CQC's assessment of use of resources

October 2015

CQC purpose and role

Our purpose

We make sure health and social care services provide people with safe, effective, compassionate, high-quality care and we encourage care services to improve

Our role

We monitor, inspect and regulate services to make sure they meet fundamental standards of quality and safety and we publish what we find, including performance ratings to help people choose care

Context

Approaching completion of CQC's three year strategy 2013-2015

NHS trusts and FTs deficit of £900m in first quarter of 2015/16

Carter Review of Operational Productivity in the NHS – c.£5bn savings by 2020

Monitor and TDA coming together in NHS Improvement

5YFV - £30bn gap by 2020/21.

£8bn additional funds, £22bn savings.

Concerted initiatives from DH, NHS England, Monitor, TDA

Request from the Secretary of State

- “I’ve asked Mike Richards to include use of resources as one of the key criteria that the CQC look at, when his round two inspection regime starts in April next year.
- “This CQC inspection regime – which is the single thing I’m probably most proud of in terms of the changes we’ve made over the last couple of years – will fail if we see quality and efficiency as two separate things.”

Key milestones of our plan

- Begin piloting an assessment of use of resources in acute NHS trusts and FTs from April 2016
- Formally consult in January 2016
- Issue a “signposting document” at the end of October 2015 as the basis for sector engagement

Starting points

- Will not change CQC's purpose as quality regulator
- Added value is to bring together quality and efficiency agendas. We will also increase transparency. Our hypothesis is that there are correlations and synergies between quality and use of resources.
- The scope of the assessment will be how resources are converted into inputs, activities and outputs. Like our quality ratings, it will focus on service level and overall leadership/governance. We will learn from past approaches.
- We will use our existing four point ratings scale.
- We will start with acute trusts but aim to extend to all trusts. No plans yet for other regulated sectors.

For consultation – assessment framework (1)

Care Quality Commission

Getting into hospital → **Being in hospital** → **Leaving hospital**

This theme might incorporate issues such as:

- Are the right clinical activities being carried out according to patient need?
- Are unnecessary clinical activities avoided (e.g. avoiding unnecessary admissions, avoiding carrying out unnecessary tests or interventions, etc)
- Is the flow / throughput of patients being maximised?

Leadership and governance + **Support processes**

This theme might incorporate issues such as:

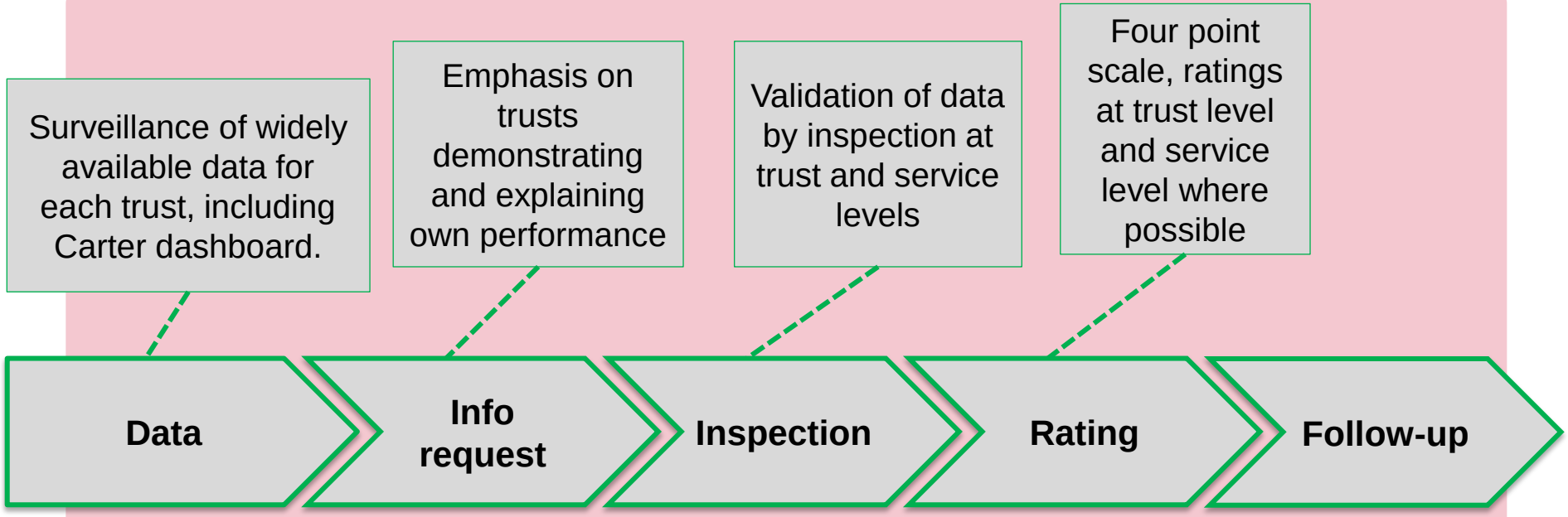
- Is there a clear vision and robust governance approach to managing resources economically and efficiently?
- Are overheads being managed in an economical manner?

For consultation – assessment framework (2)

illustrative

Cost and productivity	- **Data on costs and outputs over time and relative to other trusts** - **Variation between services and over time**
Strategy and leadership	- **Strategic vision and approach** - **Working with partners to ensure efficient & sustainable services** - **Leadership across quality and efficiency**
Management systems	- **Efficient organisation of services & management of patient flow** - **Management systems - line of sight from ward to board** - **Digital maturity – adoption & use of digital systems to promote efficiency**
Operational factors	- **Efficient deployment of clinical staff** - **Cost-effective practice around admissions, day cases, length of stay, treatment options, etc** - **Estates, equipment and other costs**

For consultation - assessment process



- Evidence will be collected at **service level and below** as much as possible – this is where decisions are made that drive costs – plus **ward-to-board** oversight.
- Primarily **information-based** (and driving better use of data by trusts themselves) plus **light-touch inspection**.

Engagement

- Signposting document to be published next week
  - Engagement events and online forums, coordinated with Carter and NHS Improvement
- Formal consultation January likely to be 8 weeks
  - Alongside CQC strategy and changes for next round of inspections
- Piloting from April 2016
  - Consideration of options, not just “shadow ratings”

Thank you

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