

## **Scrutiny Board (Health and Well-being and Adult Social Care)**

**28<sup>th</sup> March**

### **Background briefing on Leeds Teaching Hospitals Specialised Services**

#### **Overview**

- Specialised services are those which are clinically complex and often require support from specialist clinicians across a range of disciplines. They are typically commissioned for populations greater than 1 million, and are often high cost & low volume. Examples include specialised cancer services, specialised children's services, renal dialysis, and transplantation.
- The Trust is the largest provider of specialised services within Yorkshire and the Humber region, both in terms of range of services provided and the overall volume and cost.
- Since April 2013 NHS England (NHSE) has been responsible for commissioning specialised services, using funding top-sliced nationally from clinical commissioning group (CCG) allocations.
- For all providers in Yorkshire & the Humber, the NHSE specialised commissioner is the South Yorkshire Area Team. For LTHT the 2013/14 specialised services contract is forecast to be £394m (45%) out of a total LTHT NHS patient care income of £863m
- Although not part of specialised services, secondary dental & screening services and offender health are also directly contracted by NHS England, in this case by West Yorkshire Area Team.
- Leeds City Council now contracts for sexual health services as part of the Public Health directorate.
- Other secondary health services are contracted by CCGs on behalf of their local populations.
- NHS funding is allocated in the same way to both specialised services and CCGs, with the same efficiency & growth assumptions. The rate of cost inflation has historically been higher in specialised services, especially around the growth of new high cost drug treatments or other new health technologies. This creates a significant cost pressure for specialised services contracts.

#### **NHS England's approach**

- NHS England's approach is to move towards nationally consistent commissioning policies and service standards, supported through consistently applied ways of classifying and paying for services, and of monitoring the quality of services using clinical dashboards.
- The policy intention is to concentrate expertise in fewer centres and only commission services from those who can best meet the required standards. This was re-emphasised by Sir David Nicholson, the outgoing NHS England Chief Executive, in recent media interviews.
- There is strong clinical evidence to demonstrate that outcomes for patients are better where expertise is centralised.

- Appendix 1 identifies the major specialised services provided by LTHT with their approximate 2013/14 value.
- Inevitably, any attempt to “cut the cake” between national & local commissioners means that many patient pathways cross commissioning boundaries, with both CCG and Area Teams being responsible for funding parts of the pathway e.g. diagnostic & rehabilitation phases may fall within CCG allocations, whilst only the main treatment itself may be specialised. This means that CCGs and Area Teams need to work together to ensure seamless care pathways.
- NHSE has developed service specifications for each specialised service. These are minimum quality standards that all providers must meet. In future NHSE will only contract with providers who meet the service specification in full. This is expected to reduce the numbers of providers for many specialised services. These specifications have been developed nationally by clinical reference groups and these continue to be updated and refined.
- NHS England has also developed more detailed national commissioning policies for specific specialised treatments, including newly developed services.
- During 2013/14 all providers assessed their compliance with national specialised service specifications and came to agreement with NHSE as to whether they could achieve compliance on a service by service basis, providing action plans to deliver this where possible (derogation). For those services where NHSE was not confident that providers could achieve compliance, or where there was no obvious regional centre, priority areas for service review and potential reconfiguration have been identified. This includes burn care, complex obesity services, some complex gynaecology and infectious disease services.
- The Trust is making progress to achieve full compliance for all services it provides and to work with specialist commissioners to support the reconfiguration of services across the region.
- NHSE is intending to publish the results of the compliance work conducted soon, in the context of developing future service strategy. The Trust has received information which confirms that its existing compliance status compares well with that of other major centres in the region.

### **Major Service Changes in 2013/14**

The first year of the new specialised services commissioning arrangements has seen a number of major changes which have been challenging both for both Trust & Area Team:-

- Designation of LGI as the Major Trauma Centre for West Yorkshire, doubling the numbers of major trauma cases brought direct to LGI rather than to surrounding District Hospitals (value £8m)
- Growth in adult liver transplants of nearly 40% (£2.5m) following changes in national catchment areas for allocating donors to transplant centres. Leeds previously had among the longest liver transplant waiting times in the UK, which improved access to donor organs is helping to alleviate.
- Growth in high cost drugs and devices of £17m or 20%. £7m of this was accounted for by just 2 drugs.
- Transfer of vascular surgery from Mid-Yorkshire (£0.6m in 2013/14, £1.5m full year)

<b>APPENDIX 1</b>	
<b>Leeds Teaching Hospitals: Specialised Services 2013/14</b>	
<b>Service</b>	<b>Value 2013/14</b>
	<b>£M</b>
<b>Highly Specialised Services (up to 10-15 Providers nationally)</b>	
Adult & Paediatric Liver Transplants	9
Paediatric Liver Disease	3
Paroxysmal Nocturnal Haemoglobinuria (PNH)	29
Primary Ciliary Dyskinesia (PCD)	1
	<b>42</b>
<b>Specialised (up to 50 Providers nationally)</b>	
Adult Cardio Respiratory Services	27
Adult Neurosciences	32
Specialist Orthopaedics	4
Specialised Children's Services	43
Specialised Digestive Diseases	2
Specialised Head & Neck Surgery	3
Cancer Services	55
Trauma & Related Services	18
Renal & Non-Transplant Liver Services	18
Critical Care (Adults, Neonates & Childrens)	50
Clinical Genetics Services	7
Specialist Rehabilitation Services	5
High Cost Drugs & Devices	75
Quality Payments (CQUINS)	8
Other	4
	<b>352</b>
<b>Total South Yorkshire Area Team Specialised</b>	<b>394</b>