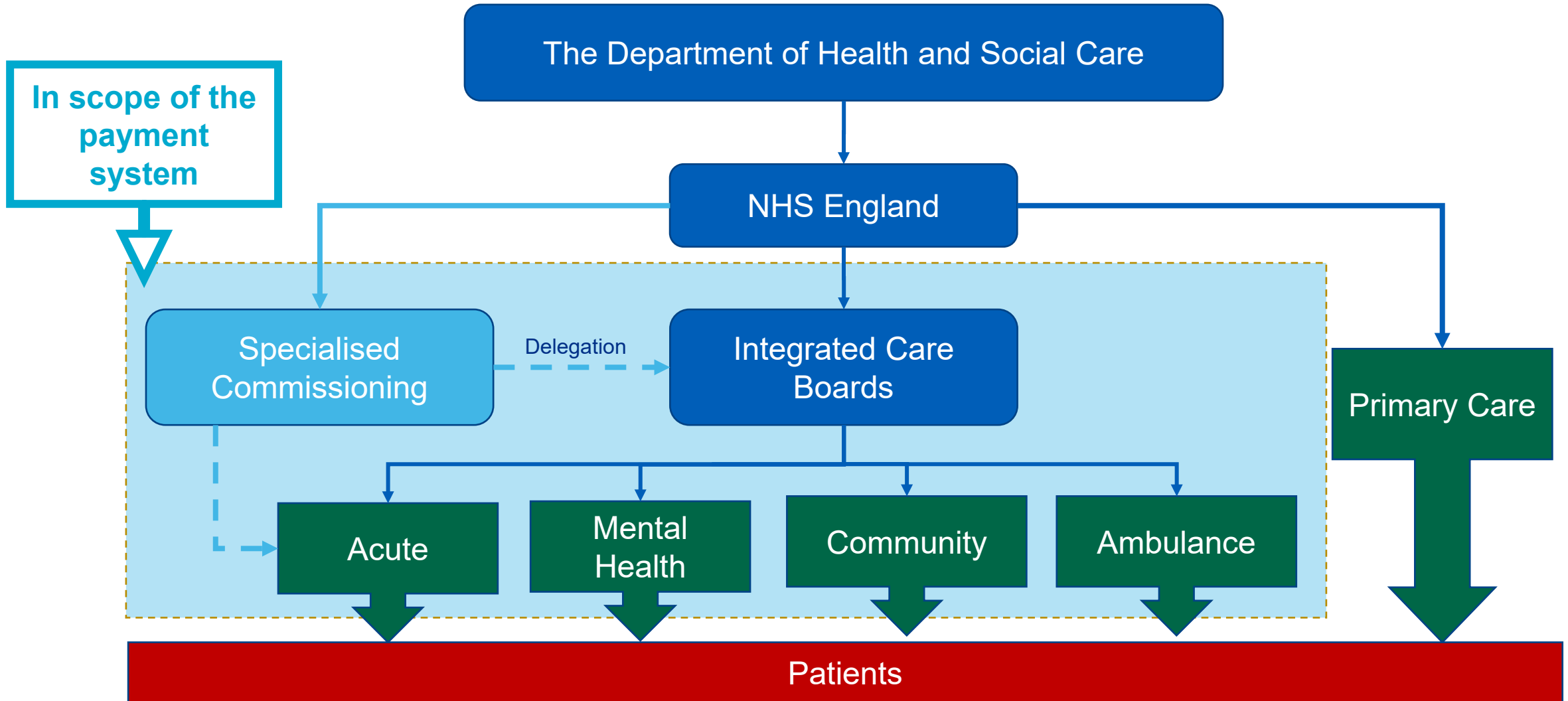


An Introduction to Community Currencies



NHS Funding Flows



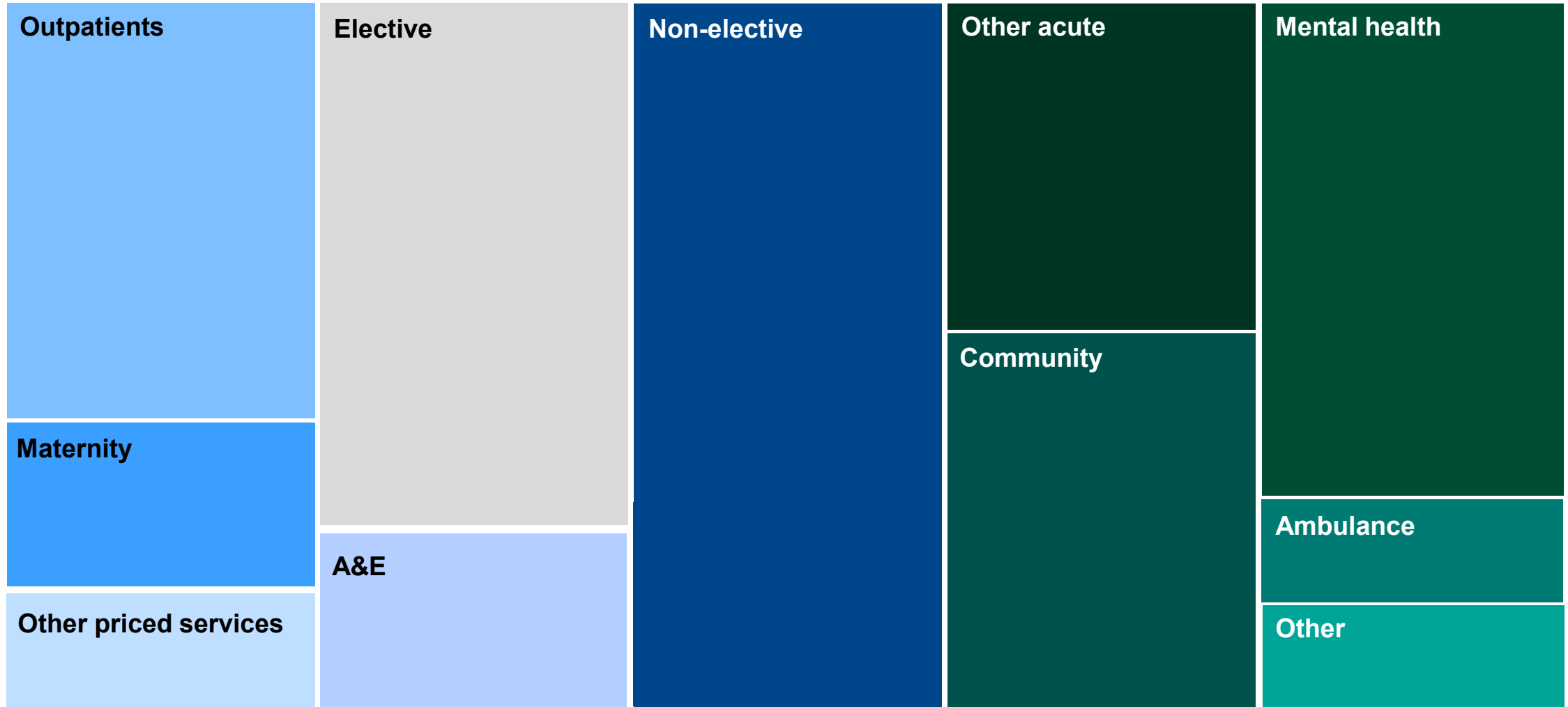
What is the NHS payment system?

The NHS payment system (whether NHSPS, National Tariff or PbR) is a set of **rules, prices and guidance** used by