications and Engagement
- Contracting, Procurement and Performance Management
- Corporate Governance and Complaints
- Finance
- Human Resources
- Information technology (including GP IT Services)

In addition and linked to the above LPF tender, Optum also provides Communications and Engagement as well as Corporate Governance and Complaints support services to Lincolnshire East CCG.

Following the successful handover and mobilisation period, the Optum Team is now focused on delivering the new service offerings. The team will engage with the CCGs in order to roll out a number of service improvements to deliver added value and demonstrate tangible benefits throughout the Lincolnshire healthcare system. The end-to-end nature of the programme means that there is vast potential for improvements in both the quality of the service being offered to the population and the financial sustainability.

There have been a number of early successes in the mobilisation and first quarter delivery of the programme. These have included:

- Building a strong relationship with Lincolnshire CCGs – working in a positive and collaborative way throughout the mobilisation process.
- Maintaining strong relationships on the ground with the incumbent provider to enable a smooth service transition.
- Reviewing and validating of 200 provider contracts.
- Promptly establishing data flows for monthly performance reporting.
- Clearing backlogs inherited from incumbent provider in a range of service areas.
- Providing a recognised added value corporate governance service.

In addition to the core programme, and in recognition of the growing relationship between Optum and South and South West Lincolnshire CCGs, a number of additional programmes have been commissioned. Optum is supporting Lincolnshire Health and Care (LHAC) to complete their Sustainability and Transformation Plans (STP) for the Lincolnshire region. The support provided includes benchmarking, identifying future savings assumptions that align to existing pathways, and building a financial model to assess current 'as is' STP activity and costs and future STP activity and costs. Optum is also providing additional support for CCGs' Pharmacy QIPP schemes through the provision of pharmacist support in primary care.

### 3.2 Bedfordshire Dermatology

Building on the successful implementation of one of the first prime contractor models in the country last year, Optum has continued to provide an integrated dermatology service to the patients of Bedfordshire CCG with an increased demand for the 'one-stop shop' for all dermatology referrals seen throughout 2015/16. The prime contractor approach enables greater flexibility to manage the whole patient care pathway and the increased understanding of patient experience has shaped our efficiency and quality improvements over the last 12 months.

In its first year of operation the Bedfordshire Integrated Dermatology Service has:

- seen over 5,000 patients in locally based clinic hubs
- received referrals from all 55 GP Practices in Bedfordshire
- conducted clinical triage of 93% of those referrals within 24 hours
- reduced average waiting times for face to face and tele-dermatology appointments to between two and four weeks
- provided a variety of community clinics across the five localities in Bedfordshire
- reduced the number of patients seen in acute environments from 92% to 13%
- delivered a series of community educational and awareness raising events
- provided specialist educational events for GPs and Practice Nurses
- delivered a service which has made a difference to local service users



#### 3.2 Stages of the Commissioning Cycle

- Reviewing current provision*
- Service design/redesign*
- Defining contracts*
- Procuring appropriate services*
- Invoicing, data validation and payment*

"Our organisation is proud to be associated with the Bedfordshire Integrated Dermatology Services and appreciates all the help the team has given to the vulnerable patients of the borough. Their help with access to services within BME groups has proved invaluable and is really giving patients a sense of caring and independence. Health inequality is something we feel very strongly about and we are proud to see that Optum feels the same way. Thank you, on behalf of the patients of Bedford Borough."

#### HealthWatch Bedford Borough

### 3.3 Dorset

In April 2015 Optum was tasked with building a programme for Dorset County Council to give a single point of access for health and wellbeing services. The result, Live Well Dorset, is available to more than 750,000 people and encourages healthy lifestyle choices to help reduce the prevalence of chronic and long-term diseases in the area – the main focuses for our service are weight management, smoking cessation, exercise and alcohol intake.

Previously, there were several different pathways to access each of these services, but our programme has integrated these into a single service to make it more accessible for patients, as well as giving a clearer and more uniform approach to increase uptake amongst residents. The service includes support for engagement, assessment, referral management and follow-up support for people wanting to get healthier.

