

# **Kent Health and Wellbeing Board**

**21st March 2012**

## **Strategic Overview Of NHS and Social Care Finance**

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Planning and Strategy**

# Main Headings

- Annual spending
- Main Financial Drivers
- Medium Term Assumptions?
- Linking Finance with health and outcomes – (a quick Cook's tour)

## Annual Spending (2012/13)

- Initial Revenue Limit
  - Kent only, £2.4bn
  - Around £1,720 per weighted person
  - Around £4.70 per person per day

## To be delegated to emerging Clinical Commissioning Groups (2012/13)

	£m
• Dartford,Gravesham & Swanley	275
• Swale	123
• Canterbury	245
• Thanet	197
• South East Coast	262
• Ashford	136
• South of West Kent	459
•	1,697

## Main Financial Drivers

- Population growth and ageing £15m
- Additional demand £14m
- Tariff/ inflation/efficiency (£15m)
- Quality £15m
- Commissioning Intentions (£41m)
- 1% surplus & 2% Headroom

## Medium Term Annual Assumptions?

- NHS may expect small real terms growth  $> \text{zero}$  and  $< 0.5\%$
- Population growth/ageing around  $1.5\%$
- Provider tariff deflator around  $0.8\%$ , embedding  $4\%$  efficiency and increased quality incentives
- Commissioning Intentions net saving between  $0.5\%$  and  $1\%$

## Sensitivities

- Relationship between inflation and tariff
  - For 2012/13 2.5% inflation and 4% efficiency assumed resulting in negative 1.5% tariff adjustment.
- Additional demand above level explained by demography.
- Impact of commissioning plans

## Expected Impact

- “Smaller/ hotter” acute services
- Services adapting towards community and home settings
- Real time information and risk stratification used to manage patients proactively, with focus on prevention.
- Increased use of innovative technology
- Personalised care, especially long term conditions

