

Improving outcomes with collaboration

Published 23 September 2016

With block contracts on the rise, and the NHS provider market share of those contracts increasing, independent health sector providers would be forgiven for questioning the implications and their role in the evolving NHS. As mentioned in last month's article, there are significant opportunities for the independent sector to play a part in Accountable Care Systems, where long term outcomes based contracts are entered into with commissioners, with a capitated budget to cover all of the health care needs for a defined population.

The NHS vision, as set out in the NHS Five Year Forward View, is to change the way that care is delivered by the component parts of the system. Ultimately, this will require a move to population based health solutions, in order to help close the sizeable financial gap between funding and demand for health services. A number of vanguards were selected to champion these aims.

One of these, Wirral Partners, includes Cerner, the technology provider. Cerner's role in the project is to implement 'HealthIntent', which is described as a cloud-based, system agnostic, near real time platform, enabling organisations to aggregate health data from multiple sources into a single record. This platform has been adopted by Accountable Care Organisations in the US; however the Wirral Partners project will be the first time it has been implemented in the UK. The importance of accurate data to the future of cost-effective population health based approaches cannot be underestimated, and the provision of technology-based solutions to support clinical decision making and care planning will be vital.

This will be of particular importance when the future of contracting for health services in the NHS moves towards longterm outcomes based contracting for a broad range of services; the vision is for the scope of these contracts to span acute, community, mental health, primary and social care. An ACO would then hold a contract with commissioners and both provide and organise the provision of such services. Unlike the current block contract approach, where a fixed budget is set for services, with a small proportion of the contract value based on key performance indicators, outcomes based contracts will see a much higher percentage of the contract value released subject to the achievement of outcomes; thus ensuring the quality of services is properly incentivised. The data that underpins the analysis of meeting those outcomes will be fundamental to success or failure and consequently, the monitoring of the standard of patient care provided.

An outcomes based contract over a longer period of time also allows the ACO time and space to consider more innovative service provision and, subsequently, a greater degree of planned investment. This is in contrast to the annual negotiation of contracts for individual components of the health system, which is a huge and distracting industry for providers in the sector and arguably stifles any opportunity for providers to innovate. Innovation may come in the form of reconfiguring the estate to suit the clinical model, a more fluid workforce arrangement, a focus on prevention and self-care supported by technology, or the group of providers in the ACO sharing support services to save on costs.

What are the opportunities for independent sector providers?

It is likely that many commissioners will seek to run competitive tender processes for outcomes based contracts, giving independent sector providers an opportunity to bid to provide such services. Given the breadth of services likely to be commissioned under such contracts, it is likely that all local health systems will need a wide range of skills (beyond any single provider) to respond. On that basis, we would expect there to be collaborations between organisations in responding to tenders.

Opportunities for the independent sector can be realised by considering, at this stage, what they can offer in the context of Accountable Care Systems, and what relationships they can build with other providers (NHS and independent sector) to be well positioned to respond. Despite the implications of Brexit, the procurement landscape is unlikely to change in the near future, therefore EU-derived procurement rules will apply. Commissioners also need to comply with the NHS (Procurement, Patient Choice and Competition) (No 2) Regulations 2013, which include similar but not identical obligations upon commissioners, and add an extra route of challenge via NHS Improvement should commissioning decisions transgress their regulatory obligations.

This article was originally published by [Healthcare Market News](#) - [LaingBuisson's](#) publication and a premier news source for the acute independent healthcare sector.

Authors

Hamza Drabu



London - Walbrook
hdrabu@dacbeachcroft.com

DCD
DAC BEACHCROFT