

**Report to:** East Sussex Health and Wellbeing Board

**Date of meeting:** 26 January 2016

**By:** Director of Adult Social Care and Health

**Title:** Moving to Accountable Care in East Sussex – Next Steps

**Purpose:** To outline the next steps and key phases for moving to an accountable care model in East Sussex and to highlight the timescales to deliver new arrangements

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## **RECOMMENDATIONS**

- 1. Consider and discuss the key phases in the collaborative approach to developing and delivering accountable care in East Sussex**
- 2. Note the timescales for delivering the new arrangements in relation to the East Sussex Better Together (ESBT) Programme objectives**

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### **1. Introduction**

1.1 The ESBT Programme Board meeting on 7<sup>th</sup> October 2015 received a discussion paper on moving to an accountable care model in East Sussex, and how this might support achieving financial and clinical sustainability. This paper outlines the necessary next steps and the collaborative work required to develop an options appraisal and full business case for moving to an accountable care model. The approach is set out under three broad headings:

- A project timeline to deliver the options appraisal and business case by late March or early April 2016, and the phases of subsequent work that would need to be progressed
- A list of the key design criteria to be used in the evaluation of the options and developing the detailed business case and implementation plans for an accountable care model in East Sussex
- Scoping of the key work streams or projects to enable the move to an accountable care model, highlighting where additional capacity or expertise may be required

1.2 The commissioning bodies undertaking this work are East Sussex County Council (ESCC), Hastings and Rother Clinical Commissioning Group (CCG) and Eastbourne Hailsham Seaford CCG. High Weald Lewes and Havens CCG have withdrawn from the ESBT Programme. Any reference in this report to East Sussex CCGs refers only to the two CCGs that are part of ESBT.

### **2. Background**

2.1 Accountable care models are systems in which providers are held jointly accountable for achieving a set of outcomes for the population over a period of time and for an agreed cost. Coupled with transformation of the budgeting and payment mechanisms to global population based capitation and outcomes, this means accountable care in a community based system can positively incentivise the lowest level of effective care and the highest possible quality of care.

2.2 A scoping exercise was undertaken to understand the different accountable care models currently being delivered or developed in this country and abroad, and how these could benefit East Sussex. The scoping exercise identified that accountable care working within a population-based capitation budget could offer a genuine solution to the longstanding issues faced by local health and social care economies, namely integration and financial and clinical sustainability. There is however no 'off the shelf solution'. New models of care in the NHS Five Year Forward View, as well as the increasing move towards Government and NHS devolution to local areas, offer new parameters and possibilities for local health and social care economies to consider and design bespoke solutions to suit the needs of local populations, on a geographical basis.

### 3. Timeline and roadmap for options appraisal and business case development

3.1 The high level timeline below sets out the phases for developing the options appraisal and business case for a bespoke East Sussex model of accountable care through to detailed implementation plans.

	<b>Milestone / decision</b>	<b>When by</b>
<b>1</b>	Draft options appraisal and Strategic Outline Case for Accountable Care Model underpinned by global population based capitation, setting out the preferred option for how ESCC and the East Sussex CCGs propose to take forward a single whole system accountable care model to achieve integration by April 2017	<b>March 2016</b>
<b>2</b>	Approval by ESBT Programme Board, Cabinet and CCG Governing Bodies of options appraisal outcome and Strategic Outline Case recommendation of the preferred option <ul style="list-style-type: none"> <li>Initiation of board level workshops and discussions with providers to co-design and develop the detail underpinning the Accountable Care Model.</li> <li>Initiation of wider stakeholder engagement and communication plan</li> </ul>	<b>April 2016</b>
<b>3</b>	Approval by Programme Board, Cabinet and CCG Governing Bodies of Full Business Case, key design principles for the Accountable Care Model and final position regarding: <ul style="list-style-type: none"> <li>Scope of the capitated budget arrangement pooling relevant ESCC and NHS budgets to facilitate the delivery of a single accountable health and social care model in East Sussex</li> <li>Sign off s75 Agreement setting out pooled capitated budget arrangement</li> <li>Co-development of high level options for integrated delivery of health and social care services in East Sussex by April 2017, including lead provider arrangements and the level of organisational and structural change envisaged</li> <li>Contract award and proposed new management arrangement</li> </ul>	<b>November 2016</b>

