

The Specialised Healthcare Alliance is a coalition of over 100 patient-related organisations, supported by 14 corporate members, which campaigns on behalf of people with rare and complex conditions. This briefing note provides an overview of recent substantial changes in specialised commissioning and a summary of future threats and opportunities.

What are specialised services?

Specialised services are those which cannot be sensibly planned, procured and provided at a local level, typically covering a population of more than a million people. Collectively, **specialised services serve hundreds of thousands of patients** a year in the NHS, from the most complex neurosurgical procedures to more common services, such as renal dialysis. Patients with rare genetic disorders often need to use specialised services but specialised services are important to the population as a whole. Anyone might need to call upon specialised services at some time, for example after a serious burn or spinal injury. They currently account for over **£13 billion of NHS spending**.

Specialised commissioning

Prior to April 2013, specialised services were ultimately the responsibility of local primary care Trusts, supported by regional Specialised Commissioning Groups. While his system had some advantages, there was marked variation in standards and access to services across the country, sometimes thought of as a 'postcode lottery'.

Specialised services are now commissioned nationally by NHS England, with no formal role for local Clinical Commissioning Groups. The Alliance has been supportive of this change, given its potential to set national standards for specialised care, harnessing the power of a single national commissioner to deliver improved services for patients.

To commission these services, **NHS England sets standards nationally**. A range of 74 multidisciplinary Clinical Reference Groups (CRG's) develops service-specific advice and formulates draft national services specifications and treatment access policies. These are then considered by NHS England's national commissioners in the Medical Directorate and approved through its governance processes. This often includes public consultation, in contrast to previous arrangements.

Implementation of these national standards with providers is undertaken by NHS England's Operations Directorate. Contracts with providers are held on behalf of all patients in England, rather than for local populations, and are managed by one of 10 NHS England's' Area Teams with responsibility for specialised commissioning. These area team commissioners work with providers in their region to ensure compliance with national standards. Unlike the previous arrangements, local Area Teams have no latitude to deviate from national policy. Indeed, NHS England may be vulnerable to judicial review if patients get a poorer service, including access to treatments, in one part of England compared to another.

The current outlook

Just over a year in to the new arrangements for specialised commissioning, a mixed picture has emerged.

The setting of **national stands**, informed by clinical leadership, has been a major advance for the new system. **Patient and public involvement** on Clinical Reference Groups and major governance committees also holds great promise, though lack of resource has led to sometimes patchy performance. Other opportunities to engage through consultations have also been welcome.

A significant challenge going forwards will be to ensure better **integration between specialised and non-specialised care**. While there is reason to believe that the new system makes sense for specialised services, a consequence has been a greater distance between nationally planned services and those planned at a local level.

NHS England has also significantly **overspent** its specialised commissioning budget in its first year of operation. The total 2013/14 overspend is thought to total some £400 million. The causes of the overspend are disputed, but in part related to the difficulties of accurately identifying PCTs' historic spend on specialised services.

Early experience of the new system has also brought to light shortcomings in **leadership and efficiency** in specialised commissioning. NHS England's Directorates were intended to work closely together in a 'matrix' approach, however, to date; siloed working and fragmented responsibilities have led to confusion and delay in the development of national policy. While NHS England has often promised big things, its delivery has been found wanting.

A combination of limited capacity and the overspend has led to lengthy and often opaque decision-making, with a reported 140 commissioning policies with direct ramifications for patient care currently pending development.

Specialised commissioning task force and future strategy

NHS England is currently conducting a comprehensive review of its specialised commissioning function, particularly in the light of its substantial budget overspend. This work was initiated by the new Chief Executive, Simon Stevens, in May, and is due to report in July. The task force is led by Paul Watson and is likely to have **significant implications for the future of specialised services**.

In particular, the task force will assess the structure of specialised commissioning, the scope of specialised services and how better data and financial control can be exercised in specialised commissioning. A future strategic five-year strategy development work initiated by NHS England in late 2013.

Opportunities and threats

- National standards can continue to drive improvements in specialised care
- Evaluative commissioning could provide a sensible route to test and adopt innovation
- The task force could help ensure stronger leadership in specialised commissioning, probably through a single Directorate
- Longer-term planning is made easier through a national approach

- There is a risk that service standards will be decreased to meet financial targets
- Stability will be needed to allow the new arrangements room to develop
- Integration with non-specialised care will need to be addresses as a matter of priority
- As a powerful organisation, NHS England will need close scrutiny
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A MANIFESTO FOR SPECIALISED SERVICE - JUNE 2014

The specialist Healthcare Alliance (SHCA) is a coalition of over 100 patient-related organisations, supported by 14 corporate members, which campaigns on behalf of people with rare and complex conditions. Examples include severe burns, cancers, cystic fibrosis, haemophilia, HIV, PINNT, much of paediatric health, neurological conditions and many more, with a total spend of more than £13 billion.

As NHS England reviews its approach to specialised commissioning and the next General Election approaches, the SHCA is calling for:

Stability

The new arrangements for specialised commission have the potential to eliminate the postcode lottery and deliver higher standards of care to patients across England, while improving efficiency. This will however require time, making it essential to maintain stability to and through the general Election. All political parties should pledge to do so.

Accountability

NHS England should show leadership to the wider NHS in the accountability it demonstrates for specialised services. This should be focused on a single Directorate with Board level responsibility for specialised commissioning. It should also include a clear description of the standards of transparency expected across NHS England's work and solid commitments to involving patients, the public and their representatives in the scope and development of specialised services.

Money

The confusion surrounding NHS spending on specialised services in 2013/14 has knock-on effects for patients and must not be repeated. This requires an urgent improvement in coding and better use of data and registries to track activity, costs and outcomes for patients. The Alliance would recommend the development of a publicly available programme budgeting database for specialised services.

Integration

Every specialised service should publish a network which combines ready access to tertiary expertise, e.g. for diagnosis, with support for care in and close to people's home the majority of the time. Integrated pathways should be predicted on universal provision of care plans, developed with patients and their families and incorporating jointly agreed use of appropriate IT.

Quality and Safety

The development of specialised services should be driven by the pursuit of quality and safety for patients. This may involve reducing the number of providers but with a rationale built around patients and the improvement of clinical outcomes. The development of quality measures to monitor the performance of all services should be expedited.

Innovation

NHS England needs to set out clearly how it will fulfil its statutory duty to promote innovation in relation to specialised services. This should include transparency processes and timelines for the evaluation of novel technologies, techniques and services.

With Stability, clear lines of accountability and an unrelenting focus on quality, NHS England will be in an excellent position to unlock the potential of the new arrangements for specialised services in the years leading up to 2020.