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Bwrdd Iechyd Prifysgol
Abertawe Bro Morgannwg
University Health Board



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| Meeting Date | 24th October 2019 | | Agenda Item | 4.1 |
| Report Title | Continuing NHS Care Update | | | |
| Report Author | Dorothy Edwards, Deputy Director – Transformation | | | |
| Report Sponsor | Hannah Evans, Director of Transformation (Lead Executive for Delivery Support Team) | | | |
| Presented by | Dorothy Edwards, Deputy Director – Transformation | | | |
| Freedom of Information | Open | | | |
| Purpose of the Report | To provide an update on Continuing NHS Care following the 'deep dive' presented to the Performance and Finance Committee in July and September 2019. | | | |
| Key Issues | <p>Expenditure on Continuing NHS Care is running above budget levels driven by increases in demand and growth in specific areas.</p> <p>A detailed action plan is in place within the P&CS Unit and to support Unit decision making, a high cost panel is now in place led by the Director of Nursing.</p> <p>Following risk assessment, a plan put forward by the P&CS Unit to restrict the approval of new packages of care to budget levels has not been agreed due to the impact on patient flow and the wider system.</p> <p>The Delivery Support Team has been providing some support to facilitate the introduction of the high cost panel and to support current actions. A summary of current work is included within the report.</p> <p>A series of further actions are planned in October and November to support Units in ensuring that processes are effective and that we have a sound understanding of the current risks and issues. KPMG have also been asked for support as part of the financial intervention.</p> | | | |
| Specific Action Required <i>(please ✓ one only)</i> | Information | Discussion | Assurance | Approval |
| | | | • | |
| Recommendations | Performance & Finance Committee are requested to: | | | |

| | |
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| | <ul style="list-style-type: none"> • Note actions underway since the Committee received the 'deep dive' report • Note the establishment of a high cost panel to support Units in managing complex and high cost placements • Note ongoing actions planned for October and November. |
|--|--|

Continuing NHS Care Update

1. INTRODUCTION

This paper provides an update on further actions underway to support the Board in managing projected overspends on Continuing NHS Care (CHC). A range of strategic actions are being supported by the Delivery Support Team (DST) and a comprehensive action plan is in place within the Primary and Community Services (P&CS) Unit.

2. BACKGROUND

Performance and Finance Committee (PFC) receive a quarterly update on Continuing NHS Care as required under the national CHC framework and accountability arrangements. In addition, two 'deep dive' reports were considered by the Committee in July and September 2019. These set out issues and actions being driven forward by the P&CS Unit to manage growth in demand in CHC expenditure.

Following a request for financial recovery plans in July 2019, the Delivery Support Team were asked to provide some strategic support in helping the delivery units review their CHC expenditure and considering further actions.

A comprehensive action plan was produced by P&CS Unit and presented to PFC in September 2019. It was noted that the action plan contained actions including the potential to restrict the number of CHC packages being approved by the Health Board to support the management of the budget. However, this section of the action plan was considered high risk and not supported by the Financial Management Group (FMG).

A slidedeck providing a summary of the position following discussion between respective Units and the DST is attached at Appendix 1.

The slidedeck highlights:

- a steady growth in the number of CHC cases within the P&CS Unit since the beginning of 2018 which has resulted in forecast growth of circa 6.3% in 2019/20 compared to 2018/19. This growth is driven by a general inflationary pressures (which has been funded) and a growth in demand. Funded Nursing Care (FNC) remain stable
- within Mental Health and Learning Disability services, there has been a marked growth in the cost and number of Learning Disability cases, and whilst there has been growth in the number of Mental Health cases, costs are generally stable reflecting strategic work undertaken.

There are a range of factors that are driving demand within CHC spending as covered in the slidedeck. Generally, within PC&S Unit, the growth can be largely attributed to changes in service models that are in line with our strategic direction to enable people to receive care, within or as close to their own homes as possible. This includes decisions to develop a community based older people's mental health service and to reduce our inpatient capacity. There has also been a growth in the

number of fast track palliative care placements which again, is in line with our model of care.