# Health and Outcomes.....

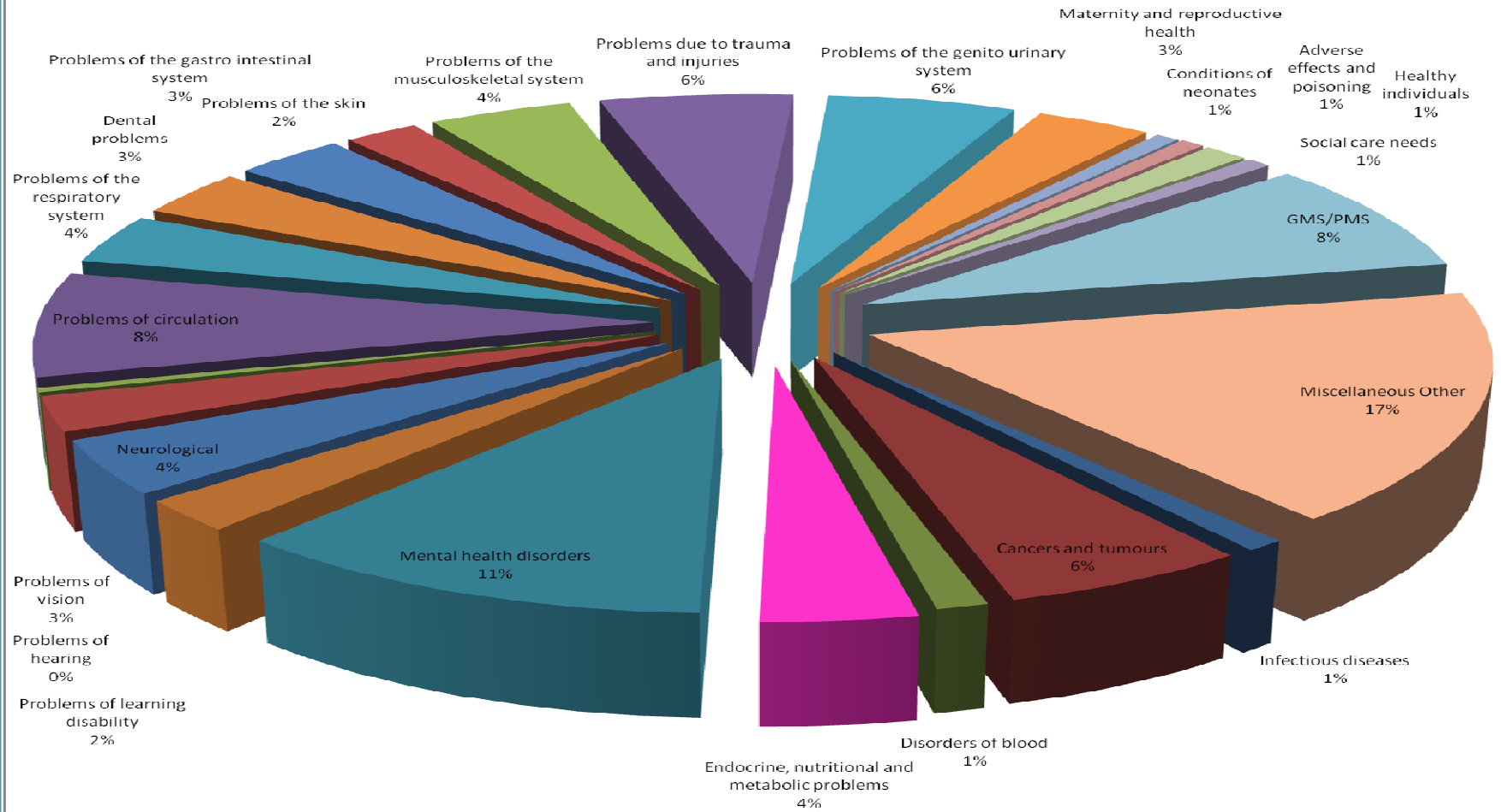
# Linking £ with health and outcomes

## 23 Programme Budgeting Categories

- |  |  |
|--|--|
| 1 Infectious Diseases                              | 14 Skin Problems   |
| 2 Cancers & Tumours                                | 15 Musculoskeletal System Problems<br>(excludes Trauma)    |
| 3 Blood Disorders                                  | 16 Trauma & Injuries                                       |
| 4 Endocrine, Nutritional and Metabolic<br>Problems | 17 Genito Urinary System Disorders<br>(except infertility) |
| 5 Mental Health Problems                           | 18 Maternity & Reproductive Health                         |
| 6 Learning Disability Problems                     | 19 Neonates  |
| 7 Neurological System Problems                     | 20 Poisoning   |
| 8 Eye/Vision Problems                              | 21 Healthy Individuals                                     |
| 9 Hearing Problems                                 | 22 Social Care Needs                                       |
| 10 Circulation Problems (CVD)                      | 23 Other Conditions  |
| 11 Respiratory System Problems                     |  |
| 12 Dental Problems                                 |  |
| 13 Gastro Intestinal System Problems               |  |