As of March 2016, over 6,500 individuals have been referred to the service and have subsequently received an intervention, with an average of 545 new referrals to the service each month. Although averages of 50% of referrals have come via GPs, an average of 24% of individuals are self-referred – with the past two months showing a noticeable improvement. This goes some way to demonstrating the openness and accessibility of the programme, as well as the proactive role that GPs are taking in regards to the ongoing health and well-being of their patients.

A large proportion of those using the service have used the weight management aspect, and our figures suggest that around 69% of users are still engaged in weight management intervention after three months, with this dropping to 55% after six months. The other areas of the programme have posted more impressive figures, so it remains of high priority that we try to increase our focus on those referred to this part of the service to ensure an improved long term success rate.

### 3.5 Quick Wins

Over the past year we have developed the quick wins programme as a means of helping CCGs address in-year financial problems. The programme looks for opportunities within the existing contract portfolio where quality and value for money can be improved, and offers a cleansed and reliable data set to the client where they can subsequently deliver additional savings.

In April 2016, following a period of contract and data review, the programme identified over £1.6m of immediate efficiencies for Milton Keynes CCG, over 10% of which came from high cost drugs expenditure. The output provided Milton Keynes CCG with a range of recommendations which could help contribute to substantial savings, including the development of a robust challenge system and further investigation into unexplained trend increases in certain specialties.

Additionally, we have recently started running similar programmes with North Derbyshire and South Lincolnshire CCGs. It is hoped that in addition to the immediate QIPP opportunities the programme will also be used to inform the CCGs' approach to RightCare and transformational change in 2016/17 and beyond.

The notable interest in quick wins programme indicates that it provides CCGs with the quality and value for money assurance they require, making it an important product offering in our commissioning portfolio in the future.

## 4 NHS England Lead Provider Framework

In early 2015, Optum became an approved supplier on the newly developed NHS England Lead Provider Framework (LPF) for commissioning support services. This framework enables CCGs, NHS England, and other customers to source some or all of their commissioning support needs. Support may range from transactional back office operations to more bespoke services that support large scale and transformational change.

Using our experience as a global health services company serving the healthcare needs of more than 60 million people, Optum provides high quality, end-to-end commissioning support services to over 300 public and private commissioners and is uniquely placed to provide the best services in the market.

Optum has assembled a team of partners to deliver these commissioning services. Our 23-strong supply chain includes small-to-medium scale enterprises, large-scale consulting, advisory and audit companies and voluntary sector organisations.

Our core supply chain capabilities include:

- Payroll and HR support services
- Primary Care IT and Communication services
- Financial management and accounting
- Organisation development/leadership development
- Transformation and service redesign experience
- Community and patient engagement, including formal consultation
- Legal advisory support
- Policy, research and evidence-based medicine protocol development

Optum has built trusted relationships with our supply chain and through our LPF Project Management Office we will work with our partners to provide a seamless customer service.

### Our LPF supply chain partners are:

- |                      |  |                             |
|----------------------|--|-----------------------------|
| • Age UK             | • Grant Thornton   | • KPMG                      |
| • Arden GEM CSU      | • Hanover  | • MedeAnalytics             |
| • Bazian             | • Health Innovation Network                              | • Methods Analytics         |
| • BDO                | • HealthSkills   | • Mills & Reeve             |
| • Bevan Brittan      | • iMPower  | • Oliver Wyman              |
| • BT Global Services | • InHealth Associates<br>(Centre for Patient Leadership) | • Opinion Research Services |
| • Coldlight          | • Keele University                                       | • PA Consulting             |
| • Computacentre      |  | • Turning Point             |

The range of end-to-end commissioning support services Optum offers on the LPF includes:

- Data and analytics and business intelligence tools, including data aggregation, risk stratification and predictive modelling.
- Contract and network management, including outcome based contracting and development of new payment models, contract negotiation and management, provider management and QIPP delivery.
- Pathway and system re-design and transformation, including outcomes based commissioning, new models of care design based on capitated payments and integrated care.
- Patient activation and engagement experience supported by a range of wellness, prevention, health promotion and self-care management tools.
- Primary care reconfiguration.
- Medicines management and medicines optimisation.

