

Money Flows

A workshop on funding
flows for learning
disability services



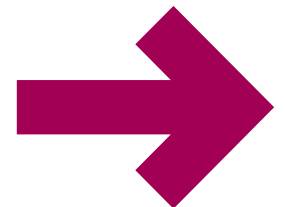
Overview

The aims of this workshop are to:

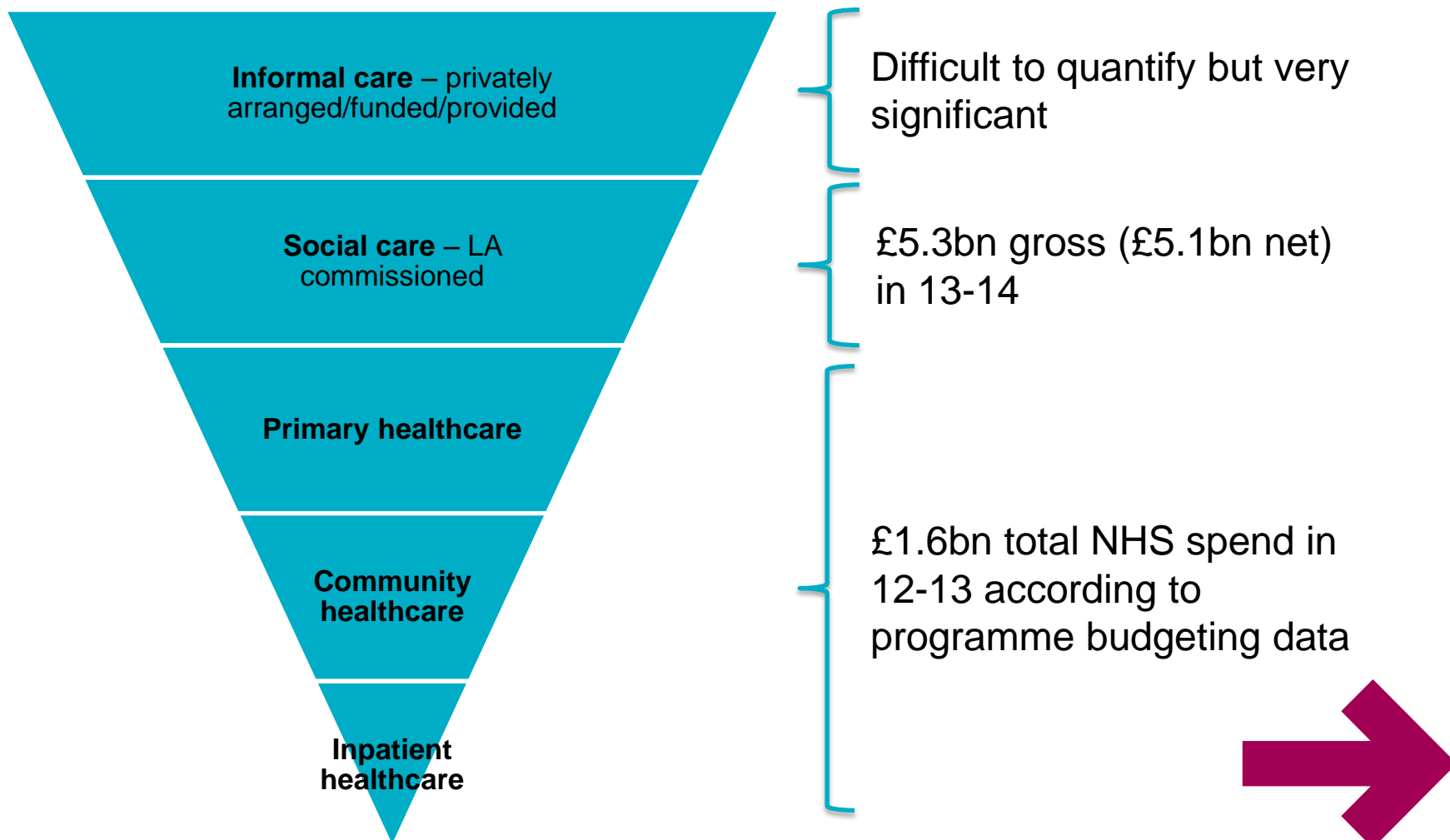
- Give an overview of the money flows and some of the challenges that arise
- Explain the role of pooled budgets and how they work
- Discuss challenges that can arise and potential solutions to them.

