HFMA Webinars

ICS stories: Mid & South Essex Service Line Approach

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Agenda

- Welcome & Introductions
- Mid & South Essex ICS
- What if… creating the vision
- Stewardship: How is MSE engaging with clinicians?
- Financial Framework
- Reflections

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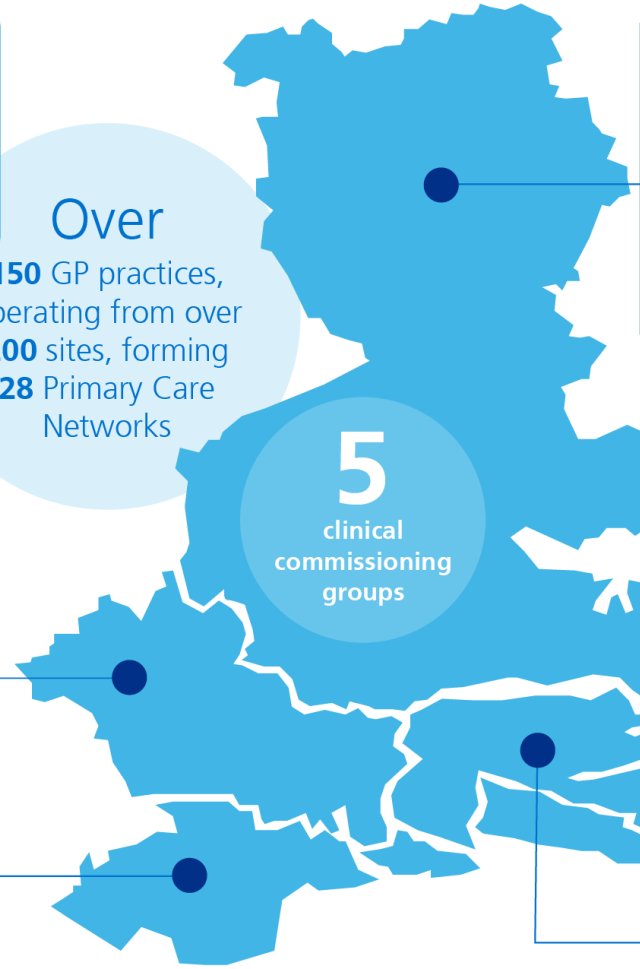
Mid & South Essex ICS

Mid & South Essex ICS

Three main community and mental health providers

Over **150** GP practices, operating from over **200** sites, forming **28** Primary Care Networks



Mid Essex
390k population

9 Primary Care Networks:
3 Chelmsford
2 Braintree
1 Maldon/Chelmsford
1 Maldon/Braintree
1 Braintree/Chelmsford

One
hospital group with main sites in Southend, Basildon and Chelmsford

Top tier local authorities and 7 district and borough councils

3
Healthwatch organisations

Basildon and Brentwood
276k population

6 Primary Care Networks:
5 Basildon
1 Brentwood

Thurrock
176k population

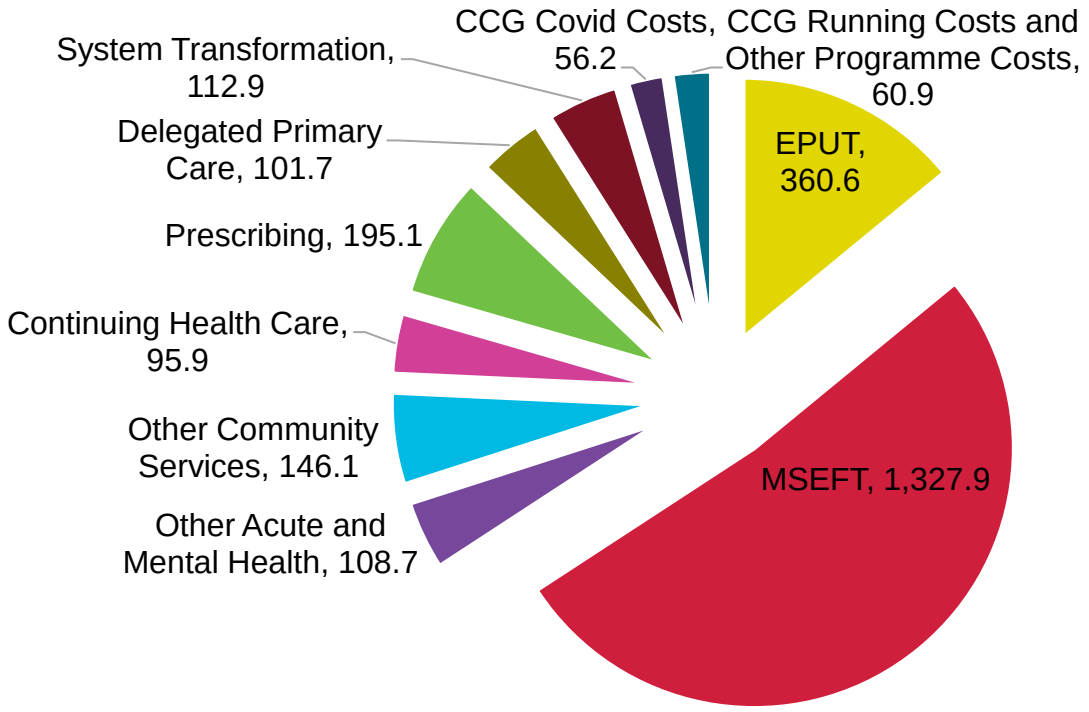
4 Primary Care Networks:
Tilbury and Chadwell
Grays
Purfleet
Corringham

