

**Report for Wirral Health Overview and Scrutiny Committee
Dynamic Purchasing System (DPS) for Continuing Healthcare (CHC)
in Cheshire and Wirral**

Introduction

1. The 5 CCGs in Cheshire and Wirral have entered into an agreement with Midlands and Lancashire Commissioning Support Unit (MLCSU) to use a Dynamic Purchasing System (DPS) provided by a company called Adam HTT Limited. The Adam DPS is an automated procurement system to modernise the way in which Nursing Care placements for both Nursing Home and Care at Home, are procured for patients who have continuing healthcare (CHC) needs and have qualified for CHC funding.
2. NHS England have established a programme to look at how Continuing Healthcare services can be improved. One of the goals of the programme is to make best use of resources. One of the recommendations is for more innovative procurement, one method being Dynamic Purchasing Systems like the one offered by Adam.
3. The aim of the Adam system is to drive up quality, give consistency of choice across a further area, expand the market, increase quality of care and provide contractual levers and incentives to providers. The current market is inequitable with some providers receiving packages of care while others are never considered. The system ensures compliance with EU law and introduces the prospect of value for money through competition.
4. The DPS went live for the procurement of Care Home placements for CHC eligible patients of NHS Western Cheshire CCG on 1 June. Mid-June, this extended to Eastern Cheshire, Wirral, South Cheshire and Vale Royal CCGs, with Eastern Cheshire CCG also piloting its use for Care at Home packages. The system is now being used by all CCGs with Wirral CCG using the system for Care Home placements from mid-June and Care at Home packages from early July.
5. The Adam system is used successfully for Care at Home by other clients, however MLCSU were the first to use the system for NHS care. The system was first used by health in February 2016 when MLCSU introduced it to its Staffordshire CCGs for Care Homes only. Due to its success Staffordshire are currently undertaking a feasibility study for the use of the system for Care at Home. Two Merseyside CCGs have been using the system for Care at Home as well as Care Homes since 1 May 2017.
6. The implementation period in Cheshire and Wirral followed a set project plan used previously, covering system configuration, securing key decisions to underpin the operation of the system, communication and engagement with CHC staff, referring clinicians, hospital discharge teams and providers (Care Homes and Care at Home providers), and onboarding of providers and training on the system.

7. Following Go Live of the system, the project manager, CHC Clinical Leads and Assistant Contracts Manager have been revisiting discharge teams, providers and local hospices as required to support understanding and improve communication so that we ensure patients and families are given the correct information and feel confident in the new arrangements for securing the package of care to meet theirs or their loved one's clinical needs.

Context

8. Wirral CCG spend approximately £40m a year on Continuing Health Care and Complex Services. This represents a considerable proportion of the CCGs budget. The Care Home and Care at Home market varies with providers of varying size, quality and stability. The CCGs were engaged with a set number of providers that had joined the Framework at a point in time, making it difficult for new providers to be considered.
9. In the past it has proved challenging to commission packages of care and time-consuming negotiating prices. There was no way of identifying capacity amongst providers with brokering placements becoming a lengthy- administrative burden, often consuming considerable clinical time. In the past, providers have been favoured by clinicians and discharge teams due to their location onsite or personal preferences leaving commissioning of packages open to challenge and presenting an unfair provider market. As there is a need to improve hospital discharge times, improve the patient and family/carer experience, manage rising demand and commissioning services in a fair and transparent way.
10. The CHC service are committed to a vision to provide high quality services for patients eligible for NHS funded Continuing Healthcare. They wish to promote value for money by engaging with a wider number of providers that allows providers to better engage with the commissioning process which is fair and transparent for both providers and patients.

Benefits of the DPS

11. The DPS allows the CHC service to engage with all available providers to best meet patient needs -subject to providers meeting CCG set criteria i.e. CQC registration and proving financial stability, it allows providers to join at any point and encourages market development.
12. The clinician is able to put the care requirements out once for all providers to see and respond to, avoiding the need for multiple telephone calls or emails to try and identify a suitable provider.

13. Providers submit their most competitive price- 'in real time' if they can meet the patients' needs and have capacity. The system can help the CCGs control the gradient of increasing costs of care. Contracts are monitored continuously during the contract lifetime to increase quality. The system provides the CCGs with access to unprecedented management information reports, covering all aspects of the process from market appetite, capacity, speed of placement, costs and quality of providers awarded contracts. Individual care requirements are commissioned via the system to encourage a high-quality, value for money approach. Commissioning of care packages is fair and transparent.
14. As invoicing and payment is also managed through the system, it reduces time spent by finance and CHC teams in processing invoices and dealing with invoice queries. The service agreement is generated by the system based on the package details entered and price provided by the provider. Any changes are logged and a full contract audit trail sits on the system.

Choice and distance

15. Patients and their carers are able to choose whether they would like their care needs met in a care home setting or within their own home. This choice is always met, unless a patients needs are so complex, or substantial equipment is required, that the needs cannot be safely met in their own home. We encourage referring clinicians to discuss any preferences with the patient and their family, this includes a preferred postcode area or home and capture this on the fast track or discharge support tool documentation before submission to the CHC team.
16. The postcode provided may be for a next of kin or friends where it makes sense for the patient to be placed closest to. This postcode is then used as the centre for the radius in which the Care Requirement goes out to providers. Where a preference is made by a patient/carer for one or more homes or providers, the team encourage the provider to respond to the Requirement on the system, there is no guarantee they will be the selected provider as they may not be able to meet the patients clinical needs, or capacity at that time, or the quoted cost may be more than other providers are offering for the same or better quality of care.
17. If a family request that their loved one is not placed in a particular home due to genuine reasons the team always meet this request. Each care package is considered individually with clinical oversight, the local CHC team have the ability to override the system in exceptional circumstances.
18. The local CHC nurse responsible for putting the care package onto the system as a new Requirement is able to set the mile radius in which it goes out to the provider market. 10 miles is often used as standard to ensure adequate market coverage to be able to secure a provider quickly and arrange for the care package to start as quickly as possible. This can be reduced with justification. We are looking into ways of helping the

system understand the geography in Wirral and prevent offers going out across the River Mersey into Liverpool where this may fall within the radius as the crow flies.