The workshop structure is:

- Presentation – 15 mins
- Group exercise – 50mins
- Wrap-up on conclusions – 10mins

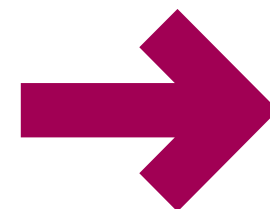


High level national spend

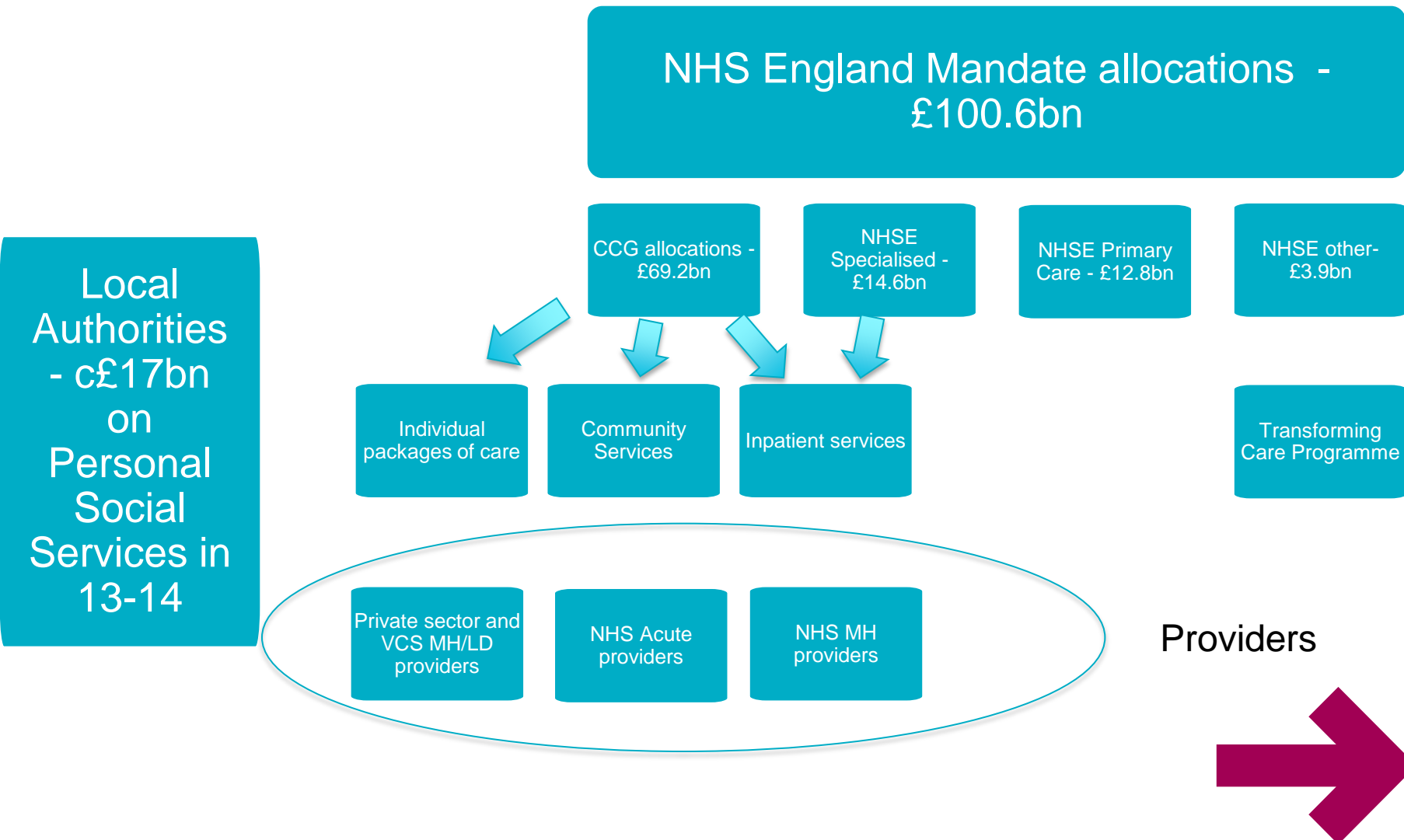


Programme budget data – 12/13, £m

Prevention & Health Promotion	Primary care		Secondary care				Community Care	Care provided in other setting	Non-health / social care	Total expenditure
	Primary care	Primary prescribing	Inpatient: Elective and Daycase	Inpatient: Non-elective	Outpatient	Other secondary care				
8.5	6.8	0.1	14.0	14.7	5.5	212.5	246.5	1,003.4	66.9	1,578.9

