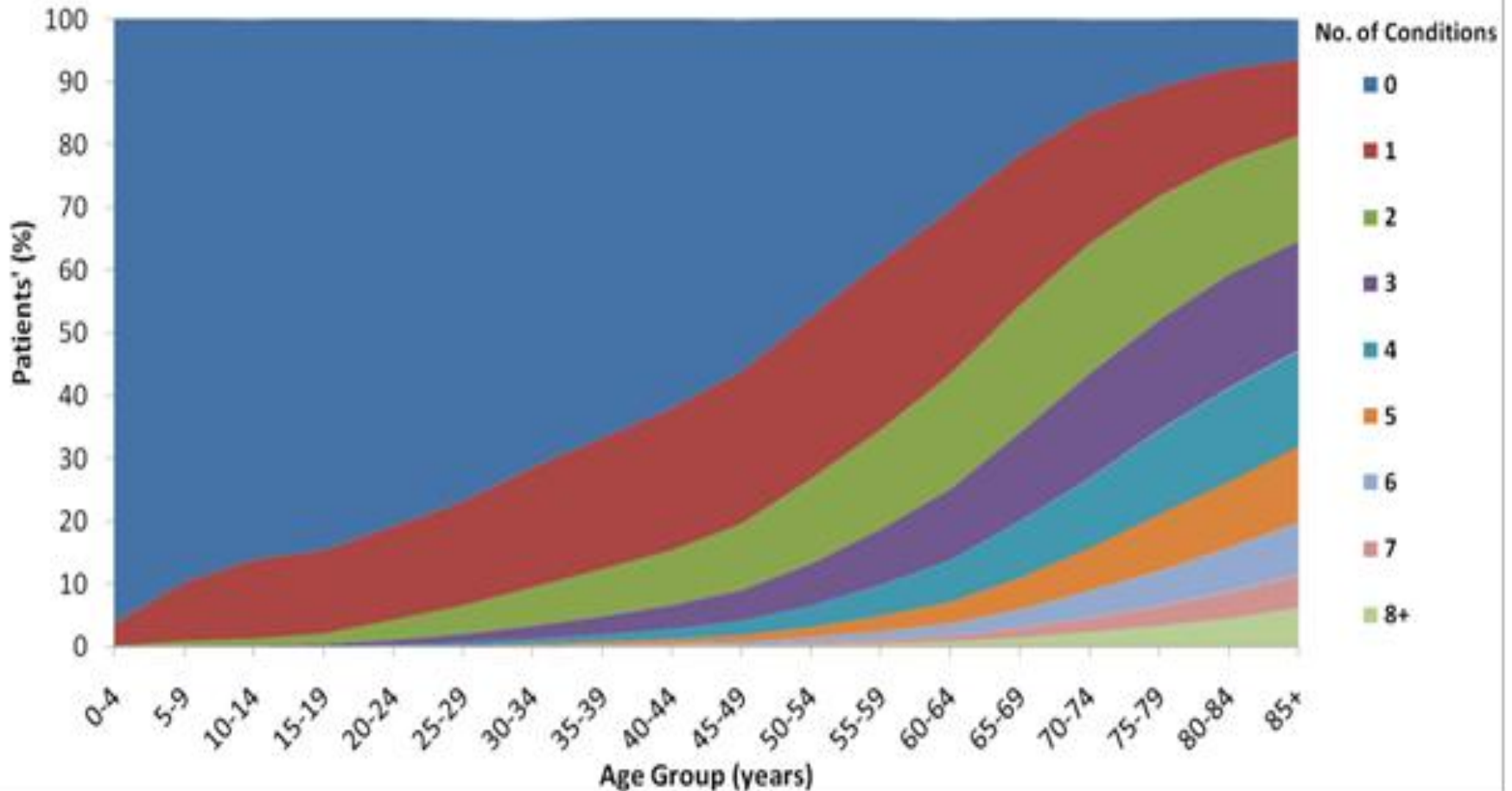




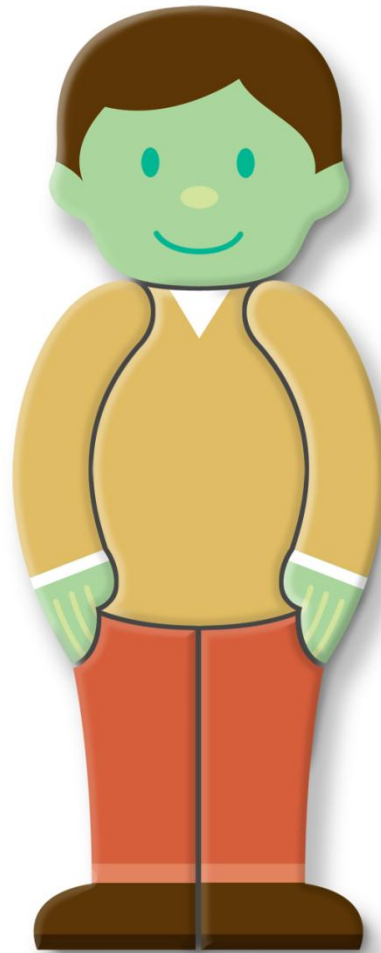
The Year of Care Funding Model

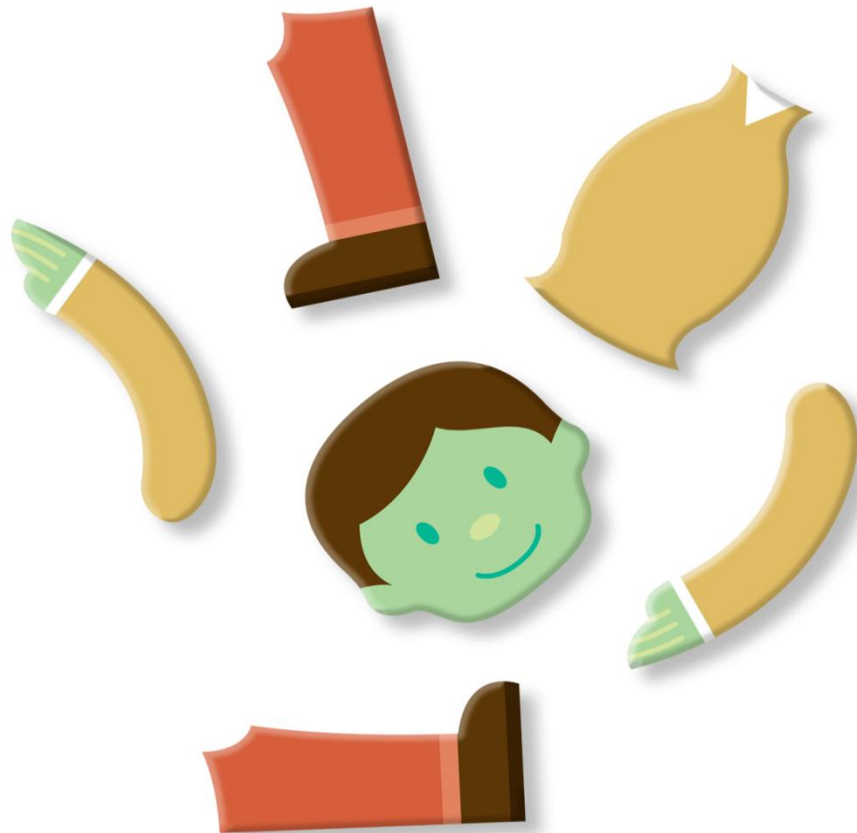
Sir John Oldham

Morbidity (number of chronic conditions) by Age Group



- The majority of over-65s have 2 or more conditions, and the majority of over-75s have 3 or more conditions
