

Governing Body (public) meeting

DATE: 27 March 2014

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| Title | AQP Procurement Process for Adult Hearing, Anticoagulation Services (Tier 1 and 2) and Termination of Pregnancy services | |
| Recommended action for the Governing Body | <p>That the Governing Body:</p> <p>APPROVE the re-procurement of the adult hearing, anticoagulation and termination of pregnancy Any Qualified Provider (AQP) services as set out in the attached paper.</p> <p>Dr Kanani is conflicted.</p> | |
| Executive summary | <p>The CCG currently commissions the following community-based alternatives to secondary care via AQP:</p> <ul style="list-style-type: none"> • Adult hearing (hearing aid assessment and fitting) – a total of eight providers; • Tier 1 anticoagulation – Drs W Cotter and J C Bohmer-Laubis) with clinics at nine GP practice premises; • Termination of pregnancy – a total of four providers. <p>As the attached paper sets out, the contracts for all three services are due to end on 31 March 2016 and the CCG’s options are to withdraw the services, to extend current contracts or to re-procure the services. The recommendation is for a formal re-procurement, which requires approval from the Governing Body.</p> <p>This paper sets out the reasons underpinning this recommendation, together with an outline plan for the re-procurement.</p> | |
| Which objective does this paper support? | Patients: Improve the health and wellbeing of people in Bexley in partnership with our key stakeholders | ✓ |
| | People: Empower our staff to make NHS Bexley CCG the most successful CCG in (south) London | ✓ |
| | Pounds: Delivering on all of our statutory duties and become an effective, efficient and economical organisation | ✓ |
| | Process: Commission safe, sustainable and equitable services in line with the operating framework and which improves outcomes and patient experience | ✓ |
| Organisational implications | Key risks | Suitable providers may not submit bids which |

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| | (corporate and/or clinical) | are acceptable to the CCG |
| | Equality and diversity | Impact will be positive |
| | Patient impact | Impact will be positive |
| | Financial | Opportunity for the CCG to benchmark costs against current market and potentially reduce overall costs |
| | Legal issues | The re-procurement will be conducted in accordance with national and EU rules and best practice; and some aspects may require legal advice |
| | NHS constitution | Patients' rights under the NHS Constitution will be safeguarded |
| Audit (considered/approved by other committees/groups) | Further detailed plans as they develop will be considered by: <ul style="list-style-type: none"> • Finance sub-Committee • Quality and Safety sub-Committee in accordance with the CCG's established governance framework | |
| Communications plan | A communications plan will be developed by the project team | |
| Author | Jane Price, Interim Project Manager | |
| | Clinical leads: Adult hearing: tba (new appointment required) Anticoagulation: Clare Fernee Termination of pregnancy: Dr Nav Paul | Executive sponsor: Sarah Valentine, Director of Commissioning |
| Date | 10 May 2015 | |

AQP procurement process for Adult Hearing, Anticoagulation Services (Tier 1 and 2) and Termination of Pregnancy services

1. Purpose of paper

The purpose of this paper is to secure approval for a programme of work to review the specifications for the three services identified; and to re-procure all three services as from 1 April 2016.

2. Background

The current services have been in place since 2013.

Adult hearing services were commissioned under the national Any Qualified Provider scheme from a total of eight providers. Of these, there has been no activity at four and minimal activity (less than £5,000) at two others. Significant providers are Specsavers, through their network of “high street” opticians; and Lewisham and Greenwich NHS Trust. The services provided are for patients aged 50 and over and include:

- Audiology assessment
- Fitting of hearing aids
- Aftercare and repair

Anticoagulation – the single provider of tier 1 anticoagulation services is Drs W A Cotter and J C Bohmer-Laubis, who provide clinics at a total of 9 GP practice locations across Bexley. A second bidder for the tier 1 service withdrew during the mobilisation process; and no bids were received to run a tier 2 service. Tier 1 covers stable patients only: the service currently focuses almost exclusively on patients prescribed warfarin and works with providers of more complex anticoagulation services for patients whose condition may be unstable (tier 2 and 3), to ensure that all clinically appropriate patients are “repatriated” into local services.