South East Essex
370k population

9 Primary Care Networks:
2 Castle Point
2 Rochford
5 Southend

Health System spend 2020/21 £'m

- The health part of the system spent **£2.6BN** in 2020/21, against resource coming into the system of **£2.6BN**, a breakeven position for 2020/21. **Not all of the resource is recurrent income and there is an underlying deficit of £201M**.
- The below shows the breakdown of spend within the system.



- For 2020/21 there is no Independent Sector spend, due to the revised financial framework. This would normally be £40m
- From 2021/22 spend on primary care will increase significantly as three of the CCGs are taking delegated responsibility for primary care commissioning. The other two already have this responsibility

Background

- Mid and South Essex has a history of deficit. Until 2019/20 deficits that occurred in the system were not managed as a system. Due to the silo working that organisational delivery and planning promotes, the system had a poor track record of delivering a single system efficiency plan.
- Financial planning and delivery at system level is a requirement as an ICS. This includes managing the risks and rewards beyond the individual organisations. MSE has been working hard to embed this principle way of working
- During COVID, the system leadership saw this as an opportunity to embrace a new way of managing resources across the system. The disruption of COVID provided an opportunity to think differently and learn from the benefits that were derived when the system delivered to a common goal. Specifically, we committed to a shared ambition, over time, to align resources with services rather than organisations. Partnership pounds must increasingly be targeted on appropriate care needs for our patients and residents.
- Recognising change in an already complex system will not be easy, the alternative of no change will allow the same performance and achievement to continue. The financial framework for the system needs to be designed to sustain a change in behaviours and facilitate the system to see real improvements in outcomes for residents and achieve sustained management of resources.

Current (NHS) contractual/financial arrangements can exacerbate fragmentation of service provision

Care setting	Primary Care	Community Care	Acute Care	Continuing Healthcare
Typical contract type	Nationally negotiated GP Contract	NHS Standard Contract	NHS Standard Contract	NHS Standard Contract
Typical Payment Mechanism	Capitation	Block – measuring contacts, caseloads, access standards	Pay by activity	Personalised package of care

Multiple contract holders along patient pathway results in patients transitioning from one provider to another

Unaligned incentives and measures of success across care pathways dependent upon provider

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What if… creating the vision

So… What if…?

Traditionally our system, like most others, is defined by our organisational boundaries and governed by the contractual interactions that make up the partnership.
What if the system financial framework facilitated the means to change the way our system worked?

What if we used service lines across the system to underpin our ambitions? *It would change the dynamic of the way we view the system and remove organisational boundaries.*

