NHS Rotherham

CCG Committee – 7 November 2012

Continuing Health Care (CHC) Update

Contact Details:

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Purpose:
The purpose of this paper is to:

- Update the CCG committee on the latest position regarding Continuing Healthcare (CHC) and NHS Funded Nursing care

Recommendations:
The CCG committee is asked to:

- Note the history and forecast to the end of 2012/13 and proposal for 2013/14.
- Note the number of referrals received into the organisation as a result of the Retrospective Closure Process and potential financial implications.

Background:
In recent years, the cost of continuing healthcare (CHC) and nursing care (FNC) has increased primarily due to the introduction the National Framework which lowered the threshold for access to CHC in 2009. The rise in costs has been reported previously alongside the actions required to contain costs including:

- Improving the timeliness of review
- Introducing contractual arrangements
- Working in partnership with RMBC

Progress against these and further developments in CHC are reported here.

It has been agreed that the CHC service will be purchased from South Yorkshire & Bassetlaw CSS and negotiations are currently being finalised.

Analysis of Risks:

Rising CHC expenditure and key statistics
Between 2006/2007 and 2010/11, the cost of CHC rose from £2.2m to £12.5m. The out-turn in 2011/12 was £12.6m. When the FNC payments were added to this out-turn the total 2011/12 expenditure was £14.8m.
Based on information from the first 6 months of 2012/13 the forecast out-turn for 2012/13 is £13.4m. There is also a non recurrent impact of £6m from retrospective claims. A summary of the last 3 years financial information can be seen below:

<table>
<thead>
<tr>
<th>Year</th>
<th>CHC Packages £m</th>
<th>FNC £m</th>
<th>Retrospectives £m</th>
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<tbody>
<tr>
<td>2010/11 - Actual</td>
<td>12.5</td>
<td>2.4</td>
<td>0.4</td>
</tr>
<tr>
<td>2011/12 – Actual</td>
<td>12.6</td>
<td>2.2</td>
<td>1</td>
</tr>
<tr>
<td>2012/13 - Forecast</td>
<td>13.4</td>
<td>2.0</td>
<td>6.0</td>
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**Retrospectives**

In March 2012, the NHS Chief Executive, Sir David Nicholson announced the introduction of deadlines for assessments of eligibility for NHS Continuing healthcare for cases during the period 1st April 2004 to 31st March 2012. A cluster wide approach is being taken and a dedicated team has been formed consisting of experienced staff seconded from our existing CHC resource across the health community complimented by the recruitment of other temporary staff members.

Retrospective referrals into the dedicated team have exceeded 1800. 317 of those are Rotherham CCG. The estimated exposure in 2012/13 is £5m.

**Benchmarking position**

Across Yorkshire and the Humber, there are 15 PCT’s. NHS Rotherham’s benchmarking position is 8th out of 15 for CHC Activity and 10th out of 15 for year to date CHC expenditure.

These figures suggest that NHSR has robust processes in place for assessing eligibility for CHC but needs to continue to explore alternative packages of care for individuals which, whilst meeting the needs of the clients, also provide value for money. Implementation of the NHS Standard Contract for Care Homes and a consistent best practice price across South Yorkshire will be key to this.
### Analysis of Key Issues:

#### Timely reviews of existing CHC clients

30% of CHC and FNC clients reviews are overdue. This is much improved on the 2010/11 figure which showed that 70% of clients were overdue a review. More work is needed and we will continue to prioritise high cost packages for review and monitor progress.

#### Links to the other Urgent Care/LTC initiatives

The CCG anticipates that patients identified in the GP case management pilot will include the majority of those eligible for CHC. The links between these patients and CHC clients are being explored.

### Financial Implications:

It is difficult to forecast the future position given the distortion of funds by retrospectives. It is likely that a proposal to increase the budget by £0.5m-£1m will be made as part of the Annual Commissioning Plan process. This will be subject to affordability and any updated intelligence with regard to 2012/13 forecast outturn.

Approved by: Keely Firth

### Procurement:

The introduction of the NHS Standard Care homes contract has been taken forward by procurement. Other issues to be considered in collaboration with Procurement include the Framework Agreement for domiciliary care providers and potential for cluster wide contractual arrangements.

Approved by: Doug Hershaw