ENCLOSURE: J(ii)

Agenda Item: 115/16

NHS Bexley Clinical Commissioning Group

Governing Body meeting (held in public)

DATE: 29 September

Title	**Community Clinic services on an Any Qualified Provider basis.**
This paper is for **Decision**	
Recommended action for the Governing Body	That the Governing Body: **Approve** 1. The opening of additional procurement windows to invite further providers of Community Clinic services on an Any Qualified Provider (AQP) basis on an annual rolling basis for 3 years. 2. The extension of the existing contracts for the above, in line with NHSE procurement guidance for the same periods. 3. A 3 year rolling procurement programme to allow an annual re-opening the AQP procurement window.
Potential areas for Conflicts of interest	No identified conflicts of interests.
Executive summary	Community clinics were developed as part of the CCG's wider QIPP plan to address specialities where benchmarked Acute spend was significantly greater than the national average. Community clinics for Dermatology, Urology, Minor Surgery and Gynaecology were procured to address high levels of spend by mitigating noncomplex care from Acute to Community settings and also by offering a QIPP saving to the CCG via a sub – tariff pricing (30% saving). These contracts commenced on 1st April 2015 with a 2 year contract term (with the exception of Gynaecology with D&GT, which commenced in December 2014). The contracts are due to expire on 31st March 2017, except for Dermatology with Communitas which is due to expire on 31st April 2017. Approval is sought from the Governing Body to 1. Open an additional window (procure) to invite further providers of Community Clinic services on an Any Qualified Provider (AQP) basis – on a yearly basis

	Extend the existing provider contracts (light touch in line with NHSE guidance), thereby extending the contracts with those providers for up to a further three years.		
How does this paper support the CCGs objectives?	**Patients:**	Improve the health and wellbeing of people in Bexley in partnership with our key stakeholders. Improve patient care by providing service closer to home and avoid long wait for secondary care routine appointment	
	People:	Empower our staff to make BCCG 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	
What are the Organisational implications	Key risks	If the opening of an additional AQP window failed to attract any Providers and the existing Providers chose not to continue to supply services then the CCG would then need to review its options. However, this is felt to be unlikely.	
	Equality	None identified	
	Financial	AQP contracts provide the opportunity to deliver savings through reduce tariff price.	
	Data	The providers will be required to capture information and manage it in a secure electronic environment in line with the NHS guidelines for the management and security of information, plus the Data Protection Act.	
	Legal issues	The opening of an additional AQP window will be carried out in accordance with the Public Contracts Regulations 2015, and the National Health Service (Procurement, Patient Choice and Competition) (No. 2) Regulations 2013.	
	NHS constitution	Supports the CCG's duties under the NHS constitution	
Engagement	Patient feedback is currently being gathered by the Referral Management Booking Service in regard to Patient Choice in relation to community Clinics.		
Audit trail	Not applicable.		
Comms plan	Communications plan in place to ensure GPs are aware of new referrals forms, referral pathways and management guidelines for each specialty.		
Author:	Clinical lead: Dermatology _ Dr Malone Urology – Dr Balaji (tbc)	Executive sponsor: Sarah Valentine	

	Gynaecology – Dr Deshmukh Minor surgery – Dr Bhadra	
Date	14th September 2016	

NHS Bexley CCG – Governing Body
Community Clinic services on an Any Qualified Provider basis
September 2016

1.0 Background:

This paper seeks permission:

- To procure (through the opening of additional AQP windows on annual basis or as required for a 3 year period) to invite further providers of Community Clinic services on an Any Qualified Provider (AQP) basis, and
- In line with NHS England guidance the continuation (extension) of the existing AQP Contracts for Urology, Gynaecology, Minor Surgery, and Dermatology for up to 3 years until 31st March 2020.

Community clinics were originally developed as part of the CCG's wider QIPP plan to address specialities where benchmarked Acute spend was significantly greater than the national average. Community Clinics for Dermatology, Urology, Minor Surgery and Gynaecology were procured to address high levels of spend by mitigating noncomplex care from Acute to Community settings and also by offering a QIPP saving to the CCG via a sub – tariff pricing (30% saving).

The AQP (Any Qualified Provider model) was the preferred model of procurement to support delivery of the community clinics, as it was provides greater contestability to the Bexley health economy, and gives the CCG flexibility to add additional providers, thereby widening patient choice. The process of offering AQP contracts to new entrants alongside the existing providers is referred to as *opening additional AQP windows*.

