MIDLANDS AND LANCASHIRE
COMMISSIONING SUPPORT UNIT

NHS

Design phase Minimum Requirements

For iHELP Pain Management
On behalf of NHS West Lancashire CCG
Reference L16-24

Introduction

The information provided in section 1 below should be considered and incorporated into the design phase outputs described in sections 4 and 5 in this document. Section 2 describes the service specific minimum requirements and section 3 provides financial information that should also be used for the basis of the reporting requirements described in sections 4 and 5 of this document.

1. DESIGN PHASE MINIMUM REQUIREMENTS – GENERIC ELEMENTS

1.1. NHS West Lancashire Clinical Commissioning Group (CCG) has an overarching clinical strategy entitled "***Building for the Future"*** which sets out our vision for joined up care over the next 5 years. This procurement is set in the context of this Vision. As such any service should be developed giving due consideration to the four pillars of this Strategy as set out below:

1.1.1 Collective accountability

1.1.2 Care co-ordination

1.1.3 Population management

1.1.4 Progressive IT infrastructure

Also considering working closely with health and social care linking with other services in the health economy as necessary to ensure cohesion and integration for the benefit of patients.

The Vision also describes how it will be essential to demonstrate how services will be provided sensitive to local health and service need, addressing health inequalities, wrapped around the patient and focussed on our neighbourhoods; whilst also contributing to time savings in Primary Care and a reduction in attendance at A&E for chronic pain. The "***Building for the Future"*** strategy document is available at: http://www.westlancashireccg.nhs.uk/wp-content/uploads/Building-for-the-Future-Sept-2015.pdf.

1.2. The Commissioner will be looking to understand the extent to which any option or proposal from the Design Phase will:

1.2.1 Meet the minimum requirements of the Design Phase as set out below.

1.2.2 Offer a like-minded Supplier(s) who:

1.2.2.1 Can deliver an organisational solution for patients with chronic pain which can demonstrate strong leadership, sound governance, resilience and gain the confidence of Commissioners and the provider supply chain.

1.2.2.2 Shares the Commissioner's vision for change and is willing to work with the Commissioner to drive the transformational change, understand the need for whole system transformation and can demonstrate how to deliver it, including:

1.2.2.2.1 Changing cultural beliefs and behaviours across organisational boundaries and throughout the healthcare system.

1.2.2.2.2 Providing modern and innovative IT enabled healthcare services which supports patients at all levels of complexity to remain at the highest level of independence that they can achieve.

1.2.2.2.3 Integrating a range of health, social care and third sector services.

1.2.2.2.4 Influencing supply chain organisations to deliver better outcomes for patients.

1.2.2.3 Will work with the Commissioner and service users and carers with personal experience of chronic pain specifically to co-design the final version of the outcome based specification to realise improved outcomes for patients in relation to their health and wellbeing and service user experience whilst driving efficiencies and delivering innovation across the system.

1.2.2.4 Will work with the Commissioner and the population of West Lancashire to communicate the right place to access the right care at the right time – demonstrating cohesion across the different parts of the service model and service providers whilst taking into consideration the CCG's approach to social prescribing.

1.2.2.5 Will deliver financial requirements within the financial envelope and work with the Commissioner to develop the financial model.

1.2.2.6 Will actively engage with a wide range of people, their carers, the local community and other stakeholders on an on-going basis across the life of the contract to ensure that changing needs, outcomes and preferences are met. This will include demonstrating an understanding of and appropriately acting upon the needs of patients with chronic pain across West Lancashire.

2. DESIGN PHASE MINIMUM REQUIREMENTS – SERVICE SPECIFIC ELEMENTS

2.1 The outputs for the design phase should include a translation of the minimum requirements set out from 2.2 to 2.10 below into a well-articulated design model which will meet the strategic outcomes required from the project as detailed in the overall Community Chronic Pain Management service minimum requirements specification. The design model should also take account of the overarching requirements set out below:

2.1.1 Improved health and health outcomes for the population of West Lancashire that experience Chronic Pain.

2.1.2 High quality holistic care for patients that experience Chronic Pain.

2.1.3 Reduced cost (delivering savings to the Commissioner) compared to the current cost of Pain Services in West Lancashire (see the Excel files "Prescribing Data" and "Secondary Care Pain Management Data").

2.2 Provide details of the evidence base data and research undertaken which supports your design concept and which describes and quantifies where appropriate the expected benefits and outcomes for all stakeholders as derived from that evidence.

2.3 Create alternative pathways for patients with chronic pain to reduce the need for hospital attendance / admission, optimise pain medication reducing and stopping where appropriate, and empowering patients to self-manage wherever this is possible and acceptable.

2.4 Demonstrate how the improvements in outcomes including personal, clinical and financial will be achieved.

2.5 Articulate the cultural shift required with key stakeholders and how you would plan to address this to ensure the success of the project.

2.6 Detail how existing, emerging and new technology will be incorporated to help drive the outcomes of the project. Whilst potential Suppliers are not expected to fund the purchase of licences, development, maintenance and associated hardware in their design cost they will be expected to ensure (if successful in being awarded a Contract) that the design incorporates the costings for technology integration within the pilot phase affordability envelope.

2.7 Ensure that all data and intellectual property collected to date and for subsequent contracts are available for the Commissioner to use, modify and share with any third party to use and modify at any time in the future.

2.8 Detail the proposed approach to ensure the Commissioner has access to current and future software as outlined in the contract document.

2.9 Maximise opportunities for the potential Supplier to embed learning in the West Lancashire Commissioning and Contracts Management teams to ensure there are opportunities to review lessons learnt.

2.10 Outline the resource, activities and interdependencies required to mobilise the proposed solution including the transfer of existing patients from secondary care services if you were successful in the ITT Phase 2 award decision.

2.11 As well as the articulated design model, provide details including financial plans showing how the project will remain within the affordability envelope for ITT Phase 2 (Pilot) together with an analysis of the potential savings and dependencies on achieving the savings. The information in section 3 below should be used to meet this requirement.

3. FINANCE INFORMATION TO INFORM THE MINIMUM REQUIREMENTS OF PHASE 1

3.1 During phase 1, the Commissioner aims to work with up to 2 preferred bidders to aid the design whilst simultaneously mitigating the preferred bidders' financial risk by providing the potential budget described below.

3.2 Phase 1 – Design project

3.2.1 Maximum budget per preferred bidder - £40,000

3.2.2 Minimum number of preferred bidders – 1

3.2.3 Maximum number of preferred bidders – 2

3.2.4 Total maximum phase 1 budget - £80,000

3.3 Phase 1 payment

Suppliers will be expected to demonstrate their anticipated resource requirement up to a maximum of £40k.

For the preferred bidders:

3.3.1 50% of the Phase 1 tendered value will be paid upon submission of the interim written report in line with the design stage outputs described below in section 4.

3.3.2 The remaining 50% of the Phase 1 tendered value will only be due if the final design phase outputs are assessed by the Commissioner as meeting all Phase 1 minimum requirements.

Note that at interim stage, the Commissioner will provide feedback to preferred bidders to support them in achieving all minimum requirements. However, preferred bidders should note that if they still fail to meet all minimum requirements the second 50% of tendered value will not be due to them.

3.4 Activity and Financial model

When using assumptions to determine the planned impact of the new design, a 'conservative mid-range scenario' should be used, i.e. not best case or worst case, but towards the conservative end of mid-range.

Using 2015/16 actual secondary care activity costed at 2017/18 tariff prices and actual 2016/17 primary care prescribing spend on Pain management medicines (see Excel file "Secondary Pain Management Care Data" and page 1 of the "Minimum Requirements Service Specification"), bidders will be expected as part of the design process to produce an activity and financial model illustrating their proposed design. This should include:

3.4.1 Activity and cost which will be deflected from the secondary care setting in the first year of full operation (from months 7 to 18 inclusive of phase 2 of the procurement, the pilot phase) and beyond.

3.4.2 Reduced cost of primary care prescribing due to stepping down existing drug regimes in the first full year of operation (from months 7 to 18 inclusive of phase 2 of the procurement, the pilot phase) and beyond.

3.4.3 Alternative packages of care which will be required to be commissioned, with estimated levels of activity and cost related to these.

3.4.4 Any underpinning assumptions should be explained – evidence to support these assumptions should be included where ever possible.

3.5 Total minimum anticipated savings per annum.

There is an expectation that savings of £463,000 will be achievable with effect from the first full year of operation (from months 7 to 18 inclusive of phase 2 of the procurement, the pilot phase) and beyond. This expected savings per annum of £463,000 excludes the costs of alternative packages and diagnostics that the Commissioner will be responsible for during the pilot phase. However, the minimum expectation is that the service will at least cover its own costs.

Savings not covering the total cost of the service would be deemed indicative of a failure in the design of the system. It should be noted also that any savings relating to the recent price decrease in Pregabalin will not be considered towards the target of £463,000.

When assessing savings, the calculations should compare existing costs incurred by the Commissioner with the anticipated costs of delivering the proposed new model of care. All costs quoted should be fully absorbed costs (i.e. including pay, non-pay, overheads, and any provider return).

Existing costs of chronic pain management / treatment incurred by West Lancashire CCG:

3.5.1 Secondary care (using 2015/16 actual activity costed at 2017/18 tariff price, see Excel file "Secondary Care Pain Management Data" and page 1 of the "Minimum Requirements Service Specification").

