

North Tyneside Health & Wellbeing Board Report Date: 29 October 2015

ITEM 6

Title: North Tyneside
Clinical Commissioning
Group - Accountable
Care Organisation

Report from : NHS North Tyneside Clinical Commissioning Group (CCG)

Report Author: Maurya Cushlow, CCG Chief Officer (Tel: 0191 293 1140)

1. Purpose:

This paper sets out the context, principles and approach for the establishment of an Accountable Care Organisation (ACO) commissioning model for North Tyneside. The purpose of which is to ensure the long term financial stability of high quality health services for North Tyneside residents.

2. Recommendation(s):

The Board is recommended to note the information provided by North Tyneside CCG about the development of an Accountable Care Organisation.

3. Policy Framework

This item relates to all the objectives of the Joint Health and Wellbeing Strategy 2013-18 but in particular:

- To continually seek and develop new opportunities to improve the health and wellbeing of the population
- To shift investment to focus on evidence based prevention and early intervention where possible
- To integrate services where there is an opportunity for better outcomes for the public and better use of public money
- To focus on outcomes for the population in terms of measurable improvements in health and wellbeing

It will contribute to the following joint priorities:

- Improving the Health and Wellbeing of Families
- Improving Mental Health and Emotional Wellbeing
- Addressing Premature Mortality to Reduce the Life Expectancy Gap
- Improving Life Expectancy
- Reducing avoidable Hospital and Care Home Admissions

4. Information:

North Tyneside CCG's poor financial performance has overshadowed its successful delivery of high quality safe and patient-centred care. The CCG has a dynamic commissioning approach with the local authority which delivers better and more patient co-designed health services and is also a means to achieving financial stability in the medium term. However, the CCG recognises that the speed of financial recovery does not meet its statutory duties in an acceptable timeframe and it has concluded that it should now develop the concept of commissioning through an Accountable Care Organisation (ACO) appropriate for North Tyneside. If approved the CCG will aim to run a shadow ACO contract for 2016/17 with full system sign off and model evaluation complete for April 2017

Despite a challenging Financial Recovery Programme targeting 17million pounds savings in the current financial year the CCG will be unable to achieve its statutory responsibility to deliver financial balance in the short term. The CCG is therefore working with partners develop an ACO model as a solution to deliver financially sustainable high quality health services in a short term timescale.

5. Decision options:

This item is not for decision. The Board is asked to note the information provided by North Tyneside CCG about the development of an Accountable Care Organisation.

6. Reasons for recommended option:

Not applicable as the report is for information only.

7. Appendices:

Appendix A - North Tyneside CCG – Accountable Care Organisation.

8. Contact officers:

Maurya Cushlow, Accountable Officer, NHS North Tyneside CCG (Tel: 0191 293 1140)

9. Background information:

The following background documents have been used in the compilation of this report and are available from the author:-

- Five Year Forward View. NHS England, November 2014

COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

10 Finance and other resources

The Accountable Care Organisation is an ambitious programme which the CCG's external advisors believe is extremely challenging and not without risk. If approved, the CCG will aim to run a shadow ACO contract for 2016/17 with full system sign off and model evaluation complete for April 2017 which will allow some time for all partners to understand what is proposed and the financial implications for their own organisations.

11 Legal

There are no legal implications arising directly from this report

12 Consultation/community engagement

The proposal has been developed in consultation with NHS England. The paper has been circulated to our local partners with an invitation to sit on the programme board.

13 Human rights

There are no human rights implications directly arising from this report.

14 Equalities and diversity

There are no equalities and diversity implications directly arising from this report

15 Risk management

The CCG will fully risk assess the development of the ACO

16 Crime and disorder

There are no crime and disorder implications directly arising from this report.

SIGN OFF

Director of Public Health

Chair/Deputy Chair of the Board

Chief Finance Officer

Head of Law & Governance