# Kent View

## Kent Programme Analysis



# Benchmarking tool

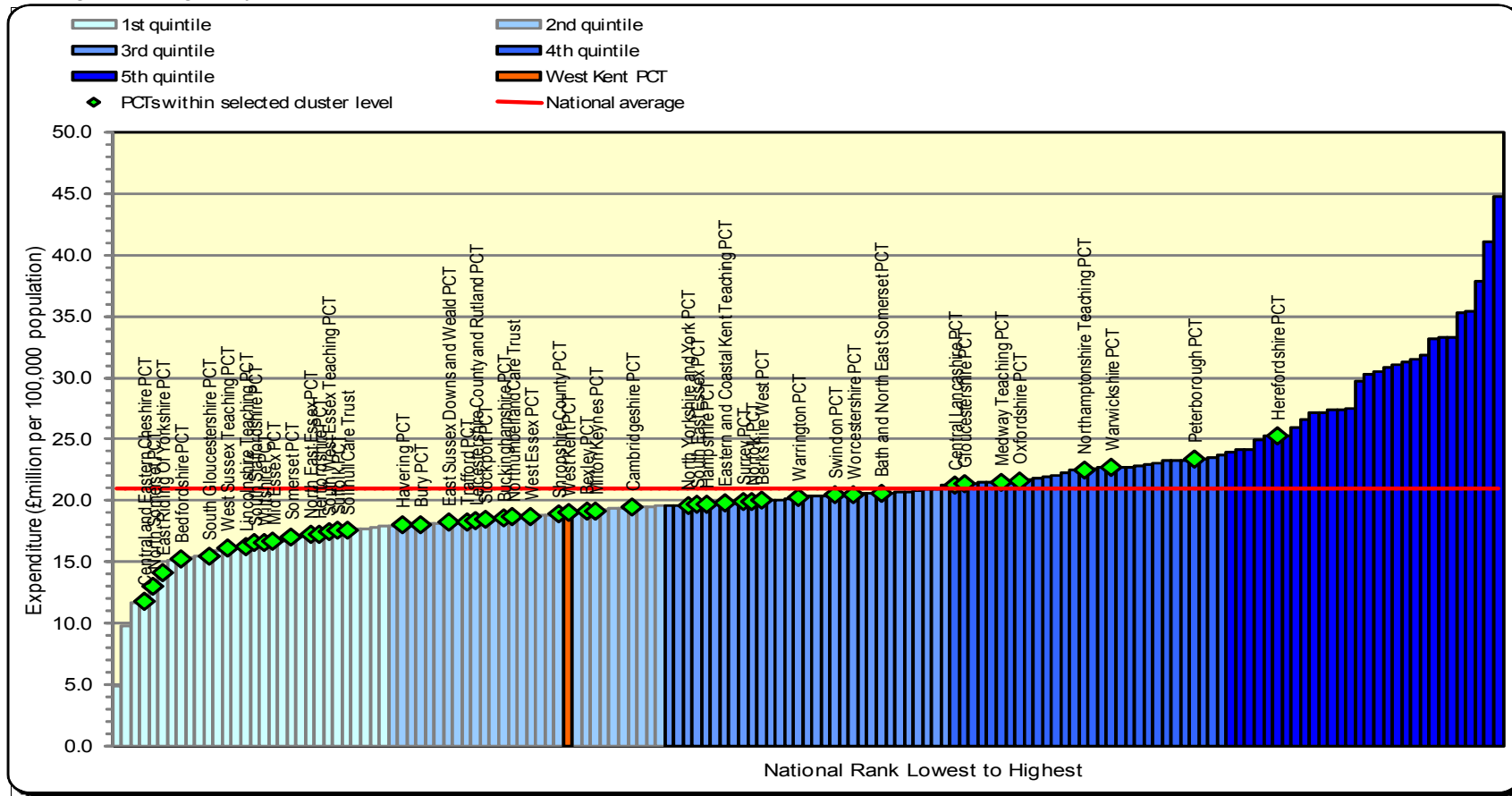
- Start at PCT level
- Select a
  - programme area
  - care setting
  - peer cluster (ONS)
  - weighting (a level of standardisation)
- Example using mental health...

# WKPCT 2010/11 Mental Health Expenditure

## All PCTs expenditure per 100,000 population

<b>Programme category</b>	05. Mental health disorders	<b>ONS Cluster level</b>	1 SUPER (7 groups)
<b>Primary Care Trust</b>	West Kent PCT	<b>Population weighting</b>	UNIFIED WEIGHTED POPULATION
<b>Care Setting</b>	14. Total Expenditure	<b>Benchmark</b>	National average

Note on interpretation: PCTs with large amounts of expenditure in category 23x for a given care setting may have less expenditure allocated to disease specific categories within that care setting. To aid comparison of expenditure on disease specific categories and within care settings the 'All commissioner chart with 23x' sheet shows the same information as the chart below with additional information on the amount of expenditure in 23x for the chosen care setting on the negative y axis.