commissioners and providers of NHS care to ensure available funding delivers the most efficient, cost effective care to patients.

The NHS payment system primarily applies to secondary healthcare.

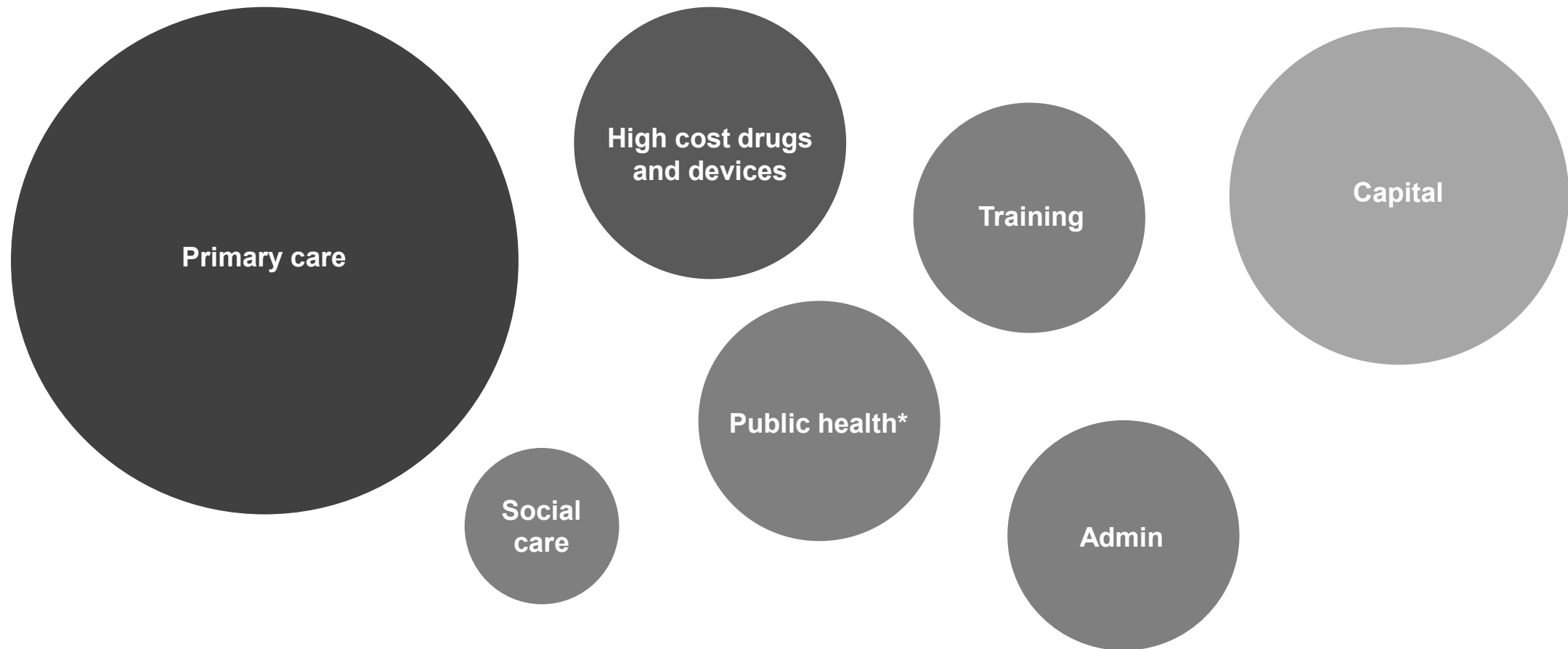
The payment system does not dictate the amount of funding available.