Using the LPF, Optum will support NHS organisations with a high quality and comprehensive offering for all commissioning needs into the coming years.

Please refer to the next section of this report for a summary of some of the various products Optum provides within this framework.



## 5 Commissioning Portfolio

For commissioners who wish to work with Optum via the Lead Provider Framework, Optum has created the commissioning portfolio which allows for easy navigation through our commissioning products and solutions.

To access the commissioning portfolio please visit:  
[optum.co.uk/healthcare/commissioning-services](http://optum.co.uk/healthcare/commissioning-services)



### Capacity Planning

Accurate and robust planning underpins any discussions on activity plans to be included in provider contracts. Optum has an established capacity planning process and model that enables commissioners to fully understand their activity. Optum is able to model demand and provides commissioners with complete transparency as to how activity and finance costs are derived. Our product allows for adjustments to be built into the model to reflect national changes, local requirements and/or cost pressures.



### Challenge Process

Monitoring activity and budget is essential to good commissioning. Optum provides a well-rounded monitoring process that ensures only activity that is agreed within the contract is being charged and compensated.



### Commissioning and Contracting Application

The Commissioning and Contracting Application (CCA) validates activity commissioned by commissioners. CCA is a contract intelligence database that provides business intelligence tools; a foundation for robust performance monitoring along with invoice validation and reconciliation. CCA is an effective tool for generating and evidencing real efficiencies.



### Contract Negotiation

Optum contract managers are trained negotiators who run negotiations as smoothly as possible to ensure the best possible outcomes are secured for commissioners and for the local health economy. Optum contract managers enter discussions fully aware of the commissioner's position and ensure that efficiencies and opportunities are identified as early as possible.



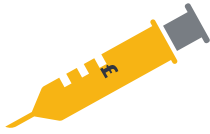
### Data Diagnostic

Optum has a comprehensive diagnostic approach to assist in identifying savings opportunities and service gaps through data review and analysis. An initial data review provides guidance in identifying the need for, and means of, undertaking an in-depth assessment. Where relevant, Optum will propose an audit to better understand current pathways and adherence to best practice and guidelines.



### Decommissioning

Decommissioning is a key component of good commissioning. New processes and services may deliver improved quality and greater value for money. Optum has developed explicit criteria for decommissioning services, taking into consideration the existing limitations regarding the extent and scale of decommissioning available to each particular commissioner, following a set of recommendations for systems and processes needed to deliver effective decommissioning.



### High Cost Drug (HCD) Review

Optum has developed a comprehensive review, validation and challenge process to increase efficiency and savings for commissioners. Additionally, this approach delivers changes in working practice across providers that allow further assurance of appropriate HCD usage.



### Local Price Review

Local prices are those outside the national tariff and therefore, subject to local variation and agreement between the provider and the commissioner. It is important to validate and benchmark the prices to ensure value for money.



### Mediation

Our team is regularly involved in contractual and organisational disputes and practices best-in-class mediation techniques. Optum is able to deploy its own CEDR mediators as facilitators during such events. In order to facilitate dispute resolutions, Optum will seek to understand the objectives of both parties and establish appropriate boundaries early on in the process, in an effort to ensure successful resolution.



### Prior Approval

There is a need to ensure that all NHS funded treatments are effective and evidence based. The Optum prior approval process makes it difficult for providers to unilaterally increase or decrease activity thresholds, and it also aims to define more clearly the parameters for NHS funding for procedures with social but not physical benefit, e.g. cosmetic procedures.



### Referral Facilitation Services

Optum's centralised referral management service provides an experienced clinically-led team to manage referral submissions. The service will track and report on referral data and is used to refine care pathways.



### Reporting

Timely feedback on current contracts, activity, quality and financial trends is essential for the sustainability of any commissioning strategy. Optum offers a range of reports that assist commissioners in reviewing areas of spend and activity patterns. Our bespoke reports provide the necessary information to feed in strategic capacity planning and commissioning strategies.



