ITEM 7

Hambleton, Richmondshire and Whitby
Clinical Commissioning Group

Hambleton, Richmondshire and Whitby Clinical Commissioning Group
Shadow Governing Body

Date of Meeting: 28 February 2013

Title: Telehealth Board Update

Report for: Decision

This Report includes /supports the following areas:

√	1. A strong clinical and multi-professional focus which brings real added value
√	2. Meaningful engagement with patients, carers and their communities
√	3. Clear and credible plan which continues to deliver the QIPP challenge within financial resources
√	4. Proper constitutional and governance arrangements with the capacity and capability to deliver all their duties and responsibilities, including financial control
	5. Collaboration arrangements for commissioning with other CCG's, Local Authorities and the NHJCB, as well as appropriate commissioning support
	6. Great Leaders who individually and collectively can make a real difference

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28 February 2013

Telehealth Update Paper

1. Introduction and Purpose

This paper is to provide information to Shadow Governing Body (SGB) in relation to the continuation and extension of the Tunstall Telehealth Project and progress made since its implementation in 2009, including views of patients, stakeholders and clinicians. The contract is due to expire at the end of March 2013 and the CCG needs to decide whether to extend or terminate the current contract with Tunstall.

We have engaged widely to secure the views of all of those who are involved with Telehealth. The information and feedback obtained will be used to provide insight into the future commissioning strategy for Telehealth and this strategy will build on the key learnings from the programme.

2. Background Information

In 2009, the first Telehealth unit was installed in North Yorkshire and York (NYY) as part of a pilot project consisting of 120 units funded by the Strategic Health Authority (SHA) and Practice Based Commissioners (PBC).

Following a procurement exercise, NHS NYY signed a 3 year contract with Tunstall Healthcare in April 2010 for the purchase, support and maintenance of a further 2,000 Telehealth units to be deployed to patients living with Chronic Obstructive Pulmonary Disease (COPD), Heart Failure (HF) and Diabetes. The contract value was £3.2m (capital) to purchase the units and revenue costs for on-going support and maintenance which were forecast at around £900,000 per annum when the full 2,000 units were deployed.

The supplier business case suggested that savings across a range of services and functions could be delivered. These included reductions in emergency admissions to hospital, savings from reducing length of stay and some less well-defined areas such as “operational efficiencies”. When the full 2,000 units were deployed, the gross savings were forecast at approximately £6m per annum.

There were also 120 units transferred across to this contract, from the original Phase 1 deployment, based on PBC business cases from York (inc Selby), Whitby and Hambleton & Richmondshire.

The contract is due to end in March 2013, with a notice period required to extend the contract for a further 12 months or to terminate the existing service. The PCT is currently working with the emerging CCGs to review the project to date so that a decision can be taken with regard to any extension of the project. Clearly, in the light of the implementation of the Health and Social Care Act, CCG support is essential for any of the options available.

National Context

There is an acknowledged national drive around the use of assistive technology to enhance the future delivery of services. As a CCG, Hambleton, Richmondshire & Whitby are supportive of all national agendas and are committed to using assistive technology where appropriate. These national drivers are grouped together in four main categories below:

3 million lives

The Department of Health (DH) believes that at least three million people with long term conditions and/or social care needs could benefit from the use of Telehealth and Telecare services. If this to be implemented effectively and integrated as part of the system redesign of care, Telehealth and Telecare may help alleviate pressure on long term NHS costs and improve people's quality of life through better self-care in the home setting. A commitment has been made to work with industry, to support the NHS, social care and professional partners in 3millionlives in order to achieve this level of change. A Concordat supporting this commitment was also published.

The main objectives of the campaign will focus on the DH rewarding organisations for adopting and integrating new Telehealth and Telecare technologies in services; encouraging industry to work with the NHS, social care and other stakeholders to simplify procurement and commissioning processes for Telehealth and Telecare services at scale; to ensure that the NHS and UK industry are at the forefront of Telehealth and Telecare globally; to promote the benefits that Telehealth and Telecare services can provide people in managing their health and care**.**

Innovation Health and Wealth

Along with the delivery of 3 Million Lives, the use of assistive technology in the management of patients is a key national initiative within "Innovation, Health and Wealth - Accelerating Adoption and Diffusion in the NHS". This document will look to ensure the wider deployment of Telehealth and digital technologies and sets a clear agenda for the increased adoption of Telehealth.