What is in scope of the payment system?



Size of blocks show approximate size of spend

What is out of scope of the payment system?

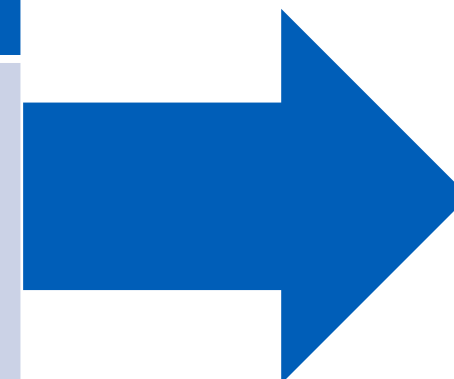


Size of circles show approximate size of spend

NHS payment system – recent history

2003/04 – 2013/14	2010/11	2014/15	2017/18	2019
Payment by Results (PbR).	First Best Practice Tariffs (BPTs) introduced.	National Tariff Payment System replaces PbR.	Move to HRG4+ currency design, increasing the number of prices and range of complexity they cover.	NHS Long Term Plan commits to payment system reform, moving away from activity-based payment.

2019/20	2020/21 – 2021/22	2021/22	2023/24 –
Blended payment introduced for urgent and emergency care and adult mental health services.	Block payment arrangements used for almost all services as part of NHS response to COVID-19.	Aligned payment and incentive (API) blended payment introduced to cover almost all activity in scope of tariff. API not used in practice until 2022/23.	NHS Payment Scheme replaces National Tariff Payment System.



NHS Payment Scheme – payment principles

All payment mechanisms should reflect the following payment principles:

- The payment approach must be in the **best interests of patients**.
- The approach must **promote transparency and data quality** to improve accountability and encourage the sharing of best practice.
- The provider and commissioner(s) must **engage constructively** with each other when trying to agree payment approaches.
- The provider and commissioner(s) should consider how the payment approach could **contribute to reducing health inequalities**.
- The provider and commissioner(s) should consider how the payment approach contributes to **delivering operational planning guidance objectives**.

Blended payment – overview

A **fixed element**, set based on forward-looking forecasts of activity and costs.



At least one of...

variable element

and/
or

**risk-sharing
element**

and/
or

**quality- or outcomes-
based element**

Blended payment – aligned payment and incentive

A **fixed element**, set based on forward-looking forecasts of activity and costs.



At least one of...