- More people have 2 or more conditions than only have 1



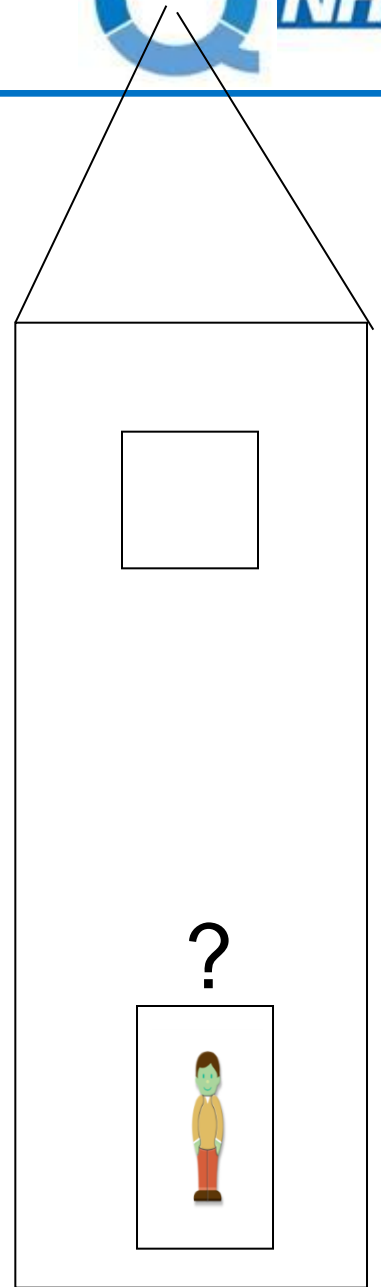
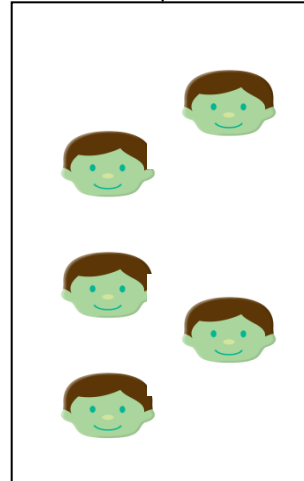
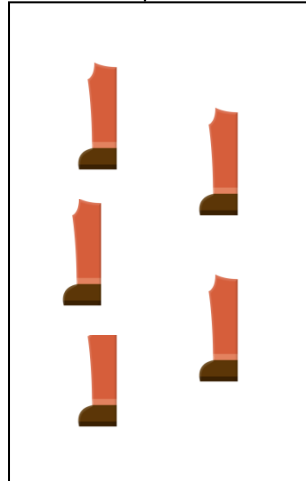
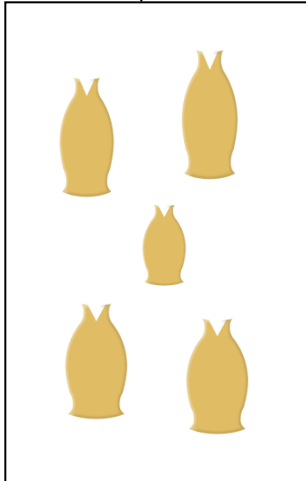
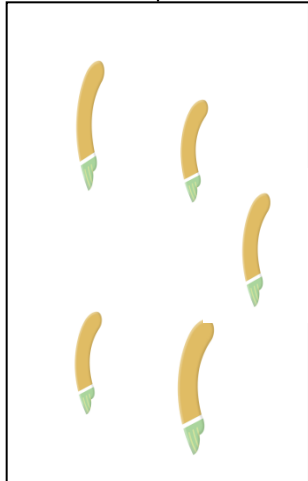