19. The local CHC nurses take all information made available to them into account when placing the Care Requirement onto the system, whilst we cannot guarantee to meet specific choices that do not relate to care needs we will always do our best to encourage any homes of choice to respond to the requirement and will use the postcode provided by the family as the centre of the radius for responses from the market.
20. It is a statutory requirement that The NHS is responsible for providing a package of care to meet patients assessed continuing healthcare needs. Providers registered on the system must be CQC registered with no red ratings, to assure quality of care provided. The system uses an algorithm to score responses to Requirements by providers. This takes account of quality and value for money ensure that quality providers quality providers are selected that can meet the patients clinical needs and are value for money.
21. If a patient or family decline the offers) selected from those that have responded to say they can meet the clinical needs and have availability, the individual or their family would need to find and fund a placement themselves. This happens very rarely and usually once the hub have spoken with the patient and their family and assured them of the care provided by the selected provider(s) they accept the offer. Patients still have the right to complain to the CCG if they remain unhappy and each case will be reviewed.
22. Hospital is not the best setting for patients with CHC needs when they are medically stable. There is evidence that patients have had delayed discharges from hospital due to difficulties sourcing nursing home or care at home placements. The aim of this system is to speed up the discharge process safely and in a timely manner.

The role of the MLCSU Adam Hub

23. The staff within the Adam Hub at MLCSU have responsibility for the following tasks: -
 - Administration of the 'Adam' system
 - Monitor Requirements distribution for;
 - Number of providers in range
 - Providers response rate
 - Providers offers
 - Re-issue Requirements if needed (roll back)
 - Chase providers for response
 - Motivate providers to offer
 - Select winning offer, subject to any approval criteria specified by CCG's
 - Offer contract to winning provider
 - Establish Contract
 - Communicate with Referral /Discharge Point
 - Handling queries from Patients and their Families

- Applying suspensions and lifting suspensions of providers
- Ending Service Agreements (with authorisation from CCGs)
- Managing changes to Service Agreements (with authorisation from CCGs)
- Creation and sign-off for Service Agreements
- Handling payment queries from providers
- Working with the Adam onboarding team to manage and maximise market engagement

24. The staff in the Hub need to establish strong working relationships with the local discharge teams and CHC staff to ensure the process runs smoothly and patients and their families are kept informed of progress each step of the way. We are working hard to improve communication and relationships as the new system beds in.

Monitoring and Lessons Learnt

25. Monthly Management Information Review meetings are held with Adam and the CSU to review the performance of the system and any targeted actions agreed to ensure continuous improvement. An issues log has been in place since Go Live and is reviewed regularly to ensure resolution of issues. Prior to Go Live full system configuration testing was undertaken by Adam and the project team set key actions that had to be achieved before Go Live, including adequate providers registered and circulation and communication of a new patient leaflet. The implementation in Cheshire and Wirral used learning from Staffordshire and continues to take advantage of the hubs growing experience. A full lessons learnt has been undertaken by MLCSU and Adam, with learning continuing to be logged. Cheshire and Wirral chose a phased approach to implementation to monitor issues, this was a movement from previous implementations. Communication and engagement is a key theme, particularly reflecting feedback from care providers that communication about the new system could have commenced prior to the engagement events and we will take this on board for future implementations. Having the most appropriate contact details for providers, to ensure we communicate with the most appropriate people within those organisations is also key. We have also reviewed the approach to engaging with referral points and discharge teams.

Current Status and Next Steps

26. We are currently re-visiting hospital discharge teams to review feedback and experience to ensure continued improvements. There is targeted ongoing provider engagement underway to ensure all previously used providers are registered on the system and supported to fully engage with the system (new packages plus payment). We will continue to engage with stakeholders to confirm and discuss process, communication responsibilities, improve relationships and place priority focus on continued improvement for speed of placement and patient/family satisfaction.
27. Concerns have been raised in some cases regarding suitability of providers selected through the system. Initially, we were not seeing adequate responses from providers,

and many of the providers used by the CCGs, whilst they had registered on the system, were not engaging and responding to new care requirements. This meant new providers not known to discharge teams, or providers not previously favoured, were being offered to families. We have undertaken targeted work to support all previously used providers to come on board and engage with the system. We are confident this activity will have a positive impact. We are however aware of instances where families are receiving unhelpful information on the process and about the system, we are therefore working closely with Commissioners within the CCG and Acute Trust senior staff to ensure families are given the right information in the right way to support them through the process feeling confident and assured of best intentions.

28. Work continues to ensure all existing packages to be paid through the system are loaded and showing correct for providers to service receipt against to receive payment. Further training sessions have been provided to ensure providers are able to fully engage with the system.

Conclusion

29. Dynamic Purchasing Systems are one of the options for innovative procurement recommended part of the new NHS England programme for CHC. The Adam DPS has been a success in Staffordshire. All new systems can expect some teething issues and take time to bed in. Resource and onsite support remains in place to ensure early resolution of issues and the success of the system for Cheshire and Wirral. Feedback from providers and clinicians has been very helpful and concerns are taken very seriously. We are confident that we understand the outstanding issues and activities to address these are progressing well.