### SLAM Loading

The Optum Commissioning and Contracting Application (CCA) automates the process of receiving and loading Service Level Agreement Monitoring (SLAM) reports from multiple providers and in various formats, normalising the data into a consistent format and structure.



### Strategic Service Redesign

Optum provides integrated care models that allow gaps in care to be identified and addressed more easily, resulting in improved quality of care for patients. We work with commissioners to identify key service areas, using a data-driven and evidence-based approach. We draw upon our international experience to evaluate current systems, benchmark against national and global best practice and implement service improvements. Our aim is for commissioners and providers to ensure patients receive the right care, through the most efficient service delivery model, at the right time.



### Treatment Decision Support (TDS)

Health care delivery is most effective when patients are provided with information to make knowledgeable choices. TDS provides:

- Information prior to treatment
- Advice on options, outcomes and alternatives
- Support to patients in making an informed choice

TDS is based on objective, trusted, evidence-based information provided by health professionals.

## 6 The Five Year Forward View

The Optum commissioning team is committed to implementing the Five Year Forward View across all of our programmes. The team has vast amounts of experience in supporting commissioners with **diverse solutions and local flexibility** to meet the future demands of the NHS across the country. We have adapted our contractual solutions in London to suit the requirements of regions such as Dorset, whilst we have built a secure stakeholder network in the London Exterior Collaborative (LEC) which has proved to be an invaluable tool in securing further contractual leverage over large London trusts. Within the team, commissioning decision-making is always **data driven**; it is critical to understand the full cost of existing pathways, so that the savings and implications of redesigning care can be properly accommodated for. We therefore continue to develop our business intelligence solutions. We have evidence across our programmes of **driving efficiencies and managing demand**: be that £830k of QIPP in TVWCCGs or reducing the number of patients seen in acute environments from 92% to 13% in Bedfordshire.

The commissioning team has been working on the TVWCCG programme since 2009 and during this time the team has consistently delivered successful outcomes even during the uncertain periods of significant NHS restructuring; most importantly during the transition of commissioning responsibilities following the implementation of the Health and Social Care Act 2012. Therefore CCGs can be assured that the team is more than capable to support commissioners throughout any future reorganisations.

We understand that in order to close the forecast funding gap, across the NHS customers will need to establish new ways of delivering care across a network of providers. We are actively engaging with provider groups across the country to support the development of new models of care. Combining our strong commissioning skills and our international experience developing and implementing population health models, we are helping customers to align incentives across care systems and design integrated care solutions across health and social care, **moving from reactive care delivery to proactive care management** across risk levels. As part of this work, we are helping to establish capitated payment models, supported by the transition to outcomes-based contracting across provider networks. We will use our experience in Dorset to support the further development of an integrated, 'whole-person' approach to health improvement, promotion and prevention, working closely with community and voluntary sector organisations to outreach to individuals outside of traditional services. We actively seek new opportunities to expand this offer to support public health initiatives and across all our programmes we will ensure that **safety, clinical quality and effectiveness and user experience** are priority outcomes.

The Optum commissioning team is best placed to support the NHS in becoming one of the best organisations in the world to innovate and **align health systems**. As we have evidenced in the Thames Valley Cardiology Programme and are beginning to evidence as part of the Lincolnshire LPF end-to-end solution, we are working at a local level with clinical commissioners, acute and community providers, the voluntary sector as well as primary care to help **break down the barriers in how care is provided** and ensure best care for all.





**This report has been written and edited by  
the Optum commissioning team for 2015/16**

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## About Optum

Optum, a division of UnitedHealth Group, is a leading information and technology-enabled health services business dedicated to helping improve the health system for everyone.

Our work touches virtually every segment of the health care market which means we're able to bring a big picture perspective to specific client challenges – around the world.

We draw on our diverse expertise, deep knowledge and unmatched experience in helping clients across the health spectrum become more connected, intelligent and aligned, and to take steps to increase efficiency, lower costs and raise standards of health and well-being.

We apply our capabilities and experience in data, technology, analytics, care management and well-being support programmes for employers, governments, health care professionals and individuals in all corners of the globe.



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