Digital First

The concept behind the Digital First initiative aims to reduce unnecessary face to face contacts between patients and healthcare professionals by incorporating technology into these interactions. It is envisaged that this will improve patient choice and satisfaction levels and enhancing quality of care of patients. As with 3 Million Lives, there is also a focus on improving collaborative work across healthcare, social care and industry.

Financial Incentives for Practices

Confirmation is still awaited from the new Area Team as to the potential of these incentives and how they are expected to be achieved. We are also awaiting national QOF guidance although early indicators are that these incentives will be used as commissioning levers to enable commissioners to drive forward the integration of Telehealth and Telecare into mainstream health care.

Local Context

An additional commitment of £50k was offered to the CCG in March 2012 to maximise deployment of Telehealth and support the Long Term Conditions (LTC) agenda.

Working in collaboration with South Tees Hospitals NHS Foundation Trust (STHFT) and Community colleagues it was agreed that this funding would be used to employ a Case Manager / Clinical Advocate who would be able to place and manage a large number of people on Telehealth, probably up to 200 individuals. The employee wouldn't deliver a complete case management service for these patients, but would provide a supportive service to manage and monitor patients as they alert.

The Heart Failure Specialist Nurse, working closely with South Tees colleagues began flagging HF patients who potentially were suitable for Telehealth. These patients were then referred through to the Case Manager, within the first month since the implementation of the post 16 new patients had been referred for Telehealth with the unit already installed in 14 of these patients' homes.

3. Key Issues

The table below highlights the current status with regards to the use of the allotted Telehealth units within HRW CCG locality:

Activity within HRW CCG as at 1 October 2012

CCG	Total Units allocated to HRW CCG	ACTIVE PATIENTS	HRW % usage	TOTAL REFERRALS
HRW CCG	357	97	27%	168
Total Activity across NHS NYY		674		1,089
HRW % of total activity		14.39%		15.43%

Summary Costs for Tunstall Programme

The table below details the financial cost breakdown for a series of fixed charges e.g. Service Desk and a series of variable charges e.g. Communication Fees where the charge levied depends of the number of units deployed. For the purpose of this exercise, we have calculated the annual contract costs for 2012/13 based on the assumption that 1,000 units are deployed by the end of March 2013. Under this scenario the costs of the Tunstall contract would be:-

Fixed Costs	£358,752
Variable Costs	£238,645
Total Contract	£597,397

N.B. It should be noted that the variable costs are highly dependent on the total number of units deployed and the rate of deployment. When the full 2120 units are deployed, the variable costs would rise to some £665,680 under the terms of the current contract.

Option Appraisal by CCG Council of Members

A CCG Council of Members meeting took place on 19 November 2012, where all practices within the locality were represented. Bill Redlin, Director of Standards, outlined the three options for consideration:

1. Terminate the contract within the minimum notice period and take Telehealth patients off the current units.
2. Extend the Tunstall project for a one year period and explore alternative Telehealth solutions to replace existing technology and develop a Telehealth Strategy.
3. Conduct a tendering exercise for a 3-year maintenance contract.

GP/Clinician Feedback

Based on the three options highlighted above, a vote took place amongst the Council of Members where it was unanimously agreed to take forward Option1 - to end the Telehealth project. This view was based on:

- A lack of robust evidence to support any clinical benefits or reduction in hospital admissions directly attributable to Telehealth and thereby failure to deliver the primary objective of the investment which was to deliver QIPP savings by reducing hospital admissions.
- The cost per unit to deploy - each Telehealth system costs £1200 per year, so for 97 patients that equates to £116,400 which would cover the cost of three full time community nurses. This is in addition to the purchase price.
- The belief that any perceived benefits are actually generated by additional nursing resource rather than the technology itself.
- The technology is becoming outdated and high maintenance cost.

This decision was presented to the HRW CCG Shadow Governing Body at its Board Meeting of 22 November 2012.

Agreement was reached that prior to terminating the contract it was important service users were engaged and views were sought from stakeholders. The CCG developed a Telehealth patient engagement strategy and questionnaire to be shared with all current service users and stakeholders. The responses received were collated into a formal report which is included in Appendices 1-4.

4. Implications/Risks

Quality

Some patients find the unit extremely reassuring and believe it has supported better condition management.