variable element

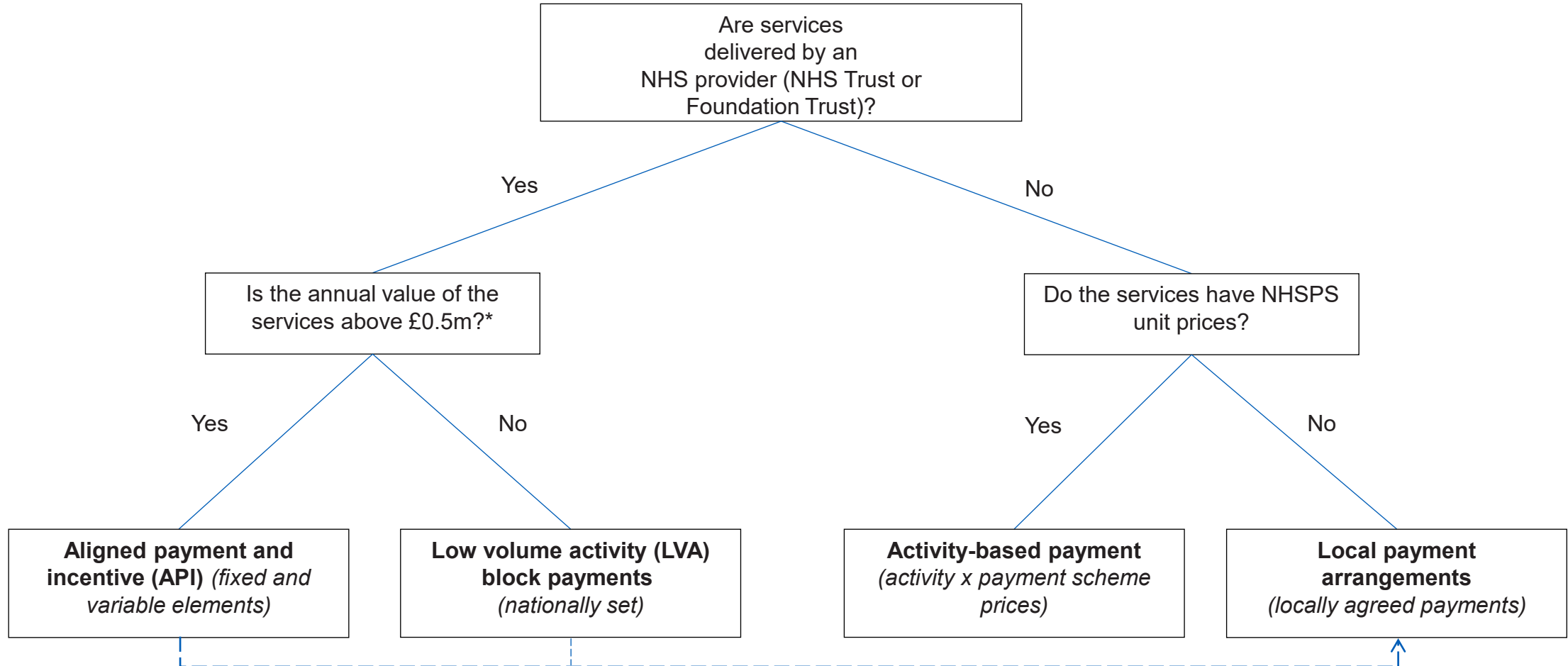
and/
or

risk-sharing
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and/
or

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based element

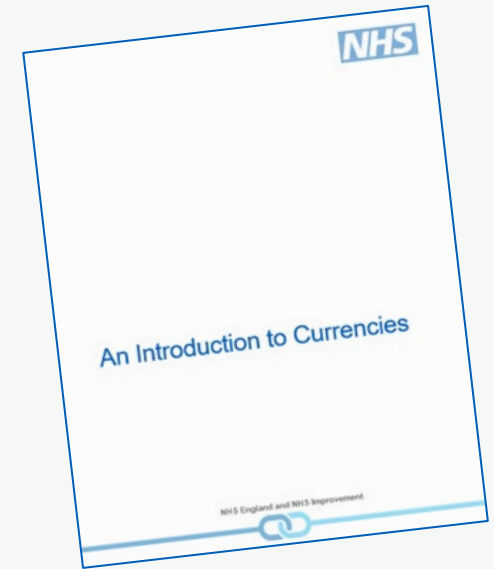
When payment mechanisms apply



*Exceptions to both API and LVA would be subject to local payment arrangements

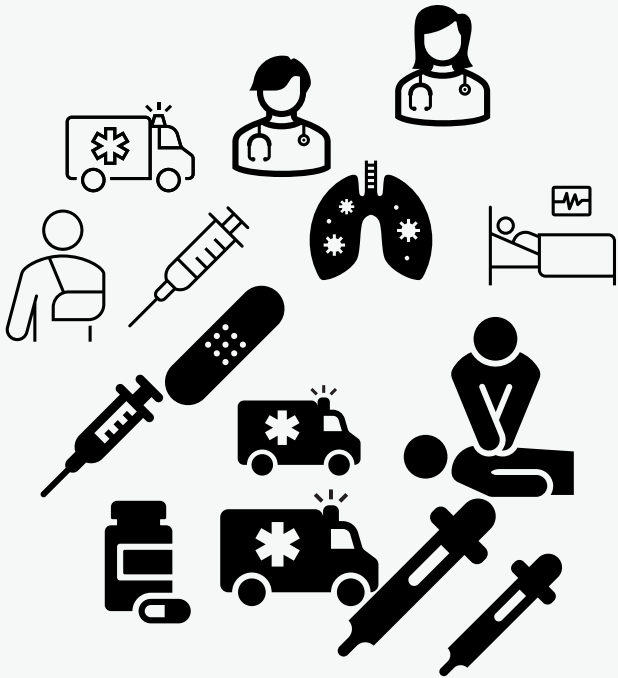
What is a Currency?