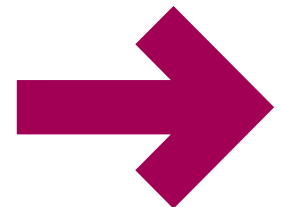


How the money flows



Inpatient spend

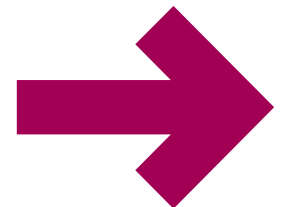
- There are c2,600 inpatients which the NAO estimated cost £557m in 2012-13
 - 50:50 split between CCGs and spec com
 - 50:50 split between NHS and private providers
 - Equivalent to over £200k per patient per year
- Huge variation in LD service contracts but some notable features
 - High use of block contracting arrangements
 - Typically LD is small part of a larger contract (e.g. Mental Health)
 - Significant regional variation
 - Volumes
 - Provider structure
 - Service models



Pooled budgets

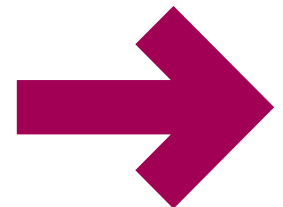
- CCGs and LAs can arrange pool budgets as they wish
- BCF requires CCGs and LAs to pool min amount in pooled budgets to support delivery of integrated care
- NHSE has encouraged the pooling of LD funding by CCGs

- Are pooled budgets a panacea?
 - Issues to consider:
 - Accountability, governance and risk sharing
 - Under/over spends – what happens?
 - Multi-service contracts
 - Joint working
 - Shared objectives
 - Multiple commissioners – Specialised/Housing/Benefits



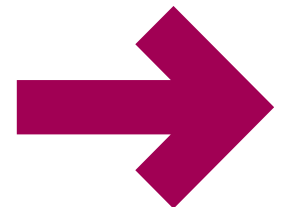
Exercises

- Group exercise 1 (20mins): we have identified some of the significant challenges (with a money flows angle) that are associated with patients not always receiving the care they need in an appropriate timescale in an appropriate setting.
 - **Are there more challenges to add?**
 - **Do we understand the challenges?**
 - **Which of these challenges is most significant?**
- Group exercise 2 (20mins): we have also identified a range of potential solutions/tools.
 - **Are there more solutions/tools to add?**
 - **Which are the highest priority?** (i.e. probably ones which address the most significant challenges identified in ex 1)
 - **Scope out the potential solution in more detail:**
 - **How should it work?**
 - **What needs to be put in place?**
 - **What are pros and cons?**
 - **What are the risks?**



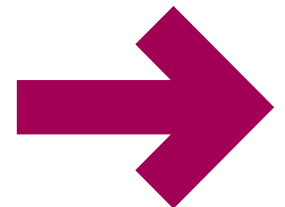
Challenges – contracting 1/3

- Bundling of services
- Pricing
- Co-dependencies of contractual services
- Contracting processes
- Geographic distribution
- Outcomes



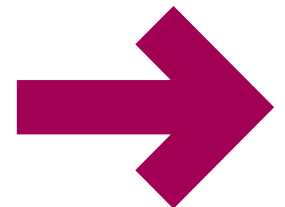
Challenges – commissioners 2/3

- Constrained budgets
- Definitions – who should be responsible for what?
 - Specialised vs CCG
 - Health (NHS) vs Care (LA) vs Housing (HA) vs Benefits (DWP)
- Capability and capacity to commission
 - Develop new services
 - Personalisation of care



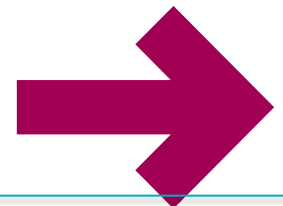
Challenges – transition costs 3/3

- Investment in community services
- Market development
- Decommissioning inpatient services
- Appetite for risk



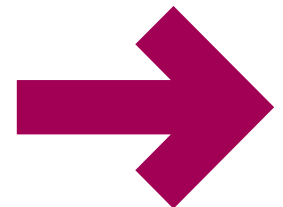
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Solutions? 1/2

- Personalisation of care
 - Personal Health Budgets
 - Integrated Personalised Commissioning
- Budget silos
 - Gain-share arrangements
 - Joint commissioning teams
 - Pooled budgets
- Investment and transition costs
 - Dowry payments
 - Capital funding
 - Social investment



Solutions? 2/2

- Better data
 - Pricing
 - Information on budget and expenditure
- New contractual models
 - Risk transfer