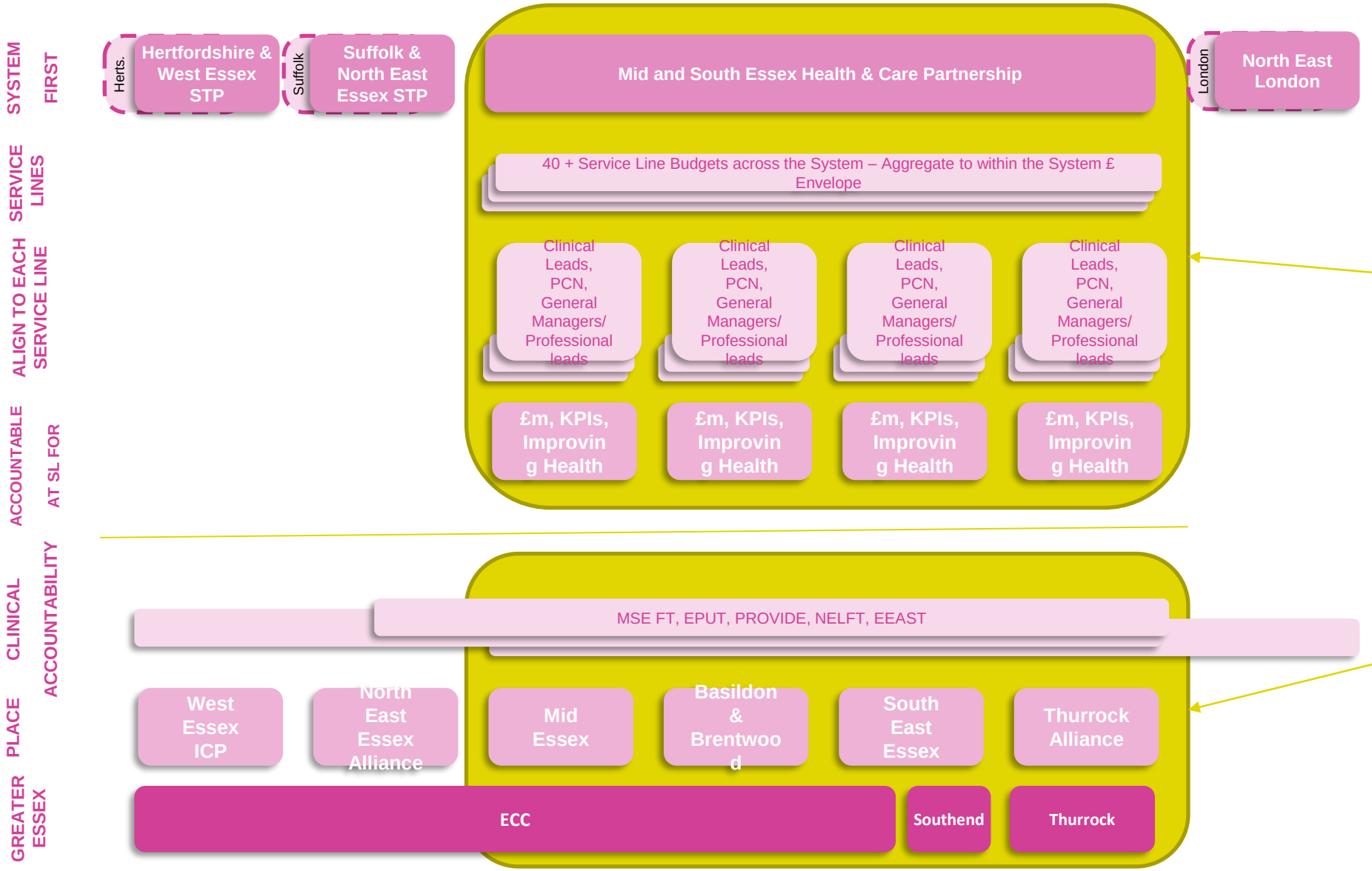
What if we planned prospectively at service level? *We would understand the real cost of delivering care and be able to harness the knowledge and commitment of clinical leaders in a meaningful way.*

What if the accountability at system level was based on service lines?

- *We could align service standards, outcome measures, and common clinical policies to develop improvement plans focussed on delivering patient benefits not just organisational goals.*
- *We could create a culture of improvement across the system that would align with the [LTP} [national improvement] goals and indicators (such as through GIRFT/ Model Hospital and Right Place)*
- *We could develop system management approaches to care pathways*

To achieve this vision partners across the system would need to adapt organisational financial and governance structures to support System First.

What we thought it would look like…



System Accountability at Service Line; connecting operational clinical and managerial leadership with primary care and commissioning. – This informs planning and resource allocation.

Organisations (including Primary Care) are clinically accountable for care to CQC and for executing delivery

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Stewardship: How is MSE engaging with clinicians?

The Stewardship Programme!

- We explored the concept with a number of clinical focus groups – senior execs were allowed to observe.
- We used an academic article '*Developing a culture of stewardship: how to prevent the Tragedy of the Commons in universal health systems*' (Wilson, Bevan, Gray, Day, McManners 2020) as a stimulus to explore the concept
- From the evaluation of the focus groups, we identified the concept had potential and the stewardship programme was created with out System Medical Director leading, supported by a Clinical Fellow

Stewardship is:

Multi-professional,

multi-organisational,

frontline teams,

working together

to get the best out our

health and care resources.