- A way of grouping patients' activities into units that are clinically similar and have broadly similar resource needs and costs.
- Each unit of currency must be evidence-based and analytically identifiable, but most importantly it must be clinically meaningful.
- The currency must be rooted to the care the patient receives and be practical to implement.
- A currency model provides a structured way to classify a population based on specific attributes such as needs.

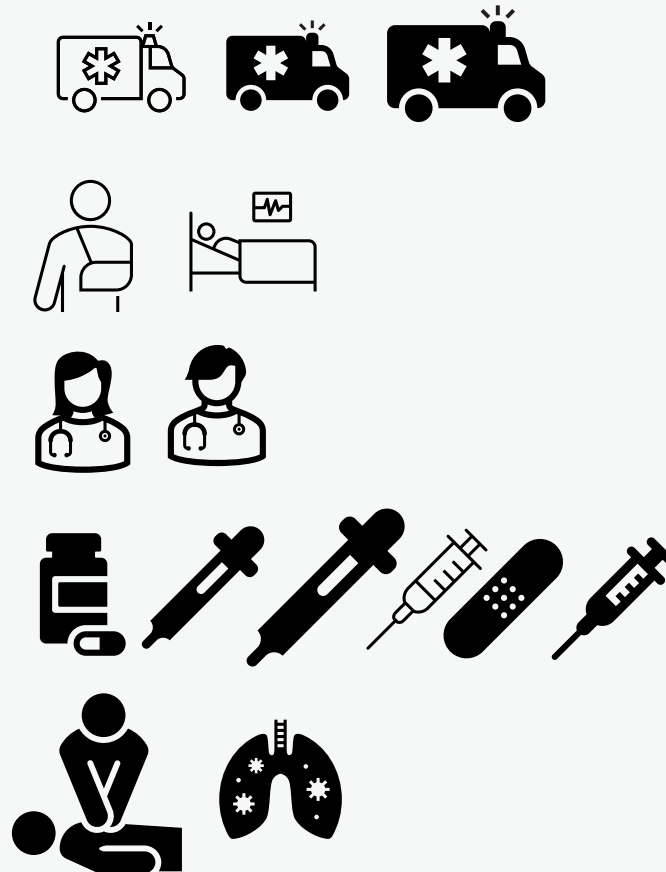


Visual representation of currencies

Activity happens



Data is grouped



Decisions can be made

- £ Prices produced
- 📊 Cost analysis
- 🚩 Service gaps identified
- 📈 Population segmented
- 😞 Unmet need quantified
- ⚙️ Comparisons of activity across provider types
- 📊 System to system benchmarking
- 📈 Data insights
- 🔄 Pathway analysis
- 👥 Whole System Approach

How can currencies support Community Services?

Patient Level

- Provides a standardised method of mapping a patient journey or trajectory over a period of time.
- Consistent complexity assessments can be applied for patients moving between providers and/or services.



Provider Level

- Provides an understanding of the local patient population and complexity of this population, supporting a population health management approach.
- Supports a better understanding of trends within a service and specific gaps in care provision.
- Provides standardised data which supports conversations with other providers and commissioners.
- Ensures independent and community providers have data which is comparable with acute providers.



How can currencies support Community Services?

ICS Level

- Enables an understanding of population complexity which will facilitate decision making on allocation of resources across an ICS footprint.
- Data equity across a system, evidences the need for investment and equity in all parts of the system.



National Level

- An understanding of local and national issues and overall changes in data over time.
- Data can be used to support national policy or targeted support.



Why Use Currency Models?

Currency models are useful tools to understand patient care and compare care across various boundaries. However, the root of any currency model is standardised data.



Using standardised data is the cornerstone of collaborative working, ensuring we understand consistent terms for:

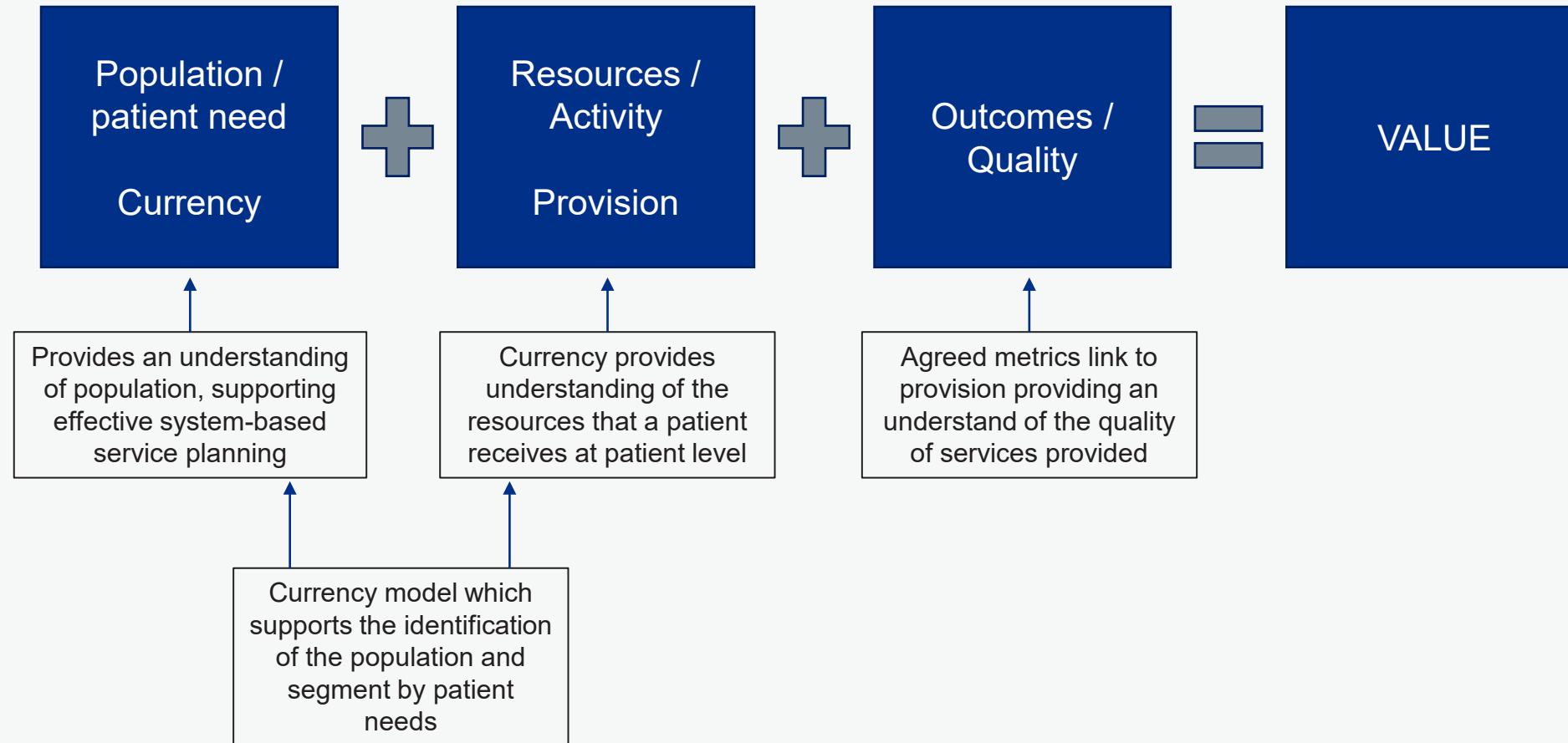
- Patient and referral data
- Diagnosis
- Contact information
- Activities
- Assessments



Knowing we are using the same terminology supports data sharing, ensuring there is confidence in the data received.

