Kent & Medway System Transformation Update

June 2019

1. Context

The November 2018 HOSC briefing focused on proposed future arrangements of commissioning in Kent and Medway. This paper sets out the vision for how the whole Kent and Medway health and social care system will work together in the development and delivery of integrated care. Over the last six months joint working of the partners across Kent and Medway, the eight CCG chairs and more recently among provider organisations - including primary care and social care – has advanced. This work is focused on establishing a system commissioner for health and social care for Kent and Medway through creating a single CCG, developing four Integrated Care Partnerships and authorising and supporting the development of approximately 40 Primary Care Networks. Together, along with the Health and Wellbeing Board and the Clinical and Professional Board, these developments will form the Integrated Care System (ICS) for Kent and Medway.

This paper aims to detail where functions will sit in the system and how the services commissioned and provided will better respond to the needs of the population.

2. Background

The commissioning and provision of health and social care across Kent and Medway continues to face a number of strategic and operational challenges. The CCG chairs have recognised that in order to continue delivering services and for these services to be sustainable and responsive to the needs of the population, we need to change. Responding to these challenges requires a whole system transformation of how we commission and deliver services. Future models need to be financially sustainable, demonstrate operational effectiveness through improved outcomes, deliver safe and quality care and importantly, be responsive to the health and care needs of the population of Kent and Medway.

Over the last four years, the case for change has been supported by and promoted “Integration” through care models, service models and resourcing. More recently across Kent and Medway we have seen the benefits and positive impact that integrated working brings to the care for the local population through outcomes, quality standards and operational efficiencies. At this stage of the transformation, it is widely recognised that changes to how the system is structured, the redistribution of functions both locally and at a Kent and Medway level, through to more integrated working will deliver benefits and improvements. Benefits to be realised include: (note this is not an exhaustive list)

- Overall cost and efficiency savings through single “Kent and Medway” activities for example commissioning at scale and combining back office functions
- Improved patient outcomes through increased prevention and early intervention programmes
- Development of alternative and additional workforce models supporting skills development for generic health and social care skill sets and multi-disciplinary working.

Before we start each stage of the transition we aim to identify and quantify the intended benefits to patients, our teams and the system and track these through the programme.

The Long Term Plan has further strengthened the need for integration and integrated care models with the expectation that current STP areas transition to Integrated Care Systems by April 2021. The development

work to date across Kent and Medway meets this objective, as well as articulates the actions to establish the system commissioning function and the development of Integrated Care Partnerships (ICPs), further aligning the local commissioning and provision of health and social care based on local needs and in a way that is accessible and responsive. In addition to the ICPs, there will be other developments to support a more focused response to individuals needs such as the development of Primary Care Networks (PCNs)* in increasingly aligning local health, social, community and primary care. (*national terminology that may change to fully reflect K&M stakeholders at this level)

3. Establishing a system commissioner and integrated care system in Kent and Medway

The Kent and Medway system and in particular the eight clinical commissioning groups committed to and started the journey towards this change in early 2018. To date the commissioners of health and social care services have been working together in developing an understanding of what a system commissioning function would mean for current arrangements, the opportunities that might exist such as changes to the scale and scope of commissioning, different models of commissioning as well as what a future end state may look like. Once the eight CCGs' members are satisfied that these functions will best be served by a single CCG across Kent and Medway, an application will be made to NHS England. We anticipate this will be in September 2019.

This paper describes the vision for the Kent and Medway system and future commissioning and provision of care based on the needs of the population. The vision also details a number of functions and how these will support and drive the delivery of services. The development of this vision and the description of what will sit where in the system has been informed by a number of coproduction events, through which there is a growing level of enthusiasm and consensus for the future state.

3.1 Vision

By April 2020, the vision is to have integrated health and social care commissioning across Kent and Medway at scale, with examples of integrated service models being experienced and accessed by the local population. CCGs will realise this vision by:

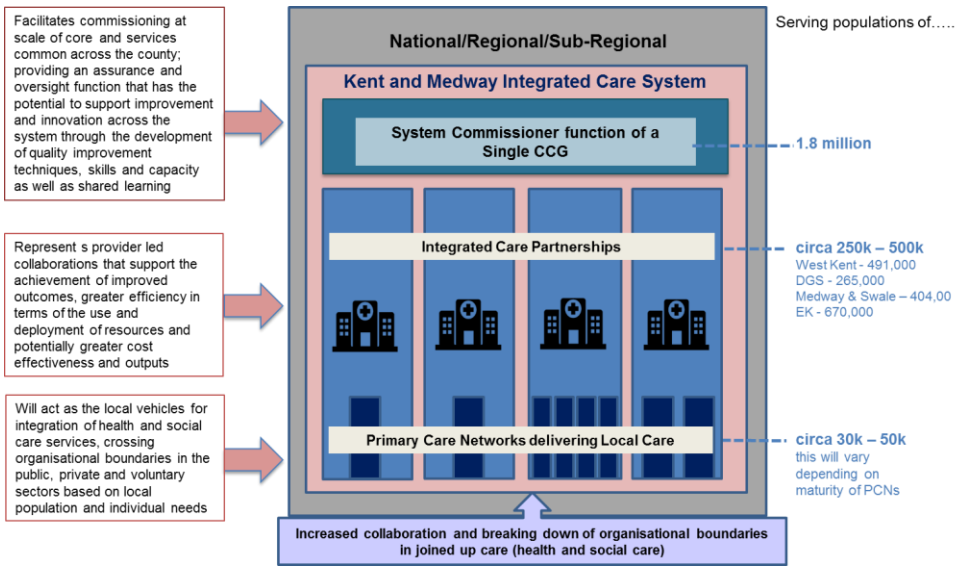
- Setting ambitious and achievable outcomes for the whole population of Kent and Medway, a single CCG will drive improvements to health and wellbeing through improved prevention, a reduction in health inequalities and the procurement of the highest quality and affordable services
- Bringing the very best of general practice to local people, the CCG will enable, support and commission integrated care from local ICPs, including strong and vibrant PCNs
- With a renewed emphasis on data to understand each local population's needs along PCN lines, the CCG will develop and foster new financial and contracting models that support collaboration and integration across all health and care sectors and partners
- By making sure that we have the 'basics' right to help all partners, organisations, members of staff and clinicians to deliver their very best for local people through an integrated approach to recruiting and retaining our workforce, making sure our buildings and facilities are fit for purpose and that our IT infrastructure supports the sharing of information and the delivery of care.

A key enabler in achieving this vision is the structural changes to commissioning, the establishment of a single clinical commissioner group, the development of key functions specifically strategic and system based commissioning and the support of an integrated care structure (ICS and ICPs). To this end all eight Kent and Medway CCG governing bodies have endorsed the proposal to create a single CCG. CCG members will be asked to approve this proposal later in the summer.

3.2 Translating the national picture to Kent & Medway

Figure 1 outlines the “end state” of a Kent and Medway system commissioner and integrated care system. The detail of core functions and operational implementation are currently being explored and developed further, and arrangements are expected to evolve based on engagement and feedback.

Figure 1: Kent and Medway ICS architecture including ICPs and PCNs



A single clinical commissioning group (CCG) will be responsible for delivering a number of functions. As a system commissioner, it will be responsible for:

- Defining the needs of the population of Kent and Medway down to a population level of 30-50k
- Setting the outcomes to be delivered in addressing those needs, including emphasising prevention and addressing health inequalities
- Allocating capitated budgets within new financial frameworks that encourage ICPs to focus on population health
- Providing oversight and offering strategic solutions to K&M wide functions such as strategic estates, digital, workforce, and finance
- Supporting and delivering the organisational development of providers to become members of ICPs
- Giving license to, and receiving assurance from, ICPs on the delivery of outcomes within budget
- Acting as the point of escalation of dispute and risk in ICPs
- Commissioning core services at scale.
- Holding a single contract for larger (K&M) providers, whilst enabling and maintaining local flexibility.
- Direct commissioning of rare and very expensive services
- Providing commissioning support and back office functions
- Developing a Kent and Medway approach to service and quality improvement.

In addition to the commissioning of health services, the establishment of a Kent and Medway system commissioner presents an opportunity to explore the potential for closer alignment or integration of health and social care commissioning in the future. Early conversations have been had with the two upper tier local authorities and there is willingness in principle to align first and explore practical ways of integrating health and social care commissioning.

An **ICS** will operate at the level of Kent and Medway. The ICS aims to offer a strategic "view" of the system providing oversight, challenge and holding each other to account. There are a number of existing arrangements that will act as key component parts of the ICS, including the Clinical and Professional Board, the Joint Health and Well Being Board and aspects of the STP Programme Board.