The Triple Aim
Getting the best from our resources

1.Better health and wellbeing for everyone

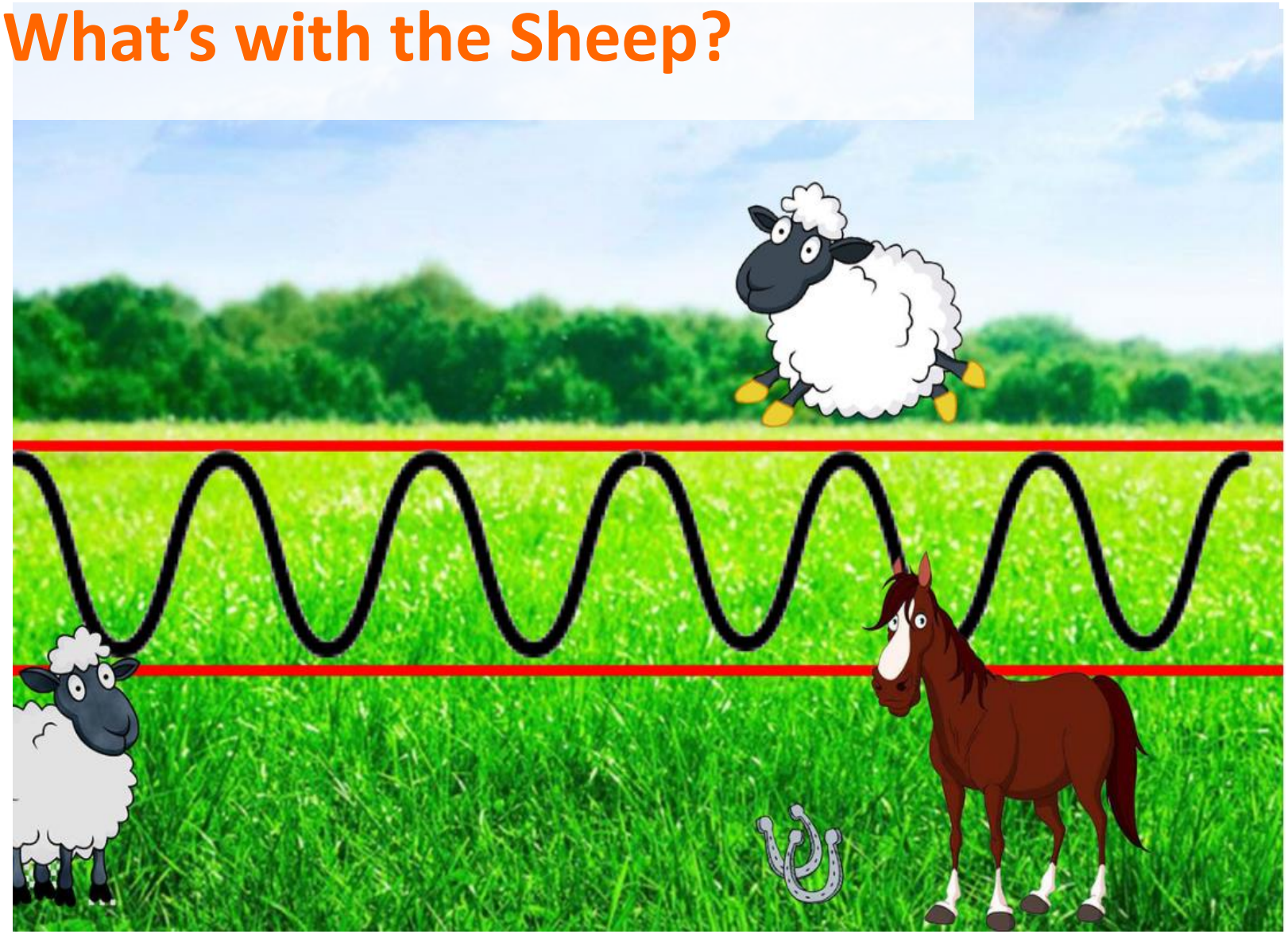
2.Better quality of health services for all individuals

3.Sustainable use of health and care resources

DHSC White Paper. Feb 2021.
Integration and innovation: working together to improve health and social care for all

Mid and South Essex Health and Care Partnership

What's with the Sheep?



Why Stewardship?

Mid and South Essex Health and Care Partnership

Multi-professional, multi-organisational, frontline teams, working together

to get the best out our health and care resources.

System Challenges:

- 200m Financial Deficit
- New ICS
- Newly merged acute trust
- Areas of deprivation
- Large RTT backlogs
- Health inequalities across the system

- We cannot keep doing things the same way
- We need to do something different
- We need to engage the frontline
- We need a new type of leadership
- We want our ICS to be distinctive to do things that others can't.

What's different?

Multi-professional, multi-organisational, frontline teams with responsibility for the whole health and care area

Deploying evidence-based practice

Prioritising health and care resource use based on understanding of value

Identifying inequalities
Targeting vulnerable populations
Prioritising interventions

We developed….

6 Pathfinder Care Areas

- Ageing Well
- Cancer
- Cardiology
- Respiratory
- Stroke
- Urgent Care

… next care areas?

Community of Engagement/Interest	Staff, service users & residents across MSE, whose engagement and support are crucial.
Community of Practice	Stewardship teams within a Pathfinder care area. Working together, developing ideas and proposals to improve our use of resources.

Stewardship approach to service delivery

Triple Aim

1. Better health & wellbeing
2. Better quality of health services
3. Sustainable use of resources

Clinical & Multi-Professional Congress
Expert by Experience review
SOAG & SLEG*

Partnership Scrutiny

Multi-professional, multi-organisational, frontline teams, working together to get the best out of our health and care resources.
Co-producing proposals through engagement with staff, service-users and residents across our Partnership.