	<ul style="list-style-type: none"> <li>• Robust governance, contractual and financial systems to provide assurance to all commissioning organisations</li> <li>• Consultation with staff, unions and stakeholders (as necessary) in developing the new service model</li> <li>• Outcome of discussions with regulatory bodies; NHS England, CQC, and NHS Improvement (Monitor and the Trust Development Agency)</li> </ul>	
<b>4</b>	Award contract and new management arrangement for commissioning and delivery of an Accountable Care Model: <ul style="list-style-type: none"> <li>• Outcomes based capitated contract accountable for whole system delivery, commencing on 1 April 2017 for a 'test phase' year</li> <li>• Services are fully integrated with home and community the default care setting to achieve the lowest level of effective care under a capitated budget arrangement</li> <li>• Approval of future commissioning intentions and contract lengths after initial contract and testing phase is complete</li> </ul>	<b>March 2017</b>

#### **4, Design criteria**

4.1 For the purposes of the accountable care options appraisal exercise and business case development it is assumed that all health and social care service delivery will be in scope - primary care, acute and community, mental health, social care and public health. The options for accountable care in East Sussex will be explored fully in relation to how well they can operationalise the greatest levels of integration in East Sussex, the benefits delivered as well as the risks associated with the different ways of delivering a single integrated accountable care model working with a devolved capitated budget. Some possible ways to achieve this can be described as follows (there may be others):

- Providers come together (legal construct unspecified) into a single entity
- Providers come together (legal construct unspecified) but not into a single entity
- Accountable lead provider model

4.2 In order to ensure that there would be clear benefits in moving to an accountable care model, the following design criteria are suggested to test and evaluate the options, with additional weighting being given to ESBT Programme priorities:

- Ability to deliver whole system integration at the scale and pace required to deliver financial and clinical sustainability in East Sussex by 2018
- Ability to incentivise community based prevention and the lowest effective level of care and the highest quality outcomes
- Ability to deliver maximum levels of clinical engagement and leadership across the whole system
- Ability to deliver person centred, integrated care focussed on the whole person
- Impact on patient choice
- Ability to deliver a positive impact on workforce development, recruitment and retention

## **5. Key enabling workstreams to design and develop a bespoke accountable care model for East Sussex**

5.1 To progress to a detailed options appraisal, business case and implementation plans for accountable care in East Sussex, there are specific areas that will need to be worked up in detail to inform business case development and model design. The following key workstreams are set out below as critical packages of work that will require focus and possible additional capacity and expertise.

<b>Communication and Engagement</b>
<b>Purpose:</b> developing and coordinating activity required to communicate and engage with all key stakeholders, including involvement in the design of the solution

<b>Procurement process</b>
<b>Purpose:</b> designing an appropriate procurement and legal process and flexibilities to identify a competent lead provider to work in partnership with commissioners

<b>Governance and organisational construct</b>
<b>Purpose:</b> designing the appropriate accountability and legal arrangements to manage the capitated budget and risk sharing.

<b>Contract design</b>
<b>Purpose:</b> designing and establishing a long-term contract, to incentivise provider engagement in the procurement and future investment

<b>Regulation</b>
<b>Purpose:</b> engaging with key regulation bodies such as NHS England, Monitor, TDA and CQC to secure agreement to the preferred scope of services in the new model

<b>Financial planning</b>
<b>Purpose:</b> Working with service areas and service configuration to develop the financial business case

<b>Payment Mechanisms</b>
<b>Purpose:</b> designing the approach required to move to a population capitation and outcome based model of payment

## **6 Conclusion and recommendations**

6.1 The next steps and criteria set out in this paper are the key elements of a collaborative approach to co-designing and delivering an accountable care model bespoke to East Sussex.

6.2 At the time of writing, consideration is also being given by the ESBT Programme Board to identifying or aligning capacity and resources to enable progression through the key phases of development at the pace required to meet the ESBT Programme objectives.

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Background documents

None