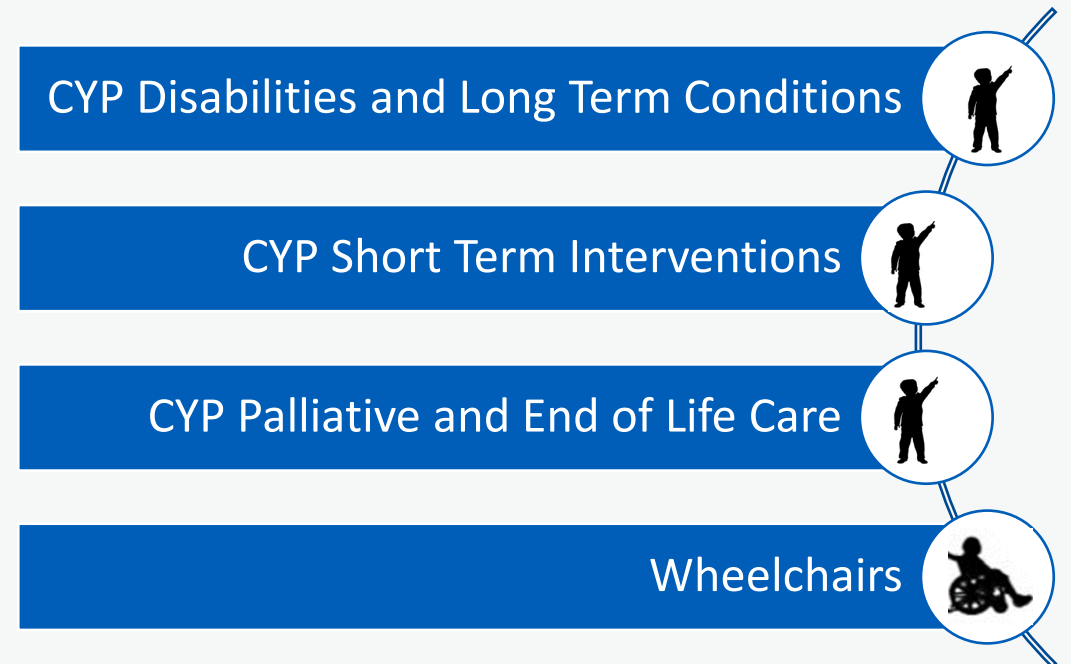
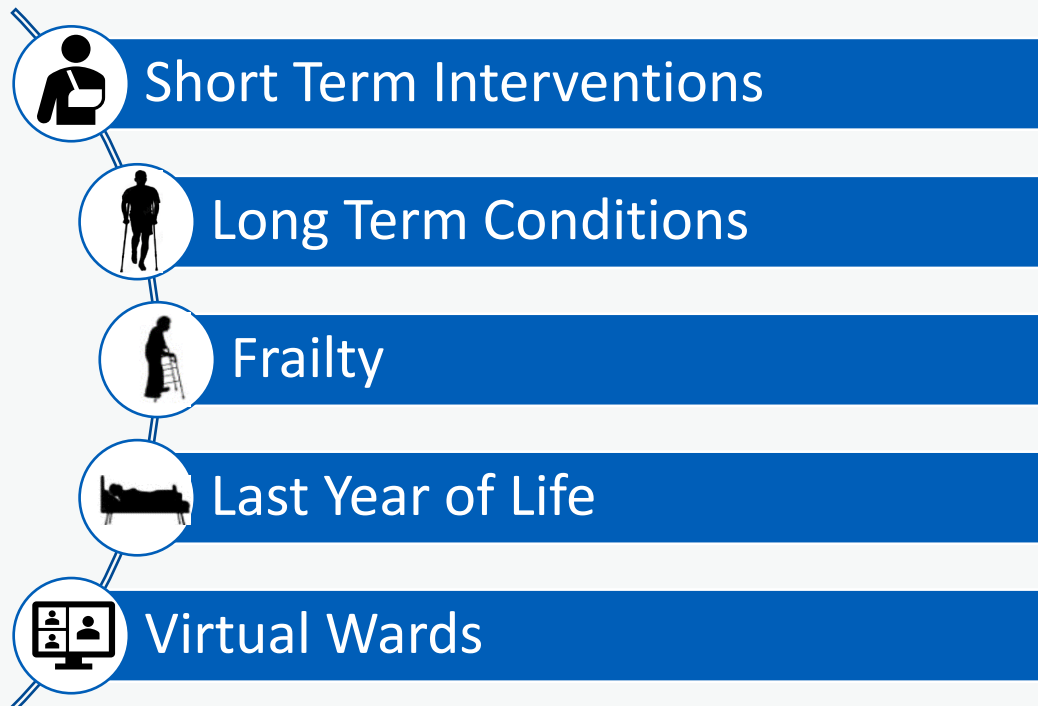
- We can use this in various ways:
- Cross-provider
 - Understanding simultaneous referrals
 - Considering and influencing outcomes
 - Beyond health

Using Data to understand Services



Understanding the Whole Patient

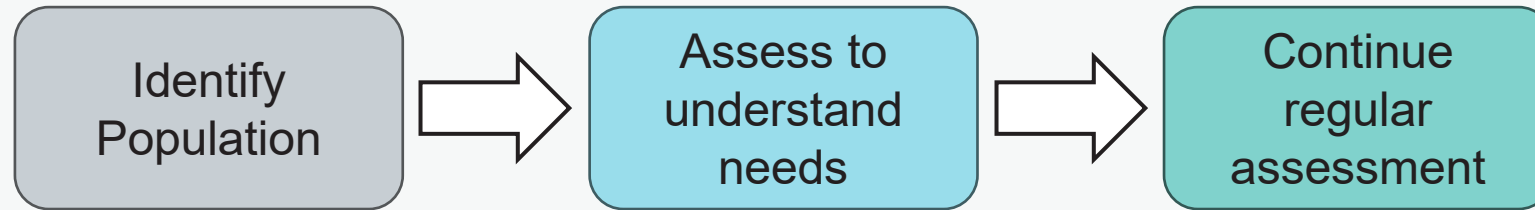
Our aim is to have a set of currency models that cover every person that interacts with community services



Last Year of Life Currency Model

Adults

Three Step Process



Applying a currency for patients in their Last Year of Life (LYOL)

Our population is defined using the following definition:

- LYOL population is defined as those people identified as in the last year(s) of life, receiving end of life care. There is an expectation that they will have a personalised care plan and be entered on a supportive and palliative care register.
- LYOL applies to those deaths that can be anticipated and therefore a person's choices can be planned and prepared for.