The ability to work as a whole system, both commissioning and provision will strategically strengthen the planning in response to population needs and expected outcomes, as well as the management of resources and its deployment. It is anticipated that the ability to work as a system will also offer opportunities to preside over key activities such as financial arrangements and incentives, in line with singe system control totals, a capability we need to have in place by 2022. It is expected that the ICS will also hold a number of assurance and oversight functions. The detail of these functions continues to be worked through as part of the merger of NHS England and NHS Improvement.

The transition to an integrated system and assuming certain assurance functions is expected to commence from April 2019. During transition it is important that the evolving form of the ICS maintains a close relationship and connection to transition governance arrangements for new and existing activities, the devolution of the STP and the maturing of the capacity and capability at the ICP level.

ICPs represent a provider led collaborative, operating most effectively across a population of 250,000 to 500,000. The logic behind this is the achievement of sufficient scale to collectively look at how services are provided and the benefits, in particular around collective working to offer existing and new models of care that are more effective in responding to people's needs. This use of new and alternative models including ways of working can also support the achievement of improved outcomes, greater efficiency in terms of the use and deployment of resources (e.g. workforce, estate, adoption of new technology) and potentially greater cost effectiveness and output that aligns to a single system control total. The working proposal for Kent and Medway, based on population size, is for four ICPs. These will be in east Kent, Dartford Gravesham and Swanley (existing Primary and Acute Care Services model), Medway and Swale and west Kent. Each has established a development leadership team comprising senior officers and clinicians from NHS, social and primary care organisations that provide services within each geography.

Key functions of the ICPs include:

- Accountability for the health of their whole population rather than for the delivery of specific service lines as at present
- Focus on responding to population health needs and the provision of programmes that promote prevention and address health inequalities
- Ensure a focus on population health; more than the sum of individual care pathways
- Assure and oversee the quality of services and care provided. This assurance role will need further scoping in line with changes in NHS England and Improvement
- Support organisational development to enable cultural change and thus deliver integrated working at executive, managerial and practitioner level
- Local route for escalation and risk management within the system

- Local contract management and the increased use of alternative contract forms to support integrated delivery.

PCNs have been an emerging form over the last 12 months as part of the development of primary and more broadly local care provision. The Long Term Plan identified further and continued development of PCNs as a key function and way of further enhancing the integration of local and primary care. The planned PCNs across Kent and Medway will act as the local vehicles for integration of health and social care services, crossing organisational boundaries in the public, private and voluntary sectors based on local population and individual needs. They will support the delivery of multidisciplinary services to meet the needs of the population as defined across the whole of Kent and Medway. Submission of applications to form a PCN are near completion and we anticipate around 40 will be authorised across Kent and Medway.

The outline above, pending further development, discussion and agreement, signals a change to the way in which health and potentially social care services have been commissioned and delivered to date and seeks to take advantage of models that:

- Focus on and are responsive to the needs of the population of Kent and Medway
- Seek to be sustainable in their delivery considering key factors such as workforce, standards of care, co-ordination of health and social care needs and financial affordability
- Are forward looking and innovative and make improvement to the operational challenges facing current provision
- Champion integration and focus on the patient experience and improved outcomes across health, social care and general wellbeing.

4. Transition to the "end state" - working principles

The transition to the system commissioner will evolve over 2019/20 with the achievement of the "end state" from April 2020. Further developments and transition will continue beyond 2020 with the maturing of transition services, functions and new organisational forms.

Working principles during transition include:

- A single clinical commissioning group operating across Kent and Medway
- Transition to the system commissioning form and functions in 2019/20 with the end state realised from 1 April 2020
- Transitional management structures. To note these are already in operation at an executive level across the eight CCGs with leadership provided through the two managing directors
- The ICS would operate across Kent and Medway and be supported locally by four ICPs or equivalent models.

With regard to the development of an ICS, of which establishing a strong system commissioner is an important initial step, in the coming months PCNs will be authorised to cover the population of Kent and Medway and development support put in place, ICPs will continue to develop a programme of work towards operating in shadow form and an interim operating model for the ICS will be considered by the STP Partnership Board.

5. High Level Timeline for Delivery

Figure 2 sets out a high level timeline that would see a single clinical commissioning group and system commissioning (end state) fully operational by April 2020. It is anticipated that capability to carry out functions such as commissioning at scale will be in place from April 2019, with 2019/20 used as a transition year for the development and embedding of arrangements. Based on the scale and complexity of the change, it is anticipated that the realisation of integrated care as described in the paper will need a longer period to mature in order to be ready to operate at its full capacity and capability. Current planning proposes a further two years embedding period for ICPs to be fully functional.

Figure 2: High level timeline to system commissioning and Integrated System “end state”