Unlike traditional (i.e. tendered) contracts that typically have agreed levels of activity, AQP contracts have zero activity guaranteed to providers.

Current guidance from Monitor to CCGs is that when an AQP contracts ends, the CCG does not need to run a new process to re-qualify existing providers if the service specifications and qualification criteria remain unchanged, assuming the existing providers are performing satisfactorily. Monitor stated that ***"…it would not be a good use of resources for you to require them to re-qualify if nothing has changed".***

Therefore, in accordance with above advice published by Monitor (which, although issued in connection with Audiology, is equally applicable to other services), the CCG will be offering new entrants an opportunity to supply the Bexley market alongside the existing providers for an additional 3 years and to open annually additional AQP windows to seek more providers during a 3 year period, on an annual basis or as required.

2.0 Current Contracts:

The status of the current contracts is detailed below at Table 1. As can be seen, the Community Clinic contracts commenced on 1st April 2015 with a 2 year contract term, except for Gynaecology with D&GT which commenced in December 2014.

The Contracts are due to expire on 31st March 2017, except for Dermatology with Communitas which is due to expire on 31st April 2017, although (as noted at 1.0) in accordance with Monitor guidance the contracts include an option to extend the contracts either by a further year or agree to extend the contracts with the provider.

Table 1. Current Contracts:

Provider	Service	Contract Commencement Date	Contract Term	Extension				
Oxleas	Gynaecology	1.4.2015	2years	2years				
D& GT	Urology	1.4.2015	2years	1 year	(MOU contract to be signed by 31/1/15)			
D& GT	Minor Surgery	1.4.2015	2years	Extend by agreement				
D& GT	Gynaecology	1.12.2014	2 years 4 months	1 year	(MOU contract to be signed by 31/1/15)			
Communitas	Dermatology	1.5.2015	2years	Extend by agreement				
LGT	Gynaecology	14.08.2014	3years	2years				

3.0 Current Budgets:

The 2016/17 AQP Budgets are as follows:

Table 2. 2016 / 17 Budgets:

Clinic	Value
Dermatology: AQP Dermatology (Communitas) - £46,832 Community dermatology (GPwSI) – £236,748 Total budget available for Community Dermatology	 £46,832 £236,748 £283,580
Urology (DGT)	£40,000
Minor Surgery (DGT)	£97,926
Gynaecology (DGT & Oxleas)	£155,053
Gynaecology (LGT)	£43,206

4.0 QIPP

4.1 Delivery of QIPP

In early 2016 the team have been negotiating with the existing supplier base to increase the capacity available in the Community Consultant clinics. In addition discussions have been held with BHL (triage and booking office) to ensure we have access to the additional slots and are able to increase the number of appropriate referrals directed into these services.

In 2016/17 contracts with acute providers are based on the 15/16 available capacity plus growth, less a reduction for GP referrals QIPPs. Reductions in activity through this program have not been accounted for in 2016/17 contracts (see below).

Analysis of the new capacity shows that based on 15/16 (actual) activity if the additional capacity is used, instead of acute outpatient services, then the following additional savings will accrue. It is estimated that a maximum QIPP of £175,017 can be achieved if all the existing capacity and additional capacity is filled.

Table 3. Potential new savings:

Potential new savings if Community Capacity used (with reductions in acute)						
All Community Specialities	First			2,341		£113,002
	Follow up			636		£16,900
	OPROC New			375		£43,195
	OPROC FUP			36		£1,920
	Totals					**£175,017**

The below table shows the activity in Q1 2016/17:

Table 4. Activity for Q1 2016/17:

	Planned			Actual			Variance		
	Activity	£		Activity	£		Activity	£	
		Cost	QIPP		Cost	QIPP		Cost	QIPP
Dermatology	255	£ 21,069	£ 9,030	469	£ 42,123	£ 18,053	214	£21,054	£ 9,023
Minor surgery	92	£ 18,731	£ 8,028	34	£ 12,888	£ 5,523	-58	-£ 5,843	-£ 2,505
Urology	278	£ 27,101	£ 11,615	195	£ 16,574	£ 7,103	-83	-£ 10,527	-£ 4,512
Gynaecology	577	£ 63,552	£ 27,237	246	£ 35,454	£ 15,195	-331	-£ 28,098	-£ 12,042
Total	**1,202**	**£ 130,453**	**£ 55,910**	**944**	**£ 107,039**	**£ 45,874**	-258	-£23,414	-£ 10,036

As can be seen from the above summary of actual and planned activity during Quarter 1 that all specialties are underperforming except dermatology where existing and new capacity is being utilised.