Actions underway

In light of the position, the Delivery Support Team have supported the development of a 'high cost' panel to consider all cases where the NHS cost above a threshold of £75k per annum will be reviewed. The Panel is chaired by the Director of Nursing and has to date held 2 meeting. The terms of reference are attached at Appendix 2.

The aim of the Panel is to ensure that we are applying the NHS CHC sustainability framework and to ensure that decision making across the Board is consistent. As part of its role, the Panel will oversee some specific actions over the next 6-8 weeks as follows as detailed within the slidedeck:

- ensuring that local processes are as robust as possible and there is effective inter-Unit working around complex cases
- deep dive into cases above £200k per annum and joint packages of care
- continue to drive forward the local P&CS action plan
- review against all Wales benchmarking data when available.

In addition, KPMG have been asked to provide some expertise in terms of the current actions and to consider other opportunities and actions that need to be explored.

3. GOVERNANCE AND RISK ISSUES

The Health Board currently manages CHC through a number of different units and this presents the potential for differences in process and decision making. As part of the development of the Target Operating Model going forward into 2020/21 the Board may need to consider whether to reconsider the current model and identify whether a realignment of budgets with service areas would help to strengthen oversight and delivery.

There are significant financial risks as a result of growth in demand and complexity around CHC cases and a range of partnership issues that are apparent. The Board needs to consider its strategic approach to the management of CHC given the trend experienced over the last 18 months and to develop a medium term strategic plan. KPMG have been asked to provide some support in this area.

4. FINANCIAL IMPLICATIONS

As part of the financial recovery actions, the potential to save circa £1m was highlighted as an opportunity by the P&CS Unit and this was categorised as a 'financial recovery category C' opportunity. A detailed Quality Impact Assessment was undertaken and discussed at the cross-cutting meeting where it was agreed that the proposed actions that could lead to this level of saving would result in significant

system wide flow issues. The risk was considered significant. With the current position, it is not anticipated that there will be any direct savings during 2019/20 as a result of the current actions.

5. RECOMMENDATION

Performance & Finance Committee are requested to:

- Note actions underway since the Committee received the 'deep dive' report
- Note the establishment of a high cost panel to support Units in managing complex and high cost placements
- Note ongoing actions planned for October and November.

| Governance and Assurance | | | | | | | |
|---|--|--|--|----------------|--|--|---|
| Link to corporate objectives <i>(please ✓)</i> | Promoting and enabling healthier communities | | Delivering excellent patient outcomes, experience and access | | Demonstrating value and sustainability | Securing a fully engaged skilled workforce | Embedding effective governance and partnerships |
| | | | | | ✓ | | ✓ |
| Link to Health and Care Standards <i>(please ✓)</i> | Staying Healthy | Safe Care | Effective Care | Dignified Care | Timely Care | Individual Care | Staff and Resources |
| | | ✓ | ✓ | | ✓ | ✓ | ✓ |
| Quality, Safety and Patient Experience | | | | | | | |
| The need to ensure safe care for patients remains paramount and this is actively considered as part of the | | | | | | | |
| Financial Implications | | | | | | | |
| The potential to drive savings during 2019/20 is low following a detailed quality impact assessment into the proposed handling of CHC cases by the P&CS Unit. | | | | | | | |
| Legal Implications (including equality and diversity assessment) | | | | | | | |
| CHC is governed through legislation. | | | | | | | |
| Staffing Implications | | | | | | | |
| None identified | | | | | | | |
| Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015) | | | | | | | |
| No specific implications identified | | | | | | | |
| Report History | | Reports to PFC in July and September 2019 | | | | | |
| Appendices | | Appendix 1: Continuing NHS Care: DST Summary Appendix 2: Terms of Reference for High Cost Panel | | | | | |