Commissioning in the NHS

In the NHS, commissioning is the term given to the process of identifying what health care services local people need and then arranging and procuring these services from providers. Commissioners are responsible for deciding how local healthcare budgets are used.

NHS England

From 1 April 2013, the new organisations, created through the Health and Social Care Act 2012, have taken over responsibility for commissioning health care services for people in England.

NHS England will play a key role in the Government’s vision to modernise the health service with the aim of securing the best possible health outcomes for patients by prioritising them in every decision it makes.

NHS England has twenty seven Area Teams (ATs) to act as its ‘local arms’ to discharge its responsibilities. These responsibilities include the commissioning of General Ophthalmic Services.

Clinical Commissioning Groups (CCGs)

CCGs are commissioning organisations formed from general medical practices. The new structures are intended to ensure a close relationship between local people, commissioners and commissioning decisions. The two hundred and eleven CCGs will be responsible for designing and implementing new local eye health services, and reviewing existing enhanced services.

Commissioning Support Units (CSUs)

To ensure that CCGs devote as much of their budget as possible to frontline care, they will be able to use CSUs to provide many back-office commissioning support functions and services, such as business intelligence and procurement. Some CCGs will also call upon CSUs to provide other functions, such as HR and finance. There are nineteen CSUs operating in England as of 1 April 2013.

Commissioning Budget

The commissioner’s budget is calculated using a weighted capitation formula which takes into account the number of people in the local population and then adjusts this for health and demographic indicators e.g. number of older people. The budget is to enable the commissioner to secure a comprehensive range of health care services and services for improving health (e.g. smoking cessation) for its population.
The Commissioning Process

Strategic Planning
Planning is at the heart of the commissioning process. The CCG will devise a strategy which specifies outcomes and sets out areas for change over a period of several years. The Strategy will guide year on year commissioning priorities and operational planning. Commissioners are required to involve patients and the public in developing their plans and strategies and also to consult with local authority based Health and Wellbeing Boards.

Assessing Needs
The first stage in the commissioning cycle is assessing the health needs of the local population. This should be done using the Joint Strategic Needs Assessment (JSNA) carried out by the Health and Wellbeing Board and an up-to-date eye health needs assessment.

Reviewing Current Service Provision
Next, commissioners need to understand how services are currently being provided and identify any gaps that can be addressed by commissioning new or different services.

It is important to benchmark current service provision, by comparing services with similar areas. The commissioners will take a view on whether the existing level of service provision best meets the local needs in terms of value for money, quality and accessibility. If not, requests for service change may be discussed with providers or pathways may be redesigned and services tendered to find an alternative provider.

Deciding Priorities
Comparing the eye health needs assessment with an analysis of current provision will highlight what needs to change. This may include:

- areas where there are gaps in existing service provision;
- areas with specific health needs that could benefit from additional investment in services;
- communities that have limited choice, either in terms of providers or in the nature of services available;
- investment in services not targeted on areas of greatest need.
Design Services and Specify Outcomes

In the case of a service which is not best meeting the population’s needs, the commissioners need to work together with providers and all stakeholders to redesign the service model. Where brand new services are commissioned these also need to be designed together with partners including patients and the public.

In all cases, it is essential to develop meaningful and measurable outcomes for the services commissioned. Enhanced or community services provided by local optical practices will normally be commissioned as a result of service redesign projects.

Shape the structure of supply

It is important for the commissioners to understand the quantity of activity required to meet the population’s needs. This has become particularly important in order to hit waiting list targets, and estimates of activity are also necessary to set out in contracts with providers in order to make sure the budget will cover all the activity required.

Manage demand and ensure appropriate access to care

There is requirement for commissioners to stay within the cash limited budget for their area and therefore the level of activity estimated cannot be exceeded or additional costs may be incurred.

Protocols and thresholds for referral of patients need to be clear and monitored to ensure that those patients most in need are getting the treatment they need, within the limitations of the budget.

Managing performance (and value for money)

Commissioners need to monitor providers to ensure that the outcomes specified in service specifications are being met and that activity is broadly in line with assumptions. There are also a number of ways in which the quality of a service can be evaluated including collecting patients’ views.

If a service is falling below the specified and minimum standards, the commissioner is likely to agree a recovery plan with the provider and monitor this to ensure improvement. Where improvement does not occur, the commissioner may decide to re-tender the service to secure a provider that can meet the specification.
**QIPP (Quality, Innovation, Productivity, Prevention)**

QIPP is a large scale transformational programme for the NHS, engaging all NHS staff, clinicians, patients and the voluntary sector to improve the quality of care the NHS delivers whilst making up to £20billion of efficiency savings by 2014-15, which will be reinvested in frontline care.

Commissioners have been developing integrated QIPP plans that address the quality and productivity challenge.

**Local Eye Health Networks**

The Health and Social Care Act 2012 puts clinicians at the heart of decision making for all steps in the commissioning process.

Local Eye Health Networks (LEHNs) are being established by NHS England Area Teams to ensure that the contribution of eye health professionals is maximised in the improvement of outcomes and reduction in inequalities. LEHNs will support clinical leaders to come together to develop a prioritised plan for the improvement of local services.

LEHNs will support commissioners across the commissioning cycle, in line with their work plans. They will develop a high level of clinical focus and expertise and create momentum for large scale change. They will also advise and work with Health and Wellbeing Boards.

**In summary**

Commissioning in the NHS is the process by which the commissioner uses, and stays within, its cash limited budget to procure the appropriate range of health care and health improvement services for its population. Commissioning should involve clinicians at every stage of the decision making process.

LOCs need to be proactive in approaching CCGs to ensure they are aware of the opportunities to redesign eye care pathways and expand the role of optometrists and dispensing opticians in community practice.

**LOCSU Support**

See [www.locsu.co.uk](http://www.locsu.co.uk) for information on enhanced service pathways or contact [info@locsu.co.uk](mailto:info@locsu.co.uk) for advice.