The currency model uses two assessments as a methodology of understanding patient complexity and need:

Phase of Illness

An assessment which measures the distinct stages of an individual's illness. This measures of patient's own needs, the needs of their family/carers, and their current environment and care plan.

Australian Modified Karnofsky Performance Scale (AKPS)

An assessment which measures a patient's functional status and ability to perform daily living activities.

Phase of Illness

Phase	Start of Phase	End of Phase
Stable	<p>Patient problems and symptoms are adequately controlled by established plan of care and</p> <ul style="list-style-type: none"> • Further interventions planned to maintain symptom control and quality of life and • Family/carer situation is relatively stable and no new issues are apparent 	<p>The needs of the patient and or family/carer increase, requiring changes to the existing care plan (i.e. the patient is now unstable, deteriorating or terminal)</p>
Unstable	<p>An urgent change in the plan of care or emergency treatment is required because:</p> <ul style="list-style-type: none"> • Patient experiences a new problem that was not anticipated in the existing plan of care, and/or • Patient experiences a rapid increase in the severity of a current problem; and/or • Family/ carers' experience changes which impact on patient care 	<ul style="list-style-type: none"> • The new care plan is in place, it has been reviewed and no further changes to the care plan are required. This does not necessarily mean that the symptom/crisis has fully resolved but there is a clear diagnosis and plan of care (i.e. the patient is now stable or deteriorating) and/or • Death is likely within days (i.e. patient is now terminal)
Deteriorating	<p>The care plan is addressing anticipated needs but requires periodic review because:</p> <ul style="list-style-type: none"> • Patient's overall function is declining and • Patient experiences an anticipated and gradual worsening of existing problem and/or • Patient experiences a new but anticipated problem and/or • Family/carers experience gradual worsening distress that is anticipated but impacts on the patient care 	<p>Patient condition plateaus (i.e. patient is now stable) or</p> <ul style="list-style-type: none"> • An urgent change in the care plan or emergency treatment is required and/or • Family/ carers experience a sudden change in their situation that impacts on patient care, and requires urgent intervention (i.e. patient is now unstable) or • Death is likely within days (i.e. patient is now terminal)
Dying	<p>Death is likely within days</p>	<ul style="list-style-type: none"> • Patient dies or • Patient condition changes and death is no longer likely within days (i.e. patient is now stable, or deteriorating)
Deceased	<p>Patient has died; bereavement care provided to family/carer is documented in the deceased patient's clinical record.</p>	

Australian-Modified Karnofsky Performance Scale (AKPS)

Status Score	Descriptor
High	<p>100% → Normal no complaints; no evidence of disease</p> <p>90% → Able to carry on normal activity; minor signs or symptoms of disease</p> <p>80% → Normal activity with effort; some signs or symptoms of disease</p>
Medium	<p>70% → Cares for self; unable to carry on normal activity or to do active work</p> <p>60% → Requires occasional assistance, but is able to care for most personal needs</p> <p>50% → Requires considerable assistance and frequent medical care</p>
Low	<p>40% → In bed more than 50% of the time</p> <p>30% → Almost completely bedfast</p> <p>20% → Totally bedfast and requiring extensive nursing care by professional and/or family</p> <p>10% → Comatose or barely arousable</p> <p>0% → Dead</p>

Last Year of Life Currency Model

The combination of these two assessments provides the following currencies:

- Evidence has found that the needs of patients in the stable, unstable and deteriorating phases will vary based on functional status.
- Patients should be assessed regularly for Pol, with changes being recorded to understand these changes in need.

Currency Unit	Phase of Illness	AKPS Functional Status
LYOL_01	Stable	High
LYOL_02	Stable	Medium
LYOL_03	Stable	Low
LYOL_04	Unstable	High
LYOL_05	Unstable	Medium
LYOL_06	Unstable	Low
LYOL_07	Deteriorating	High
LYOL_08	Deteriorating	Medium
LYOL_09	Deteriorating	Low
LYOL_10	Dying	-
LYOL_11	Deceased	-



Next Steps

- The Pricing Team are working alongside NHS England Policy Teams and other partners to develop guidance documentation for the implementation of the currency model.
- The document will be shared via the NHS Futures Platform and will link to the future NNH Payment System documentation.
- We would be interesting in speaking to any systems interested in implementing currency models, especially those considering change in the near future.

Questions