Termination of pregnancy was commissioned under the national Any Qualified Provider scheme from a total of five providers. Of these, St George’s Hospital signed a contract with Bexley, but never mobilised a service. Homerton Hospital does not submit any data or invoices to Bexley and activity is therefore assumed to be nil. Activity at Frater Drive is minimal and the two significant providers are the British Pregnancy Advisory Service (BPAS) and Marie Stopes (MSI)

Both providers offer the same range of services from a range of locations:

- Consultation and advice
- Medical termination where clinically appropriate
- Surgical termination
- Contraceptive advice and services

- Sexual health testing

Both providers have a history of working with Bexley prior to the national AQP programme and historically have provided the entire ToP service for our population, except where for clinical reasons (e.g. late terminations, foetal abnormality, complex cases), or reasons of patient choice, acute services were used.

3. CCG options

The options open to the CCG are:

Option 1: To allow the current contracts to lapse on 31 March 2016 and not to take any steps to ensure the continued provision of these services. This would reduce local choice and would be a missed opportunity for the CCG to test the market and ensure that it is securing services which meet current need and offer optimum value for money. In all three cases, the existing alternatives are secondary care based services which are in general less accessible for patients.

Option 2: Work with current providers to extend the current contracts and avoid procurement. The CCG's Procurement Team advises that this could raise the risk of legal challenge and reputational damage.

Option 3: To re-procure the services, so as to ensure a seamless transition on 1 April 2016.

This paper recommends option 3, re-procurement of the services, on the grounds that:

- All three of these services offer local choice and access to patients, and patterns of service use demonstrate that these are significant factors for patients.
- All three of the services provide a significant proportion of the CCG's total activity, and cessation would place pressure on remaining, mainly acute, providers.
- All three services demonstrate financial savings to the CCG, as compared with the previous service models based on the acute sector.

In the case of anticoagulation, in line with the market response previously, the CCG may only be able to re-procure the tier 1 service only, but this paper seeks to revert to the original intention to commission local community based services at both tier 1 and tier 2, with appointment being subject to receipt of satisfactory bids.

4. Contractual and procurement issues

Given the limited time available, the re-procurement would be for Bexley only and it is not proposed to offer any other commissioner the opportunity to participate.

From March 2014 onwards, the decision to extend choice of providers and establish services as AQP and qualification of providers has rested entirely with CCGs, as the national AQP programme no longer operates.

There are, however, some essential qualification criteria which potential providers must meet:

- Agree to terms of NHS Standard Contract;
- Be Choose and Book Compliant;

- Have a Monitor licence, where required.

5. Outline work programme

Subject to Governing Body approval to proceed, the next steps are:

- To inform the incumbent providers of the CCG's activity;
- To review activity levels in each service and benchmark costs against other available options;
- To obtain patient and GP feedback on service quality and the patient and referrer experience;
- To update the service specifications based on advice from clinical leads;
- To enter into a formal procurement process as outlined in Appendix 1.

6. Governance

The Quality and Safety Sub Committee will be asked to contribute views and sign off any proposed changes to the service specifications following review by clinical leads. If necessary, any minor changes to the specification and plans will also be agreed by the Finance Sub Committee.

7. Project structure

The core members of the project team will be:

- Clinical leads
- Project Manager
- Procurement & Contracting lead (s)
- Finance lead
- Quality lead
- Communications lead
- Patient engagement lead

An outline plan for the re-procurement is attached as Appendix 1 to this paper.

8. Conclusion and recommendation

In the light of the information set out in this paper, the Governing Body is recommended to **APPROVE** the re-procurement of the adult hearing, anticoagulation (Tier 1 and 2) and termination of pregnancy Any Qualified Provider (AQP) services commencing on 1 April 2016.

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Outline project plan for adult hearing, anticoagulation and ToP reprocurement

| Milestone/key dates | Date | Comments |
|--|-------------------|--------------------------------------|
| Governing Body to approve re-procurement | 22 May 2015 | |
| Quality & Safety Group to sign off revised service specifications | 30 June 2015 | |
| Supplier engagement event(s) | 13 July 2016 | Completion date |
| Advertisement, Mol, PQQ and draft spec. signed off and issued | 30 July 2015 | |
| Potential providers to return completed Pre-Qualification Questionnaire (PQQ). | 31 August 2015 | |
| Invitation to Tender (ITT) issued to shortlisted providers | 14 September 2016 | |
| Potential providers to return completed ITT | 19 October 2015 | |
| Preferred bidder identified | 31 October 2015 | |
| Draft GB award paper to Director of Commissioning to approve | 16 November 2015 | |
| Recommendation for award of contract signed off by Governing Body | 30 November 2015 | May require extraordinary GB meeting |
| Conclusion of ten day standstill period | 11 December 2015 | |
| Signature of contract | 31 December 2015 | |
| Commencement of mobilisation of service | 1 January 2016 | |
| Service go live | 1 April 2016 | |