Financial

Whilst we cannot demonstrate a financial return on investment based on current activity analysis of patients on a Tunstall unit, a number of actions have been take to negotiate a reduction in costs from 1 April 2013 should the CCG decide to extend the Tunstall contract for 12 months.

To summarise:

- The PCT will impair the 2000 units purchased in 2010. This will enable the removal of the capital depreciation charges of £575k per annum, based on full deployment. The assets remain deployable for the management of long-term conditions and will transfer to the CCGs in NYY from April 2013. The allocation of units by CCG is still to be decided although it is expected that the CCG will receive around 360 units (including those already deployed within the CCG area)
- Tunstall have issued a new pricing structure from April 2013. This, together with the removal of the depreciation cost reduces

the cost of each unit deployed from £172 per patient per month to £48 per month for each unit used, there will be no cost incurred for units that are not deployed.

- On the basis of the above changes, savings associated with Telehealth deployment in NYY outweigh the costs associated with the maintenance and support. At full deployment, NYY is predicting a £1.4m saving on acute-based activity. Adding on the removal of capital charges, takes this to over £2m per annum.

Constitutional and Legal

None.

Equality and Diversity

None.

Other Risks

None.

5. Conclusions

Whilst this project has been contentious in terms of the procurement and clinical adoption, there have clearly been benefits from some patient's perspective and therefore the CCG needs to work with these patients to develop a care package for the future.

Key learning's from Tunstall Deployment

Issue	Learning
Procurement	• Do not buy on scale • Ensure we are able to draw-down stock on a pay as you go basis • Be mindful that we need to engage with range of providers for a range of solutions as one s=size doesn't fit all – this will apply to Telehealth, Telemedicine and Telecare
Interoperability	• Need to be advice agnostic • Allow patients to bring their own devices into the mix • Ensure able to use kit as "stand alone" kit
Service user needs	• Ensure that technology meets needs of service users, and where this is not the case, need to de-commission and re-commission accordingly without any penalty
Assistive Technology Strategy	• Need to ensure that a concise assistive technology strategy is developed with clear

	priorities and objectives • Ensure link with other "technical" projects – e.g. Risk Stratification through Adjusted Clinical Groups (ACGs) • Ensure any system is fully utilised in the undertaking of future service and care pathway redesign
Exit strategy	• Need to ensure that clear exit strategy is developed • This will need to include any "step-down" arrangements to alternative systems
Infrastructure	• From implementation stage of future projects, need to ensure strong clinical leadership (nurse led) with engagement from all stakeholders – to include Local Authority, Voluntary Sector, Secondary Care Providers, Community Care Providers etc • Need to develop an integrated clinical governance structure which is clinically led • Ensure patient groups are fully involved – their experiences could be key to making success of future projects
Professional development	• Ensure adequate training and support is available to all engaged in process
Contract performance	• Ensure performance management of the contract is in place • Implement performance levers of technology • Develop and apply quality standards in line with national guidance • Encourage decision making based on available data and evidence
Future funding	• Ensure funding streams are sought and available to test and trial future systems

Moving Forward

The CCG recognise the need to hold further discussions around developing a clinically driven strategy to appropriately manage the patients with long term conditions and in nursing homes. We will also need to ensure that a safe transfer of patients onto new technologies and test a range of suitable technologies. We also recognise the need to engage further with assistive technology and remain committed to develop alternative, modern and affordable Telehealth systems. To ensure that this work is driven forward appropriately, an Assistive Technology Strategy will be developed over forthcoming months, this will be done in association with Local Authority and Acute/Community Care colleagues.

6. Recommendation

The Shadow Governing Body is asked to:

- Note the progress that has been made to date to engage clinicians, patients and stakeholders and to pilot and adopt new technologies.
- To recommend to the Council of Members that the Tunstall programme is extended to facilitate the exit programme in a managed way.
- Confirm the continuation of existing nursing funding for 2013/14.

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Appendices

Appendix	Information	Embedded Object
Appendix 1	Patient and Stakeholder Feedback Report	 Telehealth engagement report v
Appendix 2	Patient Telehealth Letter	 Telehealth_patient letter.doc
Appendix 3	Stakeholder Telehealth Letter	 Telehealth_stakehold er email.doc
Appendix 4	Kerry Wheeