Yorkshire and Humber Integrated Urgent Care: Service Development and Procurement

NHS Hull Clinical Commissioning Group Governing Body Meeting 23rd March 2018

1. Purpose

Integrated Urgent Care (IUC) is a strategic priority of the Yorkshire and Humber (Y&H) Joint Strategic Commissioning Board (JSCB). This paper gives a summary of the journey Y&H Clinical Commissioning Groups (CCGs) and NHS England (as commissioners of Dental Services) are taking to deliver their Integrated Urgent Care (IUC) programme and seeks approval to undertake a formal procurement exercise to replace the existing NHS 111 service (following contract expiration in March 2019) service with a new service model.

2. Executive Summary

- A national specification for Integrated Urgent Care was published in August 2017. This described how the NHS 111 service, GP out of hours (GPOOH) and other urgent care services should integrate to provide a joined up IUC system
- The future Y&H clinical advice service (CAS) model will comprise providers of urgent and emergency care services working in collaboration to offer a seamless service for patients that maximises the opportunity to 'consult and complete' via a telephone call. This will mean patients will receive a complete episode of care reducing the need for onward secondary care referral or additional signposting
- The Yorkshire & the Humber NHS 111 service is currently provided by the Yorkshire Ambulance Service (YAS) and their contract ends in March 2018. A new 'interim' contract is being negotiated by the coordinating commissioner, Greater Huddersfield Clinical Commissioning Group (GHCCG), for the period April 2018 to end March 2019.
- The view amongst commissioners is that a dialogue-based procurement process is the most appropriate means of delivering the IUC outcomes. There are, however, acknowledged risks attached to completing this type of process within the interim period and it is therefore recommended that the interim contract be negotiated to allow for a 6 month extension if required, thus mitigating any risks to service continuity. NHS England has mandated that the service will meet the core national standards by April 1st 2019 and work is being undertaken to ensure that IUC is in place by that date. In particular, information on the key components of the IUC specification that are being prioritised in the interim contract negotiation are set out later in this paper.
- Following the publication of a Prior Information Notice (PIN) to the market to seek expressions of interest from potential providers of a new call handling and core clinical advice service, there is deemed to be sufficient interest to place a requirement to undertake a procurement exercise to appoint a provider. Procurement advice, following a strong market response to the PIN, has confirmed it is necessary to go to market to comply with NHS regulations and public procurement legislation.

3. Background

Following an extensive engagement exercise, in August 2017 NHS England published a new service specification for the provision of Integrated Urgent Care which provides:

- 24/7 Urgent Care Services

- Clinical Advice and Treatment Services
- Incorporates 111 call handling, GPOOH and other urgent care services.
- Provider collaboration to deliver an integrated model of urgent care

Historically, across England there have been separate commissioning, contacting and working arrangements. The resultant lack of interconnectivity between various services which provide urgent care has led to disjointed pathways, sub optimal resource allocation and poor service user experience.

At its simplest, IUC is a move to connect and integrate the various services which currently provide urgent care under one banner with NHS 111 as a single entry point. Areas such as clinical governance and KPIs would stretch across the system, rather than just with individual organisations.

3.1 The Current NHS 111 Contract

One core element of the IUC system is a NHS 111 call handling service. Across Yorkshire and Humber the current NHS 111 call handling service is provided by the Yorkshire Ambulance Service and has been since its inception in 2013. The current contract with YAS is due to expire in March 2018 and there is no facility within the current contract to extend beyond this date.

Therefore it was agreed to enter into a new contract with YAS for one year (April 2018 to March 2019). This was a pragmatic solution as commissioners were awaiting publication of the national specification ahead of any procurement process. This 'interim' contract does not seek to commission a fully integrated IUC service but moves Y&H CCGs towards this goal. At the time of writing, the 2018-19 NHS 111 contract is being negotiated with YAS by Greater Huddersfield CCG as the coordinating commissioner for the commissioning and contracting of NHS 111 services for Y&H.

3.2 Clinical Advice Service

A fundamental part of the development of IUC system is the establishment of a Clinical Advice Service.

Currently YAS, as the NHS 111 service provider, provide a 'core' CAS function by directly employing a range of staff that offer advice, guidance and complete episodes of care to callers of 111 within Y&H.

The CAS as envisaged under the Y&H IUC model will be a virtual team of clinical staff who are able to offer advice, guidance and 'complete' episodes of care. This service is anticipated to be provided via multiple interdependent urgent care providers connected across the patient pathway. It is unlikely that for financial and recruitment and retention reasons any single provider would be able, or commissioners would want them, to directly provide the clinical staff required to support the model though this does not rule out a lead provider working with other health and care providers.

3.3 OOH Providers

Another core part of the IUC provision is GPOOH services. Currently these are commissioned by individual CCGs with the exception of West Yorkshire where Local Care Direct (LCD) is a subcontractor of the YAS NHS 111 contract. Y&H CCGs have

indicated that they do not want the commissioning of GPOOH services to move from sub-regionally/locally commissioned to a regionally commissioned service. There is, therefore, no intention to directly change the commissioning arrangements for GPOOH as part of this programme of work. It should be noted that whereas the WYUC service was procured in 2013 alongside and as part of the NHS 111 procurement, this will not be the case for any contract to be in place from April 2019 where separate arrangements will be required.

3.4 Dental Services

NHS England commissions dental services across Yorkshire and Humber. Currently NHS 111 dental dispositions account for around 12% of all dispositions (against a national average of 5%) from calls in Y&H and so represent a significant proportion of patients into the system. Therefore NHS England are, and continue to be, important commissioners of the NHS 111 service and Dental services will be an important part of the IUC system with future intentions requiring to take due regard of NHS England's governance pathways and commissioning intentions.

4. Next Steps

4.1 Interim Year

As outlined in section 3.1 an 'interim' contract will be in place with YAS for 2018/19. This contract and associated specification is aimed to act as a bridge between the current service required NHS England targets/expectations and the full service model that will be in place by April 2019.

In support of the direction of travel set out in the national IUC specification, the following developments have been prioritised in contract negotiations for 2018-19:

- The requirement for YAS to directly book into identified urgent care services 24/7. Currently YAS is only commissioned to directly book into out of hours services.
- That YAS should work with the Urgent and Emergency Care Networks in Yorkshire & the Humber to increase the number of patients directly booked into GPOOH and In Hours services.
- That YAS should connect (both technically and in terms of provider collaboration) with existing local services to increase the level of clinical advice offered to patients who would benefit from telephone based advice.

4.2 Providers of urgent care services

The underlying premise of the IUC agenda is to connect and 'integrate' services across the urgent care pathways. Therefore while NHS 111 telephony and the clinical advice model offered by YAS in 2018-19 is a critical element of this, many other providers will also be affected.

There will be a requirement to issue contract variations to existing contracts to ensure that they are able to comply with the updated requirements of becoming part of the Y&H IUC system. The exact requirements of this (i.e. data sharing, integrated clinical governance arrangements, acceptance from NHS 111 of patients directly booked into appointment slots, etc) have already been set out by NHS England and will need to be in place ahead of April 2019.

Providers will need to interact and work together to offer the best pathway and

outcomes for patients and take a proactive stance within the IUC system rather than as individual providers.

5. Approach to market and Expressions of Interest from Potential Bidders

In line with the key dates outlined above a Prior Information Notice (PIN) was issued on the 15th January 2018 and closed on the 26th January 2018. In response a total of seven (7) service providers expressed an interest in bidding to provide the service from April 2019 through to end March 2024.

The PIN response was considered at both the Y&H CCGs IUEC Programme Board on the 1st February 2018 and at a commissioner only meeting of the JSCB on the 5th February 2018. It was agreed that the responses included a number of capable service providers in this market, including organisations which are currently offering NHS 111 or urgent care services.

5.1 Procurement Considerations

In respect of the procurement process, there are three distinct considerations these are as follows:

- The requirement to undertake a competitive process
- The choice of procurement process
- The timeframe for the completion of the selected process

5.2.1 The requirement to undertake a competitive process

The NHS Procurement, Patient Choice and Competition Regulations and associated approach to the Public Procurement legislation through the 'Light Touch Regime' are clear that the direct award of a contract without advertising the opportunity are subject to the following:

- the relevant body is 'satisfied that the services to which the contract relates are only capable of being provided by one provider'
- providers must be allowed to compete to provide a service
- commissioners must act in a far, transparent and non-discriminatory manner when awarding contracts

The PIN sought to test whether or not there is the likelihood that there was more than one provider that will be interested in the opportunity and that the potential providers represent a viable challenge to continuing to contract with the current provider without competition.

A decision to proceed at this time to award a contract without competition has a high probability of being challenged. This would either be through NHS Improvement who are responsible for the application of the NHS regulations or through the Courts in the case of Public Procurement legislation. The anticipated outcome for this scenario would be an instruction to undertake a procurement process, reputational damage to the commissioners and possible claim for damages depending on the case made by the challenger(s).

The response to the PIN provides the commissioners with little option other than to commence a competitive procurement process. If at any point within the procurement process it is considered that to continue with a competitive process is

no longer viable or appropriate then a decision can be taken at that point as long as there is evidence and a rationale to support such a decision.

5.2.2 The choice of procurement process

This is a key decision in respect of the type of process to be undertaken and the associated resource required to support it. There are a number of approaches, these have been reduced to two that allow for a two-stage restricted process, where restricted refers to the number of potential providers invited to bid following a pre-qualification selection stage. This is intended to ensure that only serious and viable bidders are invited to continue to participate in the process. The two processes are Restricted Invitation to Tender (ITT); and Structured/Competitive Dialogue (SD).

Most straightforward NHS procurements are undertaken using the ITT approach, with only the more complex projects being subject to the SD approach. The SD allows for projects where the service model or provision to be put in place is either uncertain at the outset or highly complex requiring an iterative development with potential providers to clearly establish what will be provided under the contract.

Both processes require market engagement in the form of market/bidder events to allow the commissioners to set out their requirements, expectations and the intended process and indicative timeline.

Restricted ITT

It is required to have a clear specification that gives the bidder clarity as to what is being commissioned. This is required to be in place by the time the formal tender documentation is issued. The resource requirement to support this process is significant at the ITT pre-issue stage where the input into the specification, design and weighting of questions and evaluation framework is essential to ensure providers will respond appropriately. This approach also necessitates that there comprehensive and thorough information available to support bidders with respect to finances, incentives, quality, KPIs, and the overall contract at the ITT pre-issue stage. The other period where consistent support is required is at the evaluation stage where those selected to evaluate must commit to significant time to read, understand and score responses provided.

Benefits: Clear timeline with milestones, once produced the bidder responds to the specification with questions set by the commissioners. Potentially this is a shorter process with a clearly structured evaluation/scoring process.

Risks: There is limited scope to change specification within the live process the specification needs to be acceptable to commissioners at the point of issue with the acceptance that there is limited scope to change before award. Significant up front resource requirement is required prior to the issue of the ITT documentation.

Structured Dialogue (SD)

Although this is a more iterative process it will still require a clear specification to initiate the dialogue which is in essence the bidders responding to request for information/solutions that are then clarified, understood and refined through a series of structured dialogue sessions. It is not a continual conversation with bidders more of a structured series of meetings within which dialogue takes place. Typically there are two or three rounds of dialogue before bidders are requested to submit their final

bids for formal evaluation. The resource requirement to support this process is significant as indicated as being required by the ITT process but also throughout the dialogue element as there is a requirement for consistency of those involved in the meetings and the evaluation process.

Benefits: Clear timeline with milestones, once produced the bidder responds to an initial the specification with proposals that are explored with commissioners. The process refines the commissioners' requirements until such point it is clear what is required. Provides an opportunity for bidders to fully understand what is required and commissioners what is possible.

Risks: The process requires significant support both from a logistical perspective and from commissioners during the evaluation phase. This is proportional to the number of bidders that qualify to enter the process. The process requires the commissioners to reflect the outcome of dialogue in the final specification to ensure the intended benefit is realised. The support requirement throughout the process is significant.

There is a general consensus that the NHS 111 call handling service and core CAS should be procured using a SD approach. This is based on a view of complexity of the bringing together of the three STP and their constituent CCGs' intentions around integrated urgent care and a sense that SD allows for a better chance of no surprises at the end of the process i.e. a consistent view that the winning bidder is clearly the most suitable provider to take on the contract.

It was recommended at the Commissioner only attended JCSB meeting held on 5 February 2018, that commissioners:

- Agree to commence a formal procurement exercise on the basis of the response to the PIN

Additional engagement was then undertaken with commissioner leads which further recommended that Y&H commissioners:

- Support the use of a dialogue based procurement process in delivering the requirements of the national IUC specification across Y&H, and
- Acknowledge the risks attached to completing this type of process within the interim period and also recommended that the interim contract be negotiated to allow for a 6 month extension if required, thus mitigating any risks to service continuity.

5.2.3 The timeframe for the completion of the selected process

At this time the timeframe for a competitive procurement process is based on the steps necessary to select the preferred provider, award the contract and mobilise the service over a period of 27 weeks with the service live from the beginning of April 2019. There are a number of considerations which support that the service is required to start in April 2019, these are:

- Requirement from NHS England that a fully integrated urgent care model will be in place from March 2019 in line with national requirements
- Alignment with NHS England Y&H dental commissioning intention to procure a new service the mobilisation of which will impact on the NHS111 service. It is

expected that an extension will be granted to align with April 2019 provision to extend beyond this date is not available.

- Requirement for the current provider to agree to extend the interim contract period for logistical, financial and commercial reasons and the cost associated with any extension

The following shows the stages of this large scale procurement process. This is based on a formal launch of the process in April 2018. In essence with the commencement of the process, the key dates of the procurement process are outlined as below:

- 15th January 2018: Issue of PIN
- 29th January 2018: Close of PIN and decision made on route to market based on the market interest in bidding
- February 2018: Select approach to market and process
- March 2018: Market engagement and Bidder events
- April 2018 to February 2019: Procurement process
- February 2019: Preferred bidder identified
- March 2019: CCGs asked to approve award of contract

Timescales for subsequent mobilisation will be determined as the procurement process unfolds, however it is the intention that the latest point for this to be concluded is 30 September 2019.

There is sufficient understanding at this stage about the scale and complexity of the procurement to enable the following risks to be identified. This is based on:

- Degree of market engagement to establish the robustness of the response from the market i.e. who is likely to bid.
- Ability of commissioners to provide necessary, sustained and consistent input to the procurement process.
- Commitment from commissioners to appropriately resource the process and input to manage a SD approach.
- Understanding of other issues that may affect this process i.e. re-commissioning of West Yorkshire Urgent Care OOH and Y&H dental services
- Level of preparedness and appetite of wider providers of OOH and associated services to participate in the development of core CAS ready for April 2019.

5.2 Patient and Public Engagement

The National IUC specification was published following wide ranging engagement with commissioners, providers and patients. It remains, however, the responsibility of individual CCGs to have, through the development of their local urgent care strategies to engage with local populations to inform their development of their IUC system. Commissioners are required to ensure patients and the public are involved in the procurement process as it evolves.

6. Governance

It is intended that GHCCG lead the procurement process as the coordinating commissioner and current contract holder for the NHS 111 service. GHCCG will continue to hold the contract for the provider of the new service post implementation.

This procurement will be overseen by the Y&H JSCB. The JSCB has STP/ICS and

NHS England representatives and is responsible for overall decision making in respect of the implementation of IUC. The Senior Responsible Officer (SRO) role will be jointly held by Carol McKenna, Accountable Officer, Greater Huddersfield and North Kirklees CCGs and Jo Webster, Accountable Officer, Wakefield CCG.

7. Recommendations

The Governing Body and NHS England Senior Management Team is asked to:

- Ratify the recommendation of the Commissioner only JSCB that the appropriate route to market is through a competitive procurement process and instruct the JSCB to implement this decision.
- Ratify the recommendation of the use of a dialogue based process to deliver the service model
- Ratify the recommendation to negotiate an interim contract with the current 111 provider for 18/19 that has the ability to be extended for six months as a means of mitigating any risks relating to continuity of service, should unavoidable slippage occur.
- Note the risks associated with the procurement process and support the core team to mitigate these.
- Confirm their decision in writing to Greater Huddersfield CCG.

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On behalf of: the Y&H Joint Strategic Commissioning Board
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