

North Tyneside Health & Wellbeing Board Report Date: 7 January 2016

ITEM 5

Title: Update on the North
Tyneside 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 updated position on the development of an Accountable Care Organisation (ACO) approach, the purpose of which is to ensure the long term financial stability of high quality health services for North Tyneside residents.

Members of the Health and Well Being Board are asked to note the context and work to date on

- the development of an Accountable Care Organisation in North Tyneside,
- the establishment of the ACO Programme Board and
- the challenging work programme ahead to deliver the ACO approach in the timescales required.

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:

The Health and Wellbeing Board received a report in October 2015 regarding the work of North Tyneside CCG to develop the concept of commissioning through an Accountable Care Organisation (ACO) appropriate for North Tyneside. This report provides an update on that work.

North Tyneside CCG was created as a statutory organisation in April 2013 and is now in its third year of operation. The CCG has faced a number of challenges since its inception and during 2014/15 recorded a financial deficit of £6.4m. As a direct consequence, the CCG is now in formal financial recovery.

Taking the local health economy as a whole, there appears to be sufficient health funds for sustainability, but a growing elderly population and year on year efficiencies in social care mean that care models and pathways need continuing development to move more care away from hospital facilities and provide much more person-centred and integrated services closer to home.

North Tyneside CCG has considered the options for commissioning affordable and sustainable quality health care that is fit to meet the future needs of its communities and has concluded that it should now develop the concept of commissioning services through an Accountable Care Organisation, appropriate for North Tyneside. It is an ambitious programme which is extremely challenging and not without risk.

An ACO Programme Board and a number of key workstreams have been established to oversee this work, co-chaired by the CCG and the CEO of the LA with members from key partner organisations.

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 – The development of the Accountable Care Organisation approach in North Tyneside.

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
- Place Based Systems of Care – a way forward for the NHS in England' Kings Fund, November 2015:

COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

10 Finance and other resources

At this stage it is not clear what, if any, the financial implications will be through the introduction of an ACO as these are still being considered. However, the overall intention and purpose of this development is to agree a sustainable health (and care) system and mitigate and contain further financial risk. At this early stage the desire of the ACO programme board is to include social care in the ultimate design and any financial implications will need to be considered by all partners as part of the development of the proposals.

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