

## Attachment 06

**Report to:** NEL CCG Partnership Board

**Presented by:** Cathy Kennedy, Deputy Chief Executive

**Date of Meeting:** 8<sup>th</sup> May 2014

**Subject:** Quality Premium

**Status:**  OPEN  CLOSED

**Agenda Section:**  STRATEGY  COMMISSIONING  OPERATIONAL ISSUES

**OBJECT OF REPORT**

The report is a summary of NELCCGs current assessment of achievement against the 2013-14 Quality Premium. As there is a lack of information to make a final assessment this is a scenario analysis demonstrating worst, best and most likely case scenario.

**STRATEGY**

The Quality Premium rewards the CCG for delivery of its strategic plan goals to create a healthy community and accessible, responsive and quality care.

**IMPLICATIONS**

This is a judgement of NELCCGs achievement against the potential £820k available through the Quality Premium. It is expected that the CCG will be awarded circa £230k. Both the provisional and final notifications of quality premium awards will be made early in quarter 3 2014/15 to CCGs. In order for NELCCG to maximise its ability to make the most effective use of the payment within 2014/15, it should consider making plans for its use in advance of this date so that these plans can be implemented as soon as the level of award is confirmed.

**RECOMMENDATIONS (R) AND ACTIONS (A) FOR AGREEMENT**

The Partnership Board is asked to note the scenario analysis and potential financial award that the CCG will realise.

		Yes/No	Comments
	Does the document take account of and meet the requirements of the following:		
i)	Mental Capacity Act	NA	
ii)	CCG Equality Impact Assessment	NA	
iii)	Human Rights Act 1998	NA	
iv)	Health and Safety at Work Act 1974	NA	
v)	Freedom of Information Act 2000 / Data Protection Act 1998	NA	
iv)	Does the report have regard of the principles and values of the NHS Constitution? <a href="http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_113613">www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_113613</a>	Yes	

## NELCCG 2013-14 Quality Premium Briefing

### CCG Quality Premium 2013-14

The Quality Premium is intended to reward clinical commissioning groups (CCGs) for improvements in the quality of the services that they commission and for associated improvements in health outcomes and reducing inequalities.

It is paid to CCGs in 2014/15 to reflect the quality of the health services commissioned by them in 2013/14 and will be based on four national measures and three local measures.

The four national measures, all of which are based on measures in the NHS Outcomes Framework, are:

- **reducing potential years of lives lost through amenable mortality** (12.5% of quality premium): the overarching objective for Domain 1 of the NHS Outcomes Framework;
- **reducing avoidable emergency admissions** (25% of quality premium): a composite measure drawn from four measures in Domains 2 and 3 of the NHS Outcomes Framework;
- **ensuring roll-out of the Friends and Family Test and improving patient experience of hospital services** (12.5% of quality premium), based on one of the overarching objectives for Domain 4 of the NHS Outcomes Framework;
- **preventing healthcare associated infections** (12.5% of quality premium), based on one of the objectives for Domain 5 of the NHS Outcomes Framework.

The three local priorities are:

- **Technology-enable care: Non face-to-face outpatient follow-up appointments** (12.5% of quality premium)
- **End of life care: Proportion of people dying at home (including care homes)** (12.5% of quality premium)
- **Community preventative support: Increasing the availability of community based preventative support solutions** (12.5% of quality premium)

A CCG will have its quality premium reduced if the providers from whom it commissions services do not meet four patient rights or pledges set out in the NHS Constitution (25% reduction for each).

The total amount payable will be £5 per patient, based on the same formula as running costs (NELCCG Population = 163,846).

The quality premium payment is in addition to a CCG's main financial allocation and running costs allowance.

The regulations have set out the purposes for which the CCG is able to spend the quality premium payment. Under the regulations, CCGs must use the funding awarded to them under the quality premium in ways that improve quality of care or health outcomes and/or reduce health inequalities.

CCGs will have to publish details of how they spend quality premium payments, so that they are accountable to the public and their local community.

NHS England will reserve the right not to make any quality premium payments to a CCG in cases of serious quality failure, i.e. where the Care Quality Commission judges that a provider is in serious breach of its registration requirements.

A CCG can only earn a quality premium if it has improved quality or achieved high standards of quality as assessed by the measures set out above. Subject to regulations, a CCG will not, however, receive a quality premium if it has failed to manage within its total resources envelope or has exceeded the agreed level of surplus drawdown, based on the principle that effective use of public resources should be seen as an integral part of securing high-quality services. NHS England may also withhold or reduce a quality premium payment if a CCG does not meet requirements in relation to financial propriety.

## NELCCG Quality Premium Scenario Analysis

The following summary demonstrates the range between the best and worst scenario as well as the most likely in relation to North East Lincolnshire CCGs Quality Premium achievement. The following scenarios assume that the CCG manages within its total resources for 2013-14 and that there are no serious quality failures.

Measure		Quality Premium Value		Best Case		Worst Case		Most Likely Case	
				Achieved	Value	Achieved	Value	Achieved	Value
National Measures	Potential years of life lost	12.5%	£102,403.75	Y	£102,403.75	N	£0.00	N	£0.00
	Avoidable emergency admissions	25.0%	£204,807.50	Y	£204,807.50	N	£0.00	N	£0.00
	Friends and family test	12.5%	£102,403.75	Y	£102,403.75	N	£0.00	N	£0.00
Local Priorities	Infection control	12.5%	£102,403.75	N	£0.00	N	£0.00	N	<b>£0.00</b>
	Non face to face outpatient follow-ups	12.5%	£102,403.75	Y	£102,403.75	Y	£102,403.75	Y	<b>£102,403.75</b>
	Proportion of people dying at home	12.5%	£102,403.75	Y	£102,403.75	N	£0.00	Y	£102,403.75
	Community based preventative support	12.5%	£102,403.75	Y	£102,403.75	Y	£102,403.75	Y	<b>£102,403.75</b>
<b>Total before NHS Constitution deductions</b>			<b>£819,230.00</b>		<b>£716,826.25</b>		<b>£204,807.50</b>		<b>£307,211.25</b>
Constitution Rights and Pledges	Referral to treatment times	25.0%		Y	£0.00	Y	£0.00	Y	<b>£0.00</b>
	A&E four hour wait	25.0%		Y	£0.00	Y	£0.00	Y	<b>£0.00</b>
	Cancer waiting times	25.0%		Y	£0.00	Y	£0.00	Y	<b>£0.00</b>
	Ambulance Response Times	25.0%		N	-£179,206.56	N	-£51,201.88	N	<b>-£76,802.81</b>
	Adjustment for failure				-£179,206.56		-£51,201.88		-£76,802.81
<b>QUALITY PREMIUM TOTAL</b>					<b>£537,619.69</b>		<b>£153,605.63</b>		<b>£230,408.44</b>

The areas highlighted in bold in the 'Most Likely Case' scenario column are those measures where we have access to the full data that will be used to assess achievement. We are still waiting on data for the other measures either due delay in data for 2013-14 or achievement being dependent on performance in the early stages of 2014-15.

Both the provisional and final notifications of quality premium awards will be made early in quarter 3 2014/15 to CCGs. In order for NELCCG to maximise its ability to make the most effective use of the payment within 2014/15, it should consider making plans for its use in advance of this date so that these plans can be implemented as soon as the level of award is confirmed.