Stewardship team

e.g. Respiratory care

Setting service priorities, policies and standards
Applies across MSE
Improving value delivered from our collective resources for individual patients & MSE population

Service blueprint

Primary Care Networks
Community Collaborative
Voluntary & third sector
MSE FT
NHS 111
Local Authorities
EEAST

Integrated delivery by Partnership Organisations
With appropriate autonomy

Service specification, improvements & innovations

Delivery

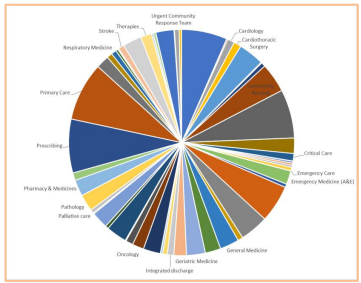
Place nuance

Place-level tailoring based on local population needs
Supported by PHM data

MSE HCP
Thurrock Council
MSE FT
EEAST
NHS 111
Voluntary & Third Sector
Community Collaborative (EPUT, NELFT, Provide)
Essex County Council
Primary Care Networks
Healthwatch
Southend-on-Sea Borough Council

Our Partnership

58 care areas



Collective resource

Health and Care Partnership Board

Accountability

Stewardship Programme Plan

Mid and South Essex Health and Care Partnership

Triple Aim	1. Better health & wellbeing 2. Better quality of health services 3. Sustainable use of resources

Timeline

Phase 1: by end of October 2021
Improvements from:
- Frontline knowledge & experience
- Integrated, '1-system' approach, taking collective responsibility
- Evidence-based practice
- Review of resource use

DELIVER: 2 key objectives & plans for delivery

Phase 2: by end of April 2022
Improvements from:
- Population health approach
- Continued review of resource use

DELIVER: Phase 1 update, refresh objectives

Phase 3: by end of October 2022
Improvements from:
- Value-based healthcare approach benefiting from patient and population perspectives on value

Stewardship team role

Initially -> Explorers

- Exploring your field (care area) with fresh eyes
- Identify opportunities to work smarter, deliver greater value from resource
- Steer the course for your services (i.e. for existing Programme Boards)
- Defining team support needs

Gradually -> Stewards

- Take on responsibility and accountability over months/ years
- Defining service standards and policies, use of resources
- Different for different groups

MSE partners
Supporting better care

Stewardship will:

- Close the gaps for our patients and service users.
- Empower frontline staff from all organisations to be at the heart of service planning.
- Enable Our Partnership to deliver on the promise of Integrated Care.
- Take time.

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Financial Framework

Developing a New Approach to system spend

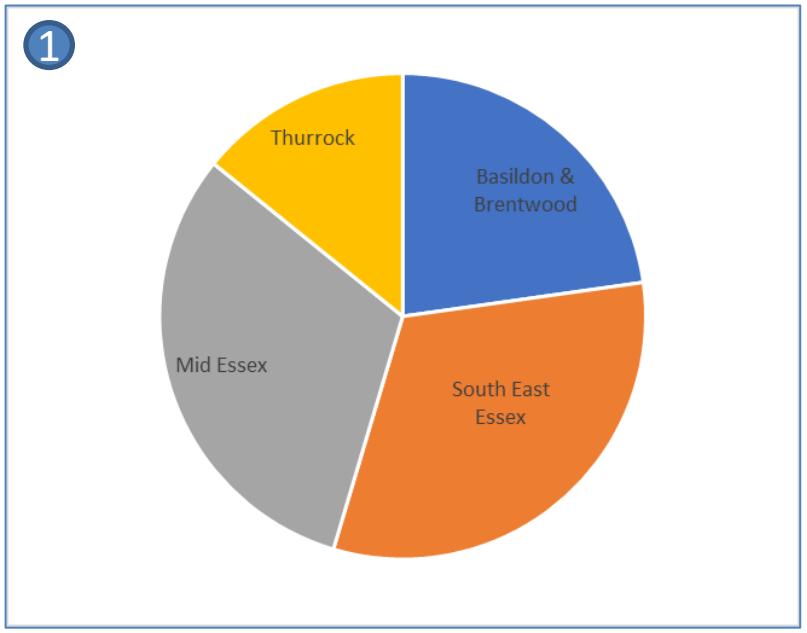
Our Approach:

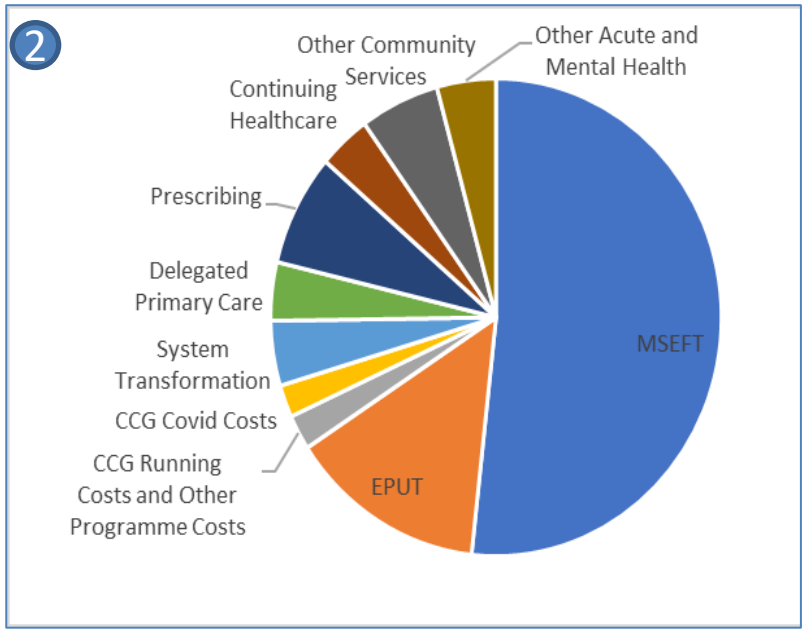
- We have a commitment in the System to progress a “System Operating Budget” approach to managing our resources.
- We have a draft budget at service line level across the system
- Established for transparency
- Connect real costs with financial plans to leverage clear system efficiency opportunities
- Facilitates better accountability for spending and delivery
- Enables outcomes to be measured at service level, aligning performance indicators, outcome measures and resources.

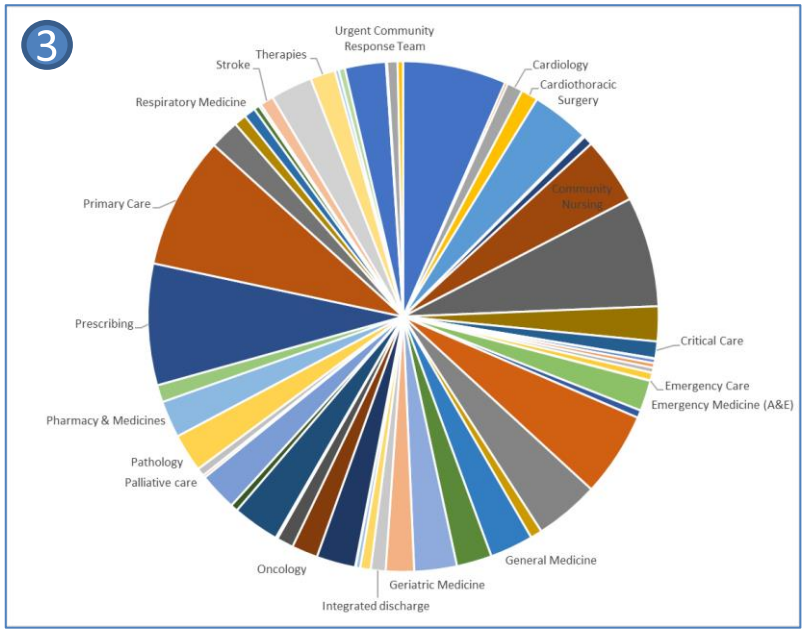
Another way to present the numbers

The partnership pound can only be spent once, but how it is spent can be presented in multiple ways

1. Geographical area (i.e. CCG or place)
2. Organisation or types of spend (i.e. provider)
3. Services and functions (i.e. condition)



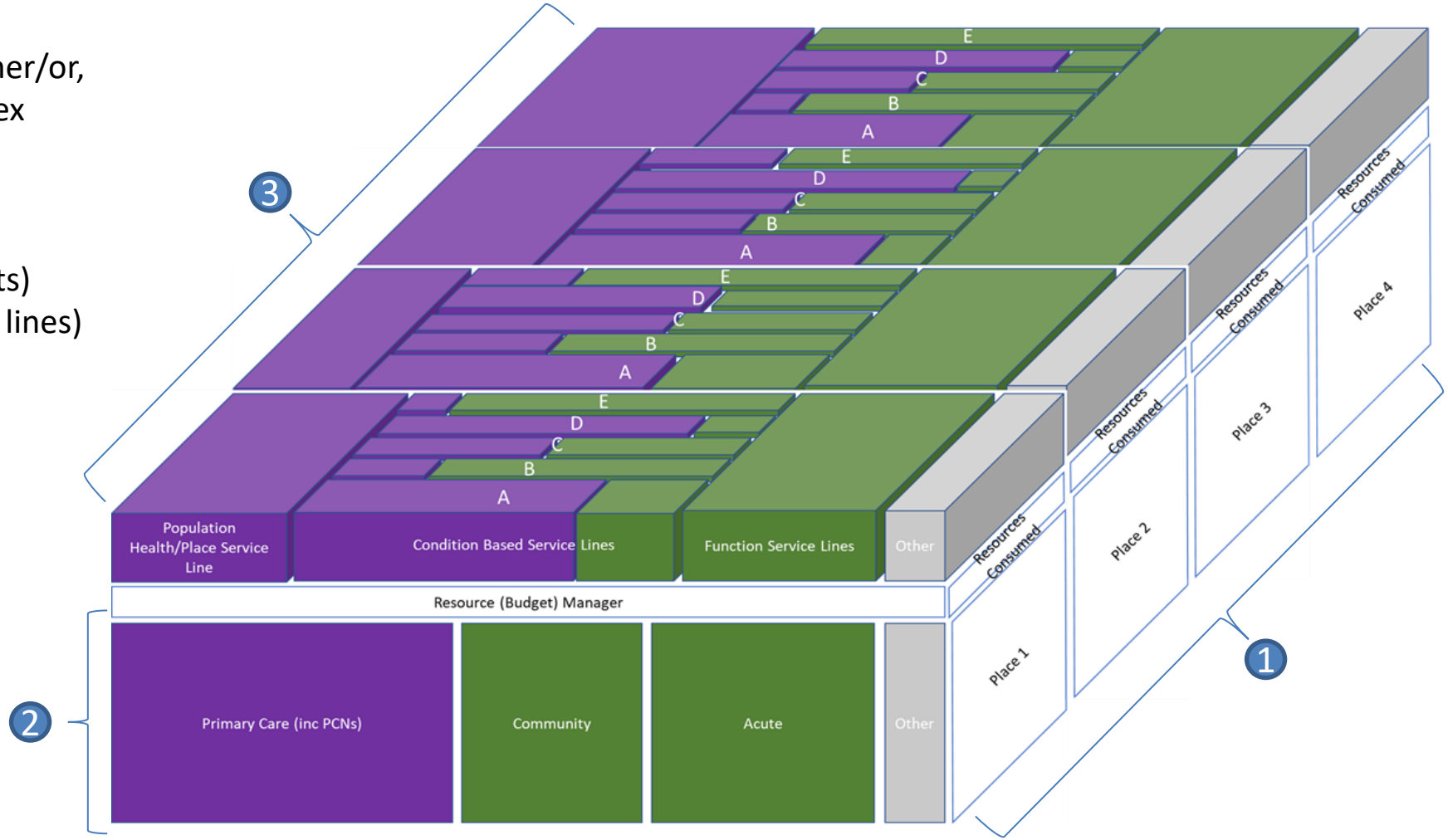




Complex set of relationships

It is not one dimensional, and either/or, but multi-dimensional and complex

1. Geographical area (i.e. CCG allocations)
2. Organisation (provider contracts)
3. Services and functions (service lines)



What has been done

- **Using model hospital as a basis identified 58 initial service lines**
  - Cover services and functions
- **Aligned spend across these service line**
  - Alignment not apportionment
- **Developed a first cut of service line budgets and supporting activity tool**
  - Which now requires clinical support to enhance classifications
- **Agreed a set of principles to enable financial impact of proposals to be enacted**
  - Which now require testing in ‘real world’ scenarios that support the stewardship approach

Initial Output

System spend aligned to 58 service lines and the development of 1st version budget book

Service line	Indicative FY spend
All figures in £000s	
Adult Mental Health	171,326
Breast Surgery	4,579
Cardiology	26,285
Cardiothoracic Surgery	27,880
CHC - adult	96,183
CHC - Children	3,092
Childrens Mental Health	15,717
Community Nursing	110,370
Corporate	182,639
Covid	57,836
Critical Care	27,777
Dentistry	901
Dermatology	7,305
Diabetes & Endocrinology	7,637
Drug and Alcohol Service	8,179
Ear, Nose & Throat	12,862
Emergency Care	823
Emergency Medicine (A&E)	50,864
Endoscopy	12,667
Estates and Facilities	139,994
Financing Costs	106,824
Gastroenterology	19,400
General Medicine	71,875
General Surgery	58,406
Geriatric Medicine	70,533
IM&T and Digital	46,877
Integrated discharge	24,546
Learning Disabilities	17,378
Neurology	7,468
Neurosurgery	1,023
Obstetrics & Gynaecology	64,539
Oncology	43,227
Ophthalmology	27,763
Oral & Maxillofacial	3,195
Orthopaedic and Spinal	77,817
Outpatients	11,963
Paediatrics	63,120
Pain	4,316
Palliative care	13,311
Pathology	63,200
Pharmacy & Medicines	61,104
Plastic Surgery & Burns	28,586
Prescribing	201,436
Primary Care	219,561
Radiology	49,076
Renal / Nephrology	20,215
Respiratory Medicine	19,205
Rheumatology	8,943
Sexual Health / GUM (inc HIV)	3,927
Stroke	22,493
Theatres	69,520
Therapies	41,419
Training & Education & R&D	6,484
Transformation/PMO	10,303
Transport	67,881
Urgent Community Response Team	1,981
Urology	17,276
Vascular Surgery	9,047
Total Mid & South Essex	**2,620,152**

We are developing a System 'Budget Book'

Mid & South Essex Health & Care Partnership

Cardiology

Finance identified scope – for discussion

This service line accounts for 1% of all net spend within the system.

This service line includes all acute activity related to cardiology services.

The majority of CCG spend in this area is with providers within the system and as such is removed as intragroup expenditure, with remaining activity with other trusts outside of the system.

Staffing nos. are currently included for MSEFT and EPUT

Activity figures are for M&SE CCGs. At the moment trust activity for other commissioners is not included.

For the MSEFT activity, 23% is commissioned by out of area commissioners; 6% relates to non-M&SE CCGs and 17% relates to services commissioned by specialised commissioning (which will still predominantly be for M&SE population).

What it is spent on

How many staff work within the service line

Spend by category	NHS Trusts (outside system)	Primary Care inc. prescr.	Other Commissioned	Staff costs	Drugs & supplies	Other trust spend	Total
System Spend	1,523	0	190	9,551	1,084	752	**13,100**

Staffing wte by category	Nursing & Midwifery	Healthcare Scientists & STT	Medical Staff	Support To Clinical Staff	Primary Care	Non Clinical Staff / Other	Total
System Spend	149	38	64	79	0	44	**374**

Resources by organisation	Total Spend	Less Intragroup	Net Spend	% for M&SE	Staff wte
Basildon & Brentwood	3,356	-3,024	**332**	100%	0
Castle Point & Rochford	3,360	-3,165	**195**	100%	0
Mid Essex	4,361	-3,532	**830**	100%	0
Southend	3,182	-3,009	**173**	100%	0
Thurrock	1,820	-1,637	**183**	100%	0
System (Mid Essex Hosted)	0	0	**0**	100%	n/a
Gross CCG	**16,080**	**-14,367**	**1,713**	**100%**	**0**
EPUT	410	0	**410**	100%	13
MSEFT	10,652	0	**10,652**	77%	362
NELFT	123	0	**123**	100%	0
Provide	202	0	**202**	100%	0
Gross trust	**11,388**	**0**	**11,388**	**78%**	**374**
Total System Reources	**27,467**	**-14,367**	**13,100**	**81%**	**374**
% of total system spend	1.4%	2.4%	1.0%		

Spend by each organisation

	EPUT	MSEFT	NELFT	Provide	Other	Total
Basildon & Brentwood	0	22,131	0	0	4,538	**26,669**
Castle Point & Rochford	0	12,891	0	0	907	**13,798**
Mid Essex	0	12,337	0	0	5,959	**18,296**
Southend	0	11,646	0	0	731	**12,377**
Thurrock	0	11,881	0	0	1,711	**13,592**
System (Mid Essex Hosted)						**0**
Total M&SE Commissioned Activity	**0**	**70,886**	**0**	**0**	**13,846**	**84,732**
Other commissioners	0	0	0	0	0	**0**
Total activity provided	**0**	**70,886**	**0**	**0**	**13,846**	**84,732**
Outpatient f/up	0	28,283	0	0	6,116	**34,399**
Outpatient first	0	25,988	0	0	5,135	**31,123**
Outpatient procedure	0	8,186	0	0	2,017	**10,203**
Daycase	0	5,392	0	0	335	**5,727**
Non-Elective	0	2,652	0	0	190	**2,742**
Elective	0	485	0	0	53	**538**
Total activity provided	**0**	**70,886**	**0**	**0**	**13,846**	**84,732**

Initial set of activity numbers

Reflections

Reflections

- Working with Service Lines across the system, using Stewardship as a vehicle, is a whole system change and will fundamentally change the way we work. As such this large scale change will take time (years, not weeks!)
- This is unchartered territory! We will need to work through issues together- e.g. how do we transition accountability? How are we using provider vehicles to manage the risk? Do we need the same accountability for all 58 service lines?
- We are a system in deficit which adds further complexity; the goal of stewardship is to use the £2.2bn more wisely
- Stewardship and service line budgets requires a cultural change including within finance functions
- The intent is to make the right information available for leaders to make the right decisions – but we need to know what the right information is
- The vision is to target the right care for our population, in a way that facilitates economies of scale and that maximises the benefits for our population, using the skills and capabilities of all our partners.
- **What do you think?**

Any Questions?

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Thank you!

About the HFMA

The Healthcare Financial Management Association (HFMA) is the UK representative body for finance professionals working in the NHS and the wider healthcare sector. Our aim is to support the NHS finance function, to promote good practice in financial management and to improve the general understanding of NHS finance issues.

Our work is informed by a number of committees and special interest groups made up of healthcare finance practitioners. We publish numerous guides and briefings aimed at finance professionals, non-executive directors and non-finance staff. We also provide training and development opportunities – including a suite of web based learning modules – across all of these groups.

www.hfma.org.uk