4.2 Current QIPP work streams

The delivery of the Community Clinic QIPP is integrally linked with the Improving Quality of GP referrals project and the work being undertaken in this project is aligned to

ensuring that patients are appropriately triaged and managed in the most appropriate setting to meet their needs.

There a number of on-going work streams that are in place to deliver both the Community clinic and the GP referral QIPPs.

4.2.1 Improving quality of referrals

- Current referral forms for each speciality are being reviewed in partnership with the clinical triage lead from RMBS and the clinical lead from the provider organisation. The dermatology referral form has been completed and is on DXS. Gynaecology, Urology and Minor surgery have all been drafted and are in the process of being signed off by the clinicians.
- The new referral forms will ensure that the GPs provide all the relevant clinical information on referral which will enable the clinical triage lead to ensure that patients are triaged to the most appropriate setting.
- Further work is being undertaken to implement teledermatology in primary care to support triage and appropriate onward referral.

4.2.2 Review of service specifications:

- Service specifications have been reviewed in partnership with the clinical triage lead and the clinical lead from the provider to ensure that the appropriate conditions are triaged into the community clinics.
- This process has supported the development of clinical relationships and provided confidence in what can be delivered in a Community clinic setting , especially in regard to dermatology and minor surgery.

4.2.3 Slot availability:

- It is critical to the delivery of the QIPP that the existing capacity is filled. In order to monitor this on a weekly basis RMBS provide a weekly slot availability report for each specialty by provider this highlights:
  - The number of slots available on a weekly basis.
  - The number of cancelled clinics
  - Polling range for specialty
  - % of clinic slots booked on a weekly basis
- If there are fewer slots available than agreed with the provider an email is sent to RMBS and the provider to raise a challenge. This process has uncovered a significant amount of operational inconsistencies and has led to more consistent provision of capacity on a weekly basis.

4.2.4 Clinical triage:

- Discussions with RMBS have been on-going to ensure that there is a clinical triage lead for all specialties to ensure that patients are triaged appropriately.
- There has been a gap in urology clinical triage and minor surgery. Dr Balaji has agreed to be the clinical triage lead for urology and will start on 1st September 2016 and Dr Malone will triage minor surgery referrals.

4.2.5 Communications plan:

- Planned system review of all referrals forms to ensure that the old forms have been removed from the system.
- Communications plan in place to ensure GPs are aware of new referrals forms and to remove old ones from their systems.
- GPs are aware of the what each of the community clinics can provide
- Disseminate new referral guidelines for dermatology and gynaecology.

5. Rationale for opening an additional window alongside the current arrangements:

Officers consider that the opening of an additional window will deliver the following benefits –

5.1 Compliance with Monitor guidelines (as outlined above at 1.0)

5.2 Potential of new entrants will act as a lever to ensure providers focus on the quality of their service delivery.

5.3 Opening an additional window alongside the current arrangements will ensure the current arrangements can continue to evolve. The current contracts with providers have only been in place since January 2015 and the first year has provided a 'bedding in phase'. Continuing the arrangements provides an opportunity to work directly with providers to resolve delivery issues.

5.4 Delivery of the QIPP. Opening an additional window alongside the current arrangements will give opportunity to increase capacity. By doing this it will support the continued focus on delivering the QIPP in 16/17 and beyond.

5.5 Continued stakeholder engagement. Opening an additional window alongside the current arrangements provides an opportunity to work with providers to improve demand and increase activity.

6. Risks:

Officers have identified various risks associated with the opening of an additional window alongside the current arrangements, as below. However, most of these risks are considered to be fairly minor and can be readily addressed if encountered.

6.1 There is a risk that existing providers may not wish to continue to provide the service.

6.2 There is a risk that we may not receive any interest from new entrants.

7. Recommendations:

The Governing body are asked to approve the following recommendations (which are supported by the Finance Sub Committee):

1. Support an on-going 3 year procurement programme for the opening new AQP windows for these services (procure) for a 3 year term (on an annual or more frequent basis as required). Extend the existing providers (subject to meeting of the terms) in line with the NHS England recommendations for AQP providers (light touch) for up to 3 years until end of March 2020.

James Olweny
Assistant Director of Commissioning & Contracting