## **What has happened over time?**

- Compare since 2006/07

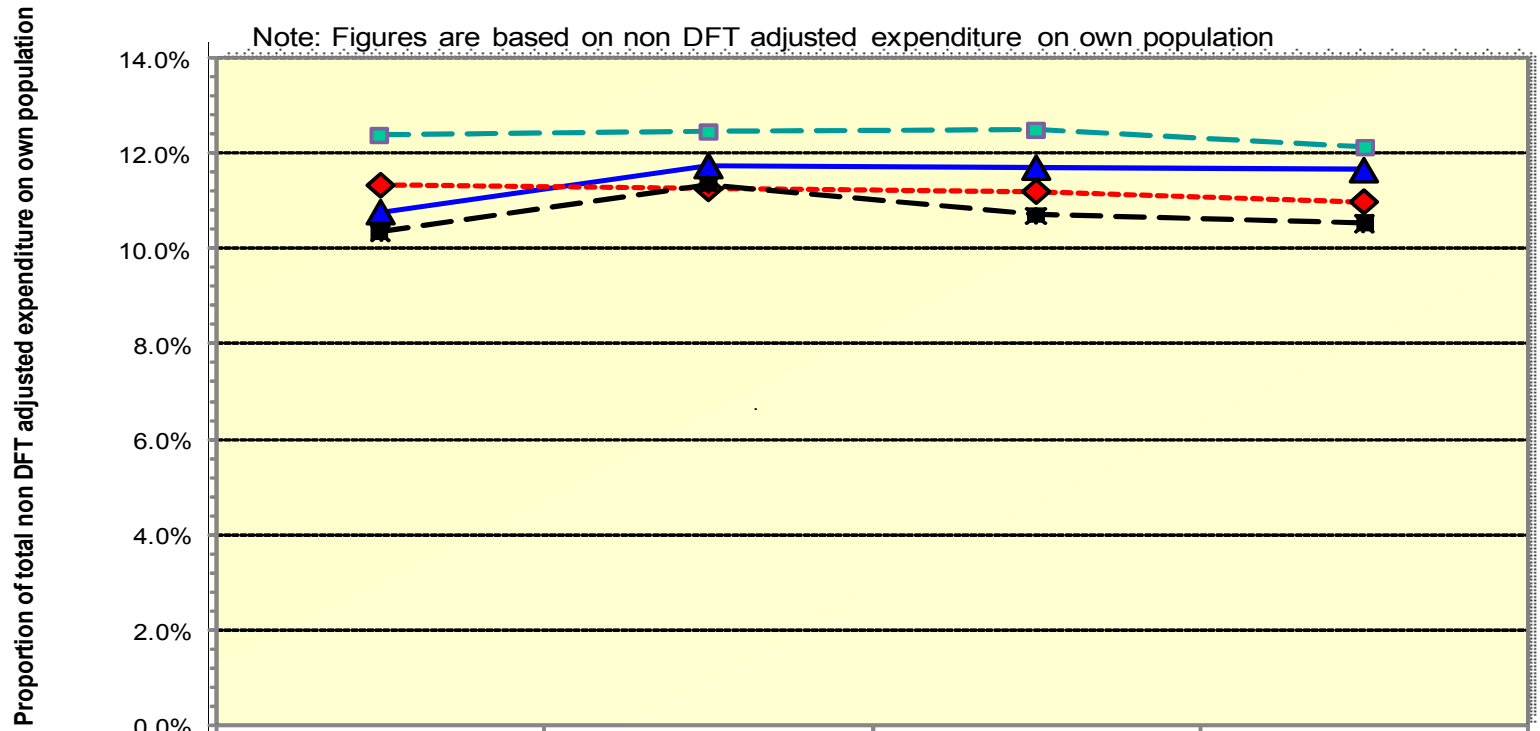
Select commissioner: Q37 West Kent PCT (5P9) ▼

Select programme: 05. Mental health disorders ▼

Select cluster level: 1 SUPER (7 groups) ▼

Cluster description: Prospering UK

### Programme spend on own population as a percentage of total spend compared to cluster, SHA and national averages



	2006-07	2007-08	2008-09	2009-10
Selected PCT	10.76%	11.73%	11.70%	11.64%
Cluster Average	11.33%	11.26%	11.20%	10.99%
Host SHA Average	10.35%	11.34%	10.71%	10.54%
National Average	12.38%	12.45%	12.49%	12.15%

## Information at practice level...

- Practice level is the building block for Clinical Commissioning Groups.
- Systems and processes must develop and adapt to produce SMART information at the appropriate level of detail.

# WKPCT has a large variation at practice level for reported vs expected prevalence of depression

NHS comparators – depression reported vs Expected Prevalence Aged >=18 – Practice level

## West Kent PCT - Depression Reported vs Expected Prevalence Aged >=18

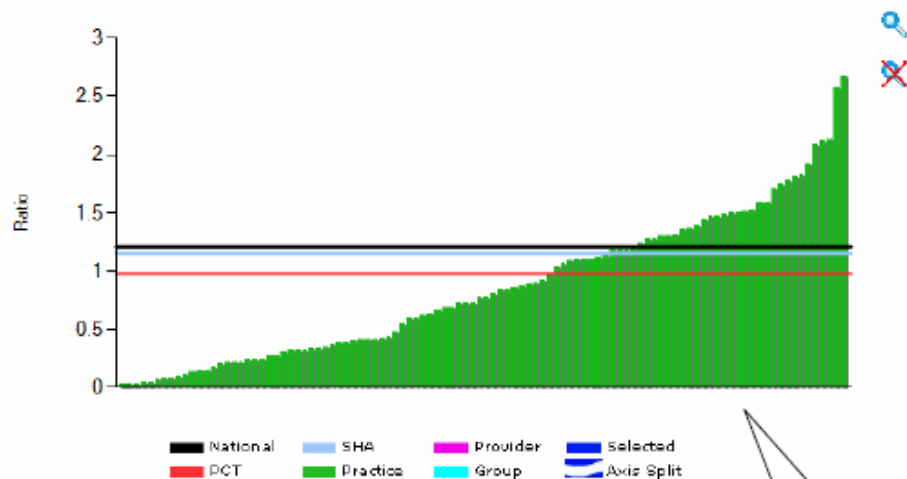
Period/Year: Rolling Year - 2008/2009; Activity



2007/2008 2008/2009

Annual

View Alerts Definition Interpretation



Statistics

Type	Org	Ratio	Reported Count >=18	Expected Count >=18	Difference	Population >=18
PCT	5P9	0.98	44,940	45,798	-858	544,386
SHA	Q37	1.15	346,409	300,350	46,059	3,596,013
National		1.21	4,373,974	3,617,391	756,583	42,871,182

### Organisational View

View your organisation at peer group level, above or below:

» National » SHA

### Display Other Groupings

View your organisation against a peer group:

Custom  Common

Group:

Please select a group...

### Graph View Options:

Ranked

Time Series

Ratio  Expected Count

Reported Count  Population

Easy to identify high and low spending practices. Can compare practices within groups based on need of population

## Spend and Outcomes

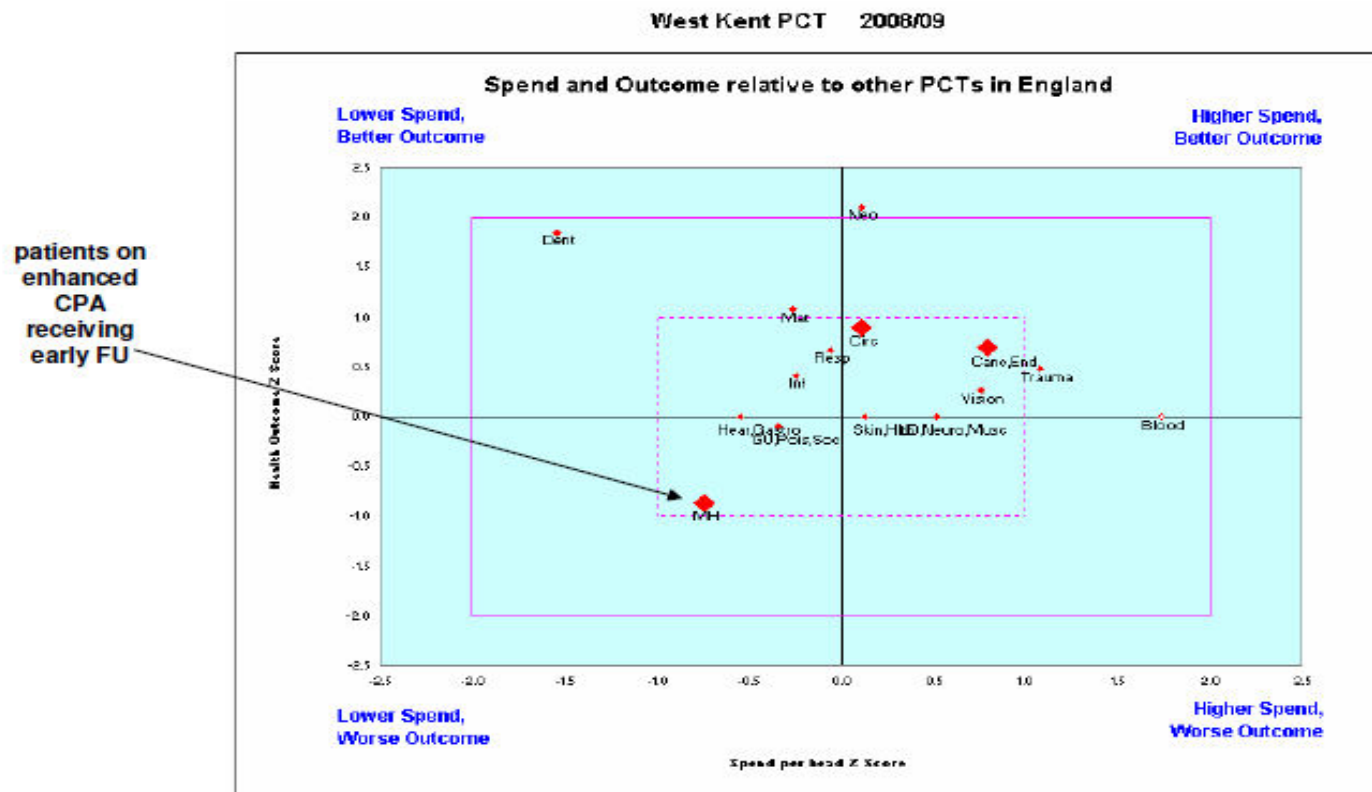
- SPOT (spend and outcomes tool)
- Developed by Association of Public Health Observatories
- Matches spend with available and relevant outcomes for each programme area

## WKPCT has a low spend and outcome quadrant for Mental Health disorders when compared to PCTs nationally

Each diamond represents a disease category and shows spend and outcomes compared to PCTs Nationally

2008/2009 APHO Spend and Outcomes Tool – Each diamond represents a disease category and shows spend and outcomes compared to the national average

## West Kent PCT has a lower spend and worse outcome for Mental Health disorders when compared to PCTs nationally

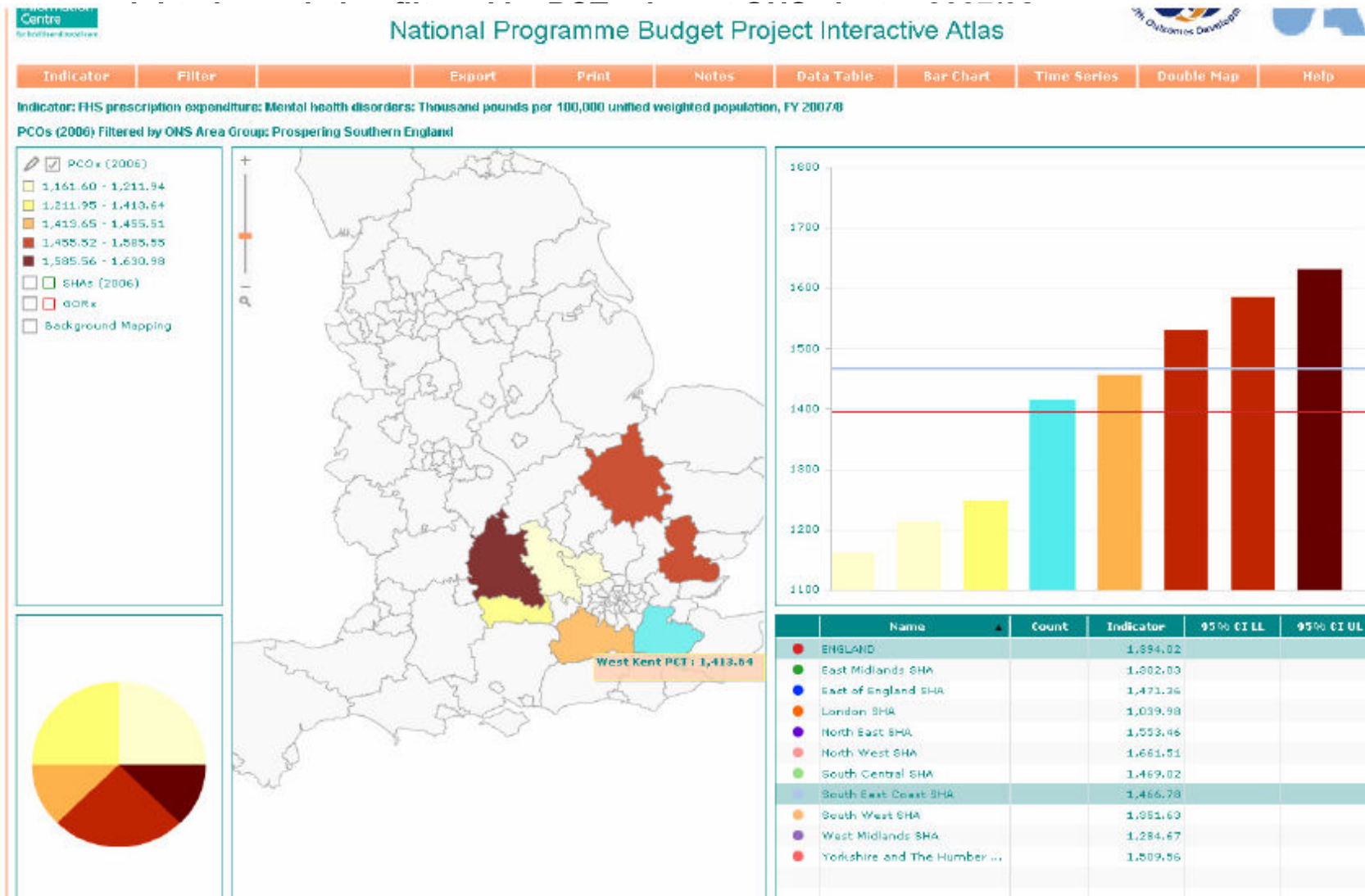


# Triangulate using for example Programme Budget Atlas

- Provided on our behalf by the National Centre for Health Outcomes Development, under contract to the NHS Information Centre.
- The Atlas links programme budgeting expenditure data, as presented in the programme budgeting spreadsheet with an array of outcome data.
- By using mapping software, bar charts and correlation plots, the Atlases provides an illuminating and user-friendly way of analysing and presenting data.
- Atlases available via an NHS Net connection from:  
[www.nchod.nhs.uk](http://www.nchod.nhs.uk)

# WKPCT has an average FHS prescribing expenditure when compared to similar PCTs (Prospering Southern England)

FHS Prescription expenditure : Mental Health. Thousand pounds per 100,000 unified



## Where to with programme analysis?

- Department of Health interested in what we have done in Kent.
- Recent two day visit involving GPs, Public Health Directors and Kent County Council.
- Potential to make the approach far more useful.

**Thank You**