3.5.2 Primary care prescribing for pain management. Bidders are expected to use the prescribing data provided (see the excel file "Prescribing Data") to inform any possible savings. Adjustments must be made to exclude any windfall savings arising from the price reduction in Pregabalin.

3.6 Anticipated costs of chronic pain management / treatment that will be incurred by West Lancashire CCG once the proposed model of care is being delivered:

3.6.1 Secondary care (assumed cost of those still going through secondary care at 2017/18 tariff).

3.6.2 Primary care prescribing after impact of stepping down of patients' drug regimens by the Supplier team.

3.6.3 Cost of the Supplier team.

3.6.4 Cost of diagnostics.

3.6.5 Cost of alternative packages of care.

3.6.6 Any underpinning assumptions should be explained – evidence to support these assumptions should be included where ever possible.

Suppliers should assume that the August 2017 Category M price of Pregabalin will remain constant when preparing any financials to support this procurement.

Throughout the procurement documentation, budgets have been split between 'supplier delivery team' and 'alternative packages'. This distinction has been made to aid the CCG in modelling the case for change in Chronic Pain Treatment. Suppliers should treat the sum of these two budgets as the total funding available for provision of care. The CCG expects bidders to clarify what elements (and respective cost / activity levels) of provision will be delivered by the bidder and what elements of provision the bidder expects will be delivered by 3rd party organisations.

During phase 2, 3rd party provision of care will be funded directly by the CCG to help mitigate risk to bidders. It is expected that the successful bidder would reimburse 3rd party organisations for any care provided (including diagnostics) and recover these costs from the CCG as a pass-through payment.

For phase 3, the CCG will explore devolving 3rd party care budgets (including any diagnostics) to the successful bidder. It is anticipated there will be more certainty pertaining to 3rd party activity levels at this point and therefore less risk to the 3rd party care budget holder.

3.7 Contract price for phases 2 and 3

On the Assumption that the Preferred Bidder will move from phase 1 through Phase 2 to Phase 3 of this procurement the Commissioner will issue principles as the procurement proceeds, by which contract values will be adjusted over time to reflect:

3.7.1 Price changes between financial years

3.7.2 Stipulated NHS annual efficiency requirements

3.7.3 Changes in clinical coding rules, if applicable

3.7.4 Changes in clinical practice, national policies, etc if applicable

3.7.5 Moving from phase 2 to phase 3 of the procurement.

The Commissioner will issue principles to apply, in consultation with bidders. When these are issued by the Commissioner as final, they must be accepted as a pre-requisite to each bidder being allowed to progress.

4. DESIGN PHASE OUTPUTS

The information above should be used to generate the interim report to meet the requirements detailed in section 4.

4.1 Interim Report

4.4.1 An interim presentation (30 minutes maximum) and written report (5,000 words maximum in MS Word or equivalent not PDF) to reach the Commissioner at the end of week 6 of the Design Phase to include:

4.1.1 Work undertaken and progress to date to meet the design phase minimum

requirements – generic elements and the design phase minimum requirements – service specific elements.

4.1.2 Interim findings to date.

4.1.3 Initial thinking on the design and mode to meet the minimum requirements.

4.1.4 Any risks and issues already identified with any mitigating action.

4.1.5 The plan for the next 6 weeks.

4.1.6 Updated schedule of rates for any costs incurred in the first 6 weeks.

5. Final Report

The information above should be used to generate your well articulated design model for the final report requirements as described in section 5 below:

5.1 A final presentation (30 minutes maximum) and written report (10,000 words maximum) in MS Word or equivalent (not PDF) against the contract requirements at the end of the Design Phase to include:

5.1.1 A description of your proposed Design solution which meets the design phase minimum requirements including the generic elements described in section 1 above, and the design phase minimum requirements service specific elements described in section 2 above.

5.1.2 The presentation and report should focus on those areas that the Bidder would like the Commissioner to understand.

5.1.3 A review of feedback from the Commissioner and key stakeholders including lessons learned and action taken.

5.1.4 The presentation should also include:

5.1.4.1 A storyboard (or similar) of the development of thought process from original research to final design concept including any relevant feedback from stakeholders or lessons learnt along the way.

5.1.4.2 A storyboard (or similar) demonstrating the service model including any innovative elements particularly those incorporating the use of the third sector, social prescribing, technology and workforce etc.

5.1.5 Financial templates to demonstrate the activity and costs underpinning the proposed service model.

5.1.6 Updated schedule of rates to include all costs incurred during the design phase.

5.1.7 Provide the Commissioner with access to all data, research, software and other intellectual property utilised or created on which the model has been developed, including how it will be made available, as detailed in the contract (schedule 1 clause 14).

6. Timescales for the contract

The Supplier will be expected to complete the final report within a period of 12 weeks from award of Contract for the Design Phase.