Team
A

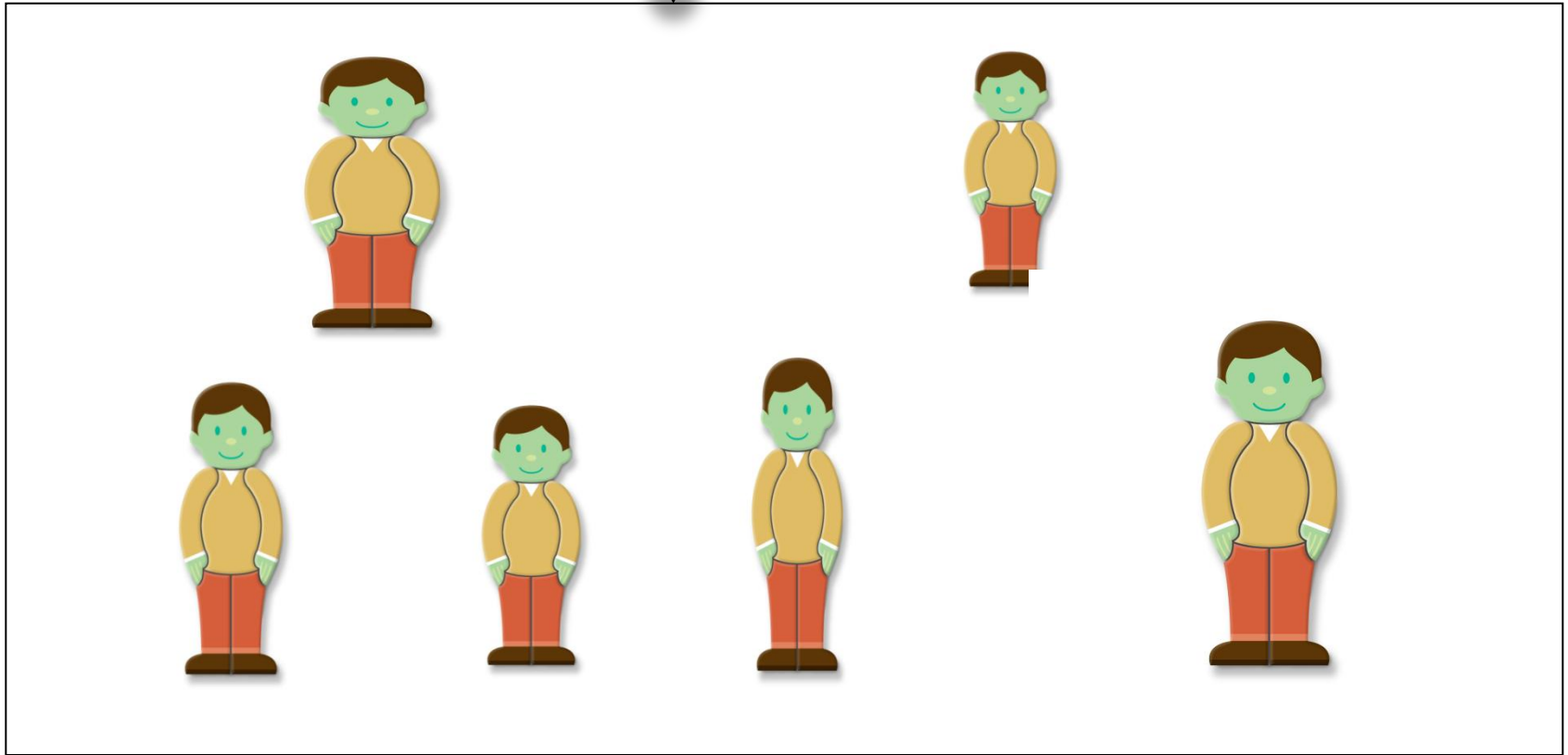
Team
B

Team
C

Team
D



Integrated neighbourhood Care Team



Primary drivers



- Systematic risk profiling of population
- Integrated locality care teams including social care, community services, allied health professionals and general practice
- Maximising number of patients who can self manage through systematic transfer of knowledge, and care planning

Long Term Care Development Programme



- 30 million coverage
- Earlier results than expected; Liverpool, Leeds, Warwickshire, Solihull, Isle of Wight, (Greenwich) etc
- Milestone markers indicating significant wave of achievement within 6 mths

Problem with PbR



- Incentivises admission and hospital care
- Can create adversarial environment between organisations
- Can lead to rushed discharges, and frequent readmissions
- Exacerbates the fragmented response

What we wish to do



- Encourage co-operation across organisational boundaries
- Create joint ownership of outcome measures
- Incentivise care in the community rather than hospital
- Create flexibility for commissioners in the use of resources

The Year of Care Funding Model



The Purpose:

- Create financial flows and incentives that reinforce the care model of co-ordinated, integrated care.

By:

- Developing an annual risk adjusted capitation budget based on these levels of need.

Develop

In partnership with health economies in close to real life circumstances shadowing real data

The National Project Team Propose that the long term conditions included should be based on the Scottish School of Primary Cares Multimorbidity Research Programme (excluding schizophrenia.)

These long term conditions are:

- Coronary Heart Disease
- Hypertension
- Heart Failure
- Stroke/Transient Ischemic Attack
- Diabetes
- Chronic Obstructive Pulmonary Disease
- Cancer as long term care (not chemo/radiotherapy)
- Depression
- Dementia

Scope of the Year of Care Funding Model



Illustration of initial scope



Phase 1 – Year of Care includes

- integrated health and social care teams,
- community services (inc. specialist support),
- free social care services,
- third and independent care providers of health and social care,
- unplanned acute care relating to LTC,
- and elements of post-discharge 30 day social care services

Primary care and ambulance support (resources and outcomes) are linked but distinct

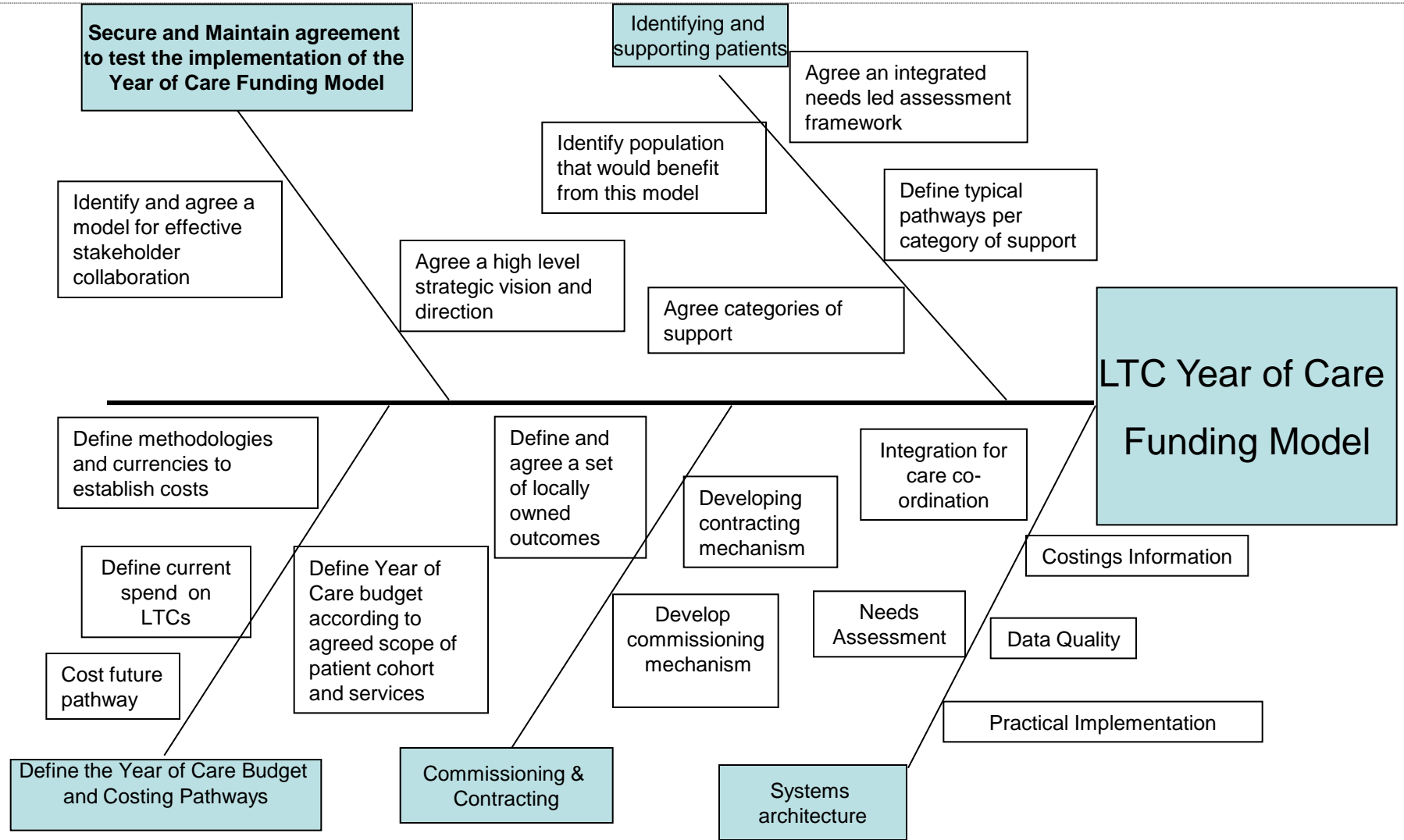
Wider social care support (resources and outcomes) is linked but distinct

4 key elements



- Identifying and supporting people with long term conditions
- Developing costed pathways of need
- Commissioning and contracting of the model
- Systems architecture

Achieving the future state – Primary Drivers



The Proposed Timeline



April 2012 – March 2013:	Test implementation of the model
April 2013 – March 2014:	Shadow year of care currencies, and development of national pricing model
April 2014 – March 2015:	National LTC year of care currencies and shadow national prices
April 2015 – March 2016:	National LTC year of care prices

Selection of patients

-
- All patients within the top 10% of risk scores for the population at the beginning of that year, who also have one of the long-term conditions on the 'Scottish list'
- **Plus** any patient known to the Integrated Care Team because of complex functional needs (these need not also be part of the top 10% of risk scores)
- The only restrictions are:
 - Children and adolescents (< 19 years) should not be included

Included services



Acute services:

- All Admitted Patient Care (inpatient), Outpatient and A&E activity (but see exclusions below), including all rehabilitation, palliative care, end-of-life care and tele-health. This includes any unbundled parts of spells or outpatient activity (again, see exclusions below)
- This should include all acute care for patients, including those services delivered by out-of-area Providers

Community services:

- All community services (although see exclusions below), including personal healthcare budgets, community prescribing, tele-health and continuing healthcare

Included services



Mental Health services:

- All services commissioned by clinical commissioning groups

Social Care services:

- Assessment, reablement and equipment only

Primary Care services:

- No Primary Care services are included

Services delivered by Voluntary and Independent Providers:

- Any service that matches a service description in one of the above included categories

Excluded services



Acute services:

- Any activity that is commissioned directly by NHS England (including all specialised/prescribed services)
- Any activity that is part of the Maternity pathway payment
- Any critical care activity and exceptionally high cost drugs and devices
- All ordinary elective activity in surgical, paediatric, cancer or obstetrics and gynaecology specialties
- Ambulance services and any other transport service
- Any service covered by a block contract payment arrangement

Excluded services



Community services:

- Accommodation costs in residential care and nursing homes
- Any part of personal healthcare budgets not delivered by an Acute, Community, Mental Health, Social Care, Independent or Voluntary Provider or Health or Social care services

Mental Health services:

- Services commissioned directly by NHS England

Social Care services:

- All services not described above, including all means-tested services

Primary care services (for now)

Tariff categories



For 2013/14, we recommend that Year of Care tariff category that applies to a patient is based upon the number of diseases recorded for each patient in the GP pay for performance programme. The tariff categories will be:

- **Category 1 - 1 or 2 Clinical Domains**
- **Category 2 - 3 or 4 Clinical Domains**
- **Category 3 - 5 or 6 Clinical Domains**
- **Category 4 - more than 6 Clinical Domains**

Contracting mechanism



- **Lead provider and sub contractors**
 - contract is just with one provider who subcontracts other elements
- **Alliance contracting**
 - equal partners
 - gainshare and painshare
 - tiers of quality achievement that require co-operation to deliver

Patient changes during year



- Tariff changes up or down within year absorbed within year
- Patients who are within the Year of Care currency at the beginning of the year, remain within the Year of Care currency for the whole year.
- Similarly, patients who are not within the Year of Care currency at the beginning of the year, remain outside the Year of Care currency for the whole year.
- The only exception to this rule is:
 - Patients who die or transfer out of the health economy can be removed from the Year of Care cohort within year

Things you might want to know



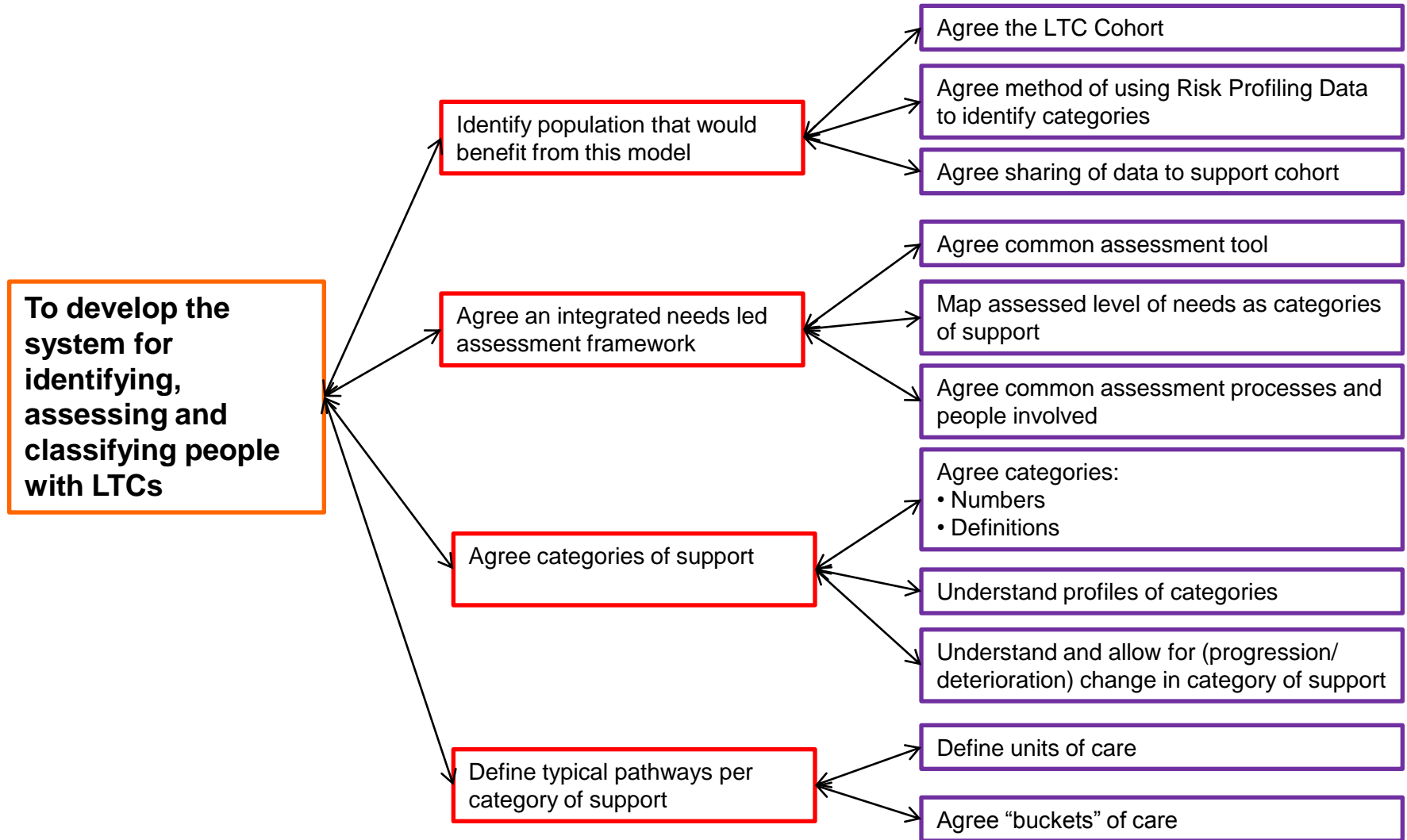
- **Will this replace current activity based hospital payments?** Any patients on Year of Care will not be in the current activity based payment hospital system for those included services, but will for excluded services
- **Will this replace 30 day readmission penalty?** Yes for those patients who are in Year of Care tariff
- **What is in it for patients?** More co-ordinated pro-active care ,
- **What is in it for commissioners?** Incentivising integrated delivery and out of hospital care for those patients driving 70% cost and activity
- **What is in it for hospitals?** Provides new opportunities for integrated care and reduces disturbance of elective work by unscheduled admissions in a risk sharing manner

Driver diagrams – Identifying and Supporting Patients

AIM

PRIMARY DRIVERS

SECONDARY DRIVERS



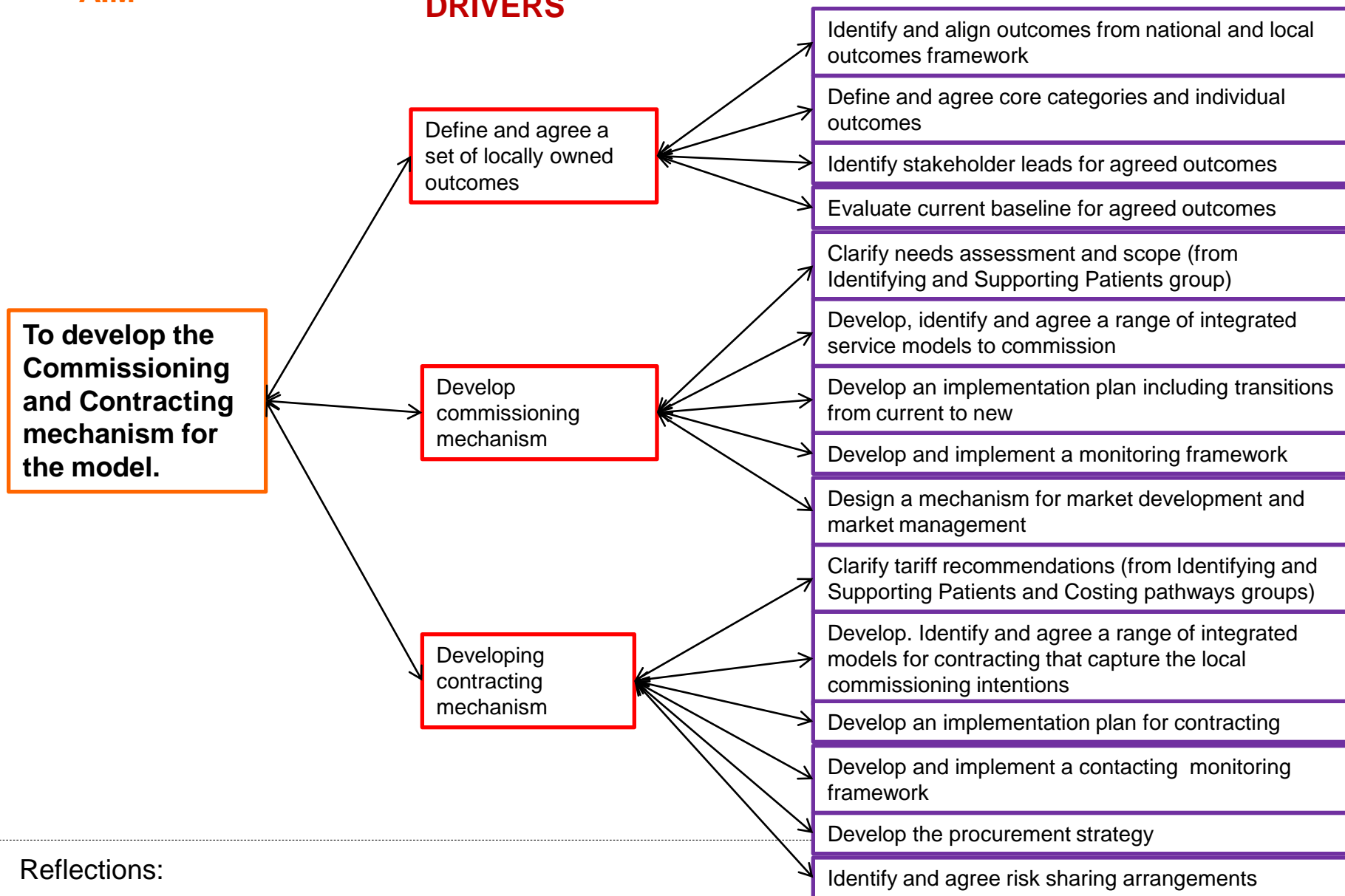
Reflections:

Driver diagrams – Commissioning and Contracting

SECONDARY DRIVERS

AIM

PRIMARY DRIVERS



Reflections:

Driver diagrams – Define the Year of Care Budget and Costing Pathways

AIM

PRIMARY DRIVERS

SECONDARY DRIVERS

To define the year care budget and costing pathways.

Define current spend on LTCs

Define Year of Care budget according to agreed scope of patient cohort and services

Define methodologies and currencies to establish costs

Cost future pathway

- Define organisations included/excluded
- Define total spend and split by organisations included/excluded
- Define services included/excluded
- Define spend by service included and excluded

- Ensure clarity on the patient cohort
- Define service total by organisation and by service
- Define inclusions/exclusions by organisation and by
- Understand activity levels and types of activity by provider

- Define consistent costing detail required
- Define basis for calculating costs
- Agree method for linking data
- Define units activity and unit cost
- Map cost of current pathway

- Review total spend against actual cost
- Impact assessment of future pathways
- Define unit costs of new ways of working
- Understand the RRR element of the pathways
- Define costs of pathways according to need

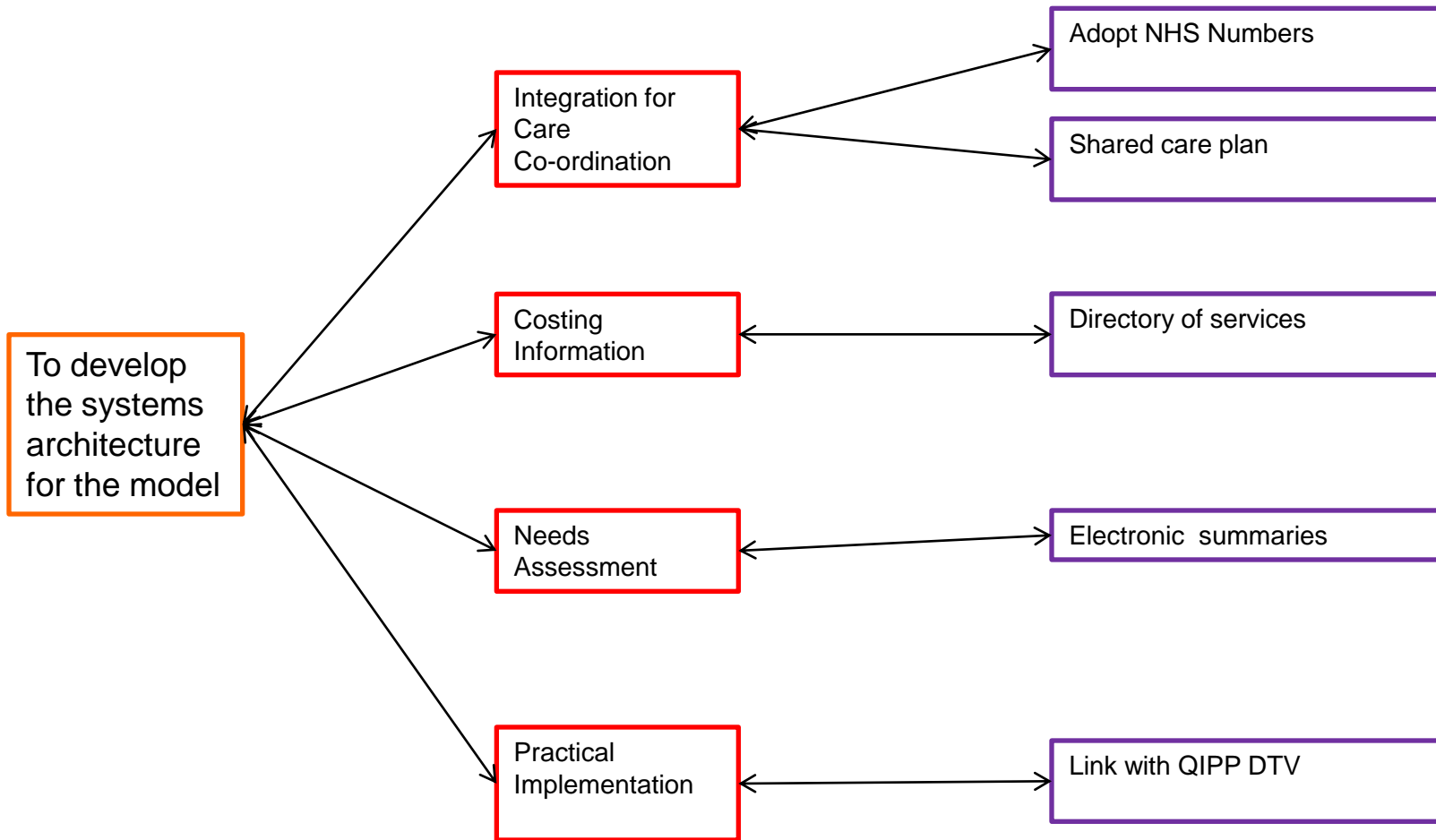
Reflections:

Driver diagrams – **Systems Architecture**

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PRIMARY DRIVERS

SECONDARY DRIVERS



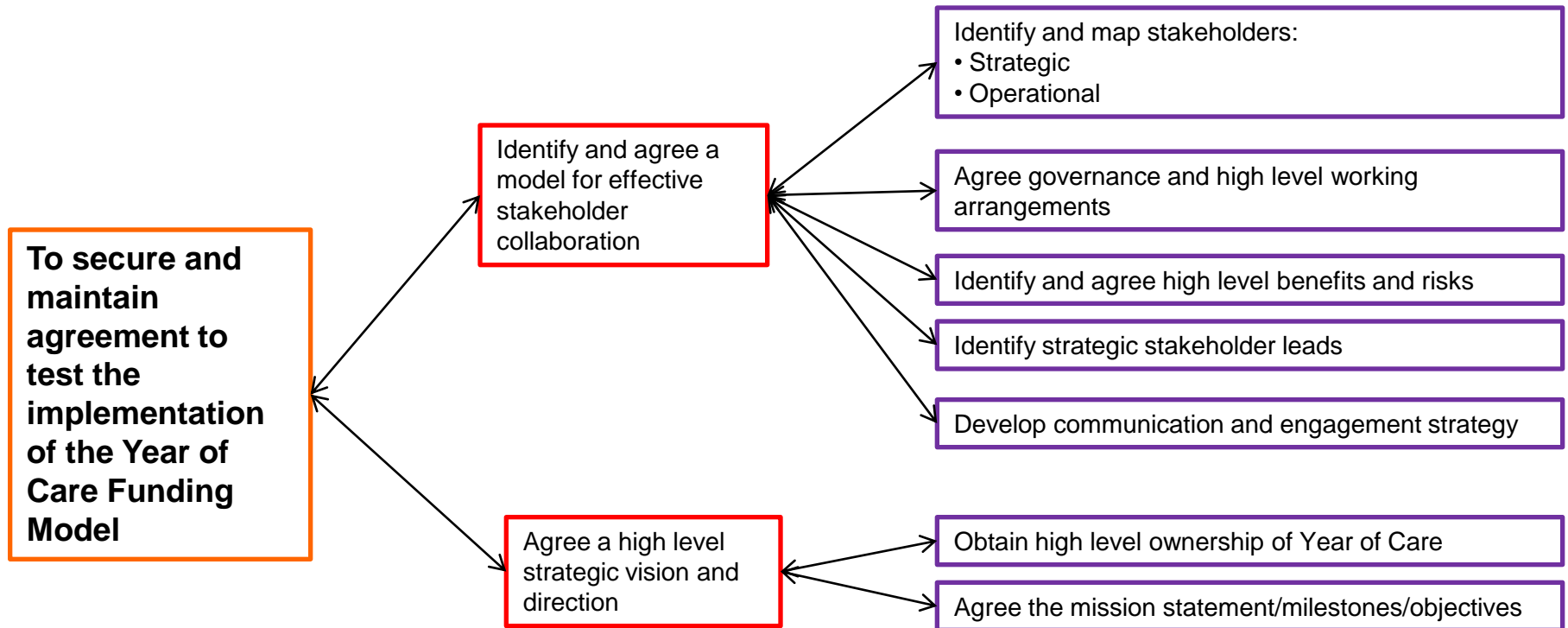
Reflections:

Driver diagrams – **Secure and Maintain agreement to test the implementation of the Year of Care Funding Model**

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PRIMARY DRIVERS

SECONDARY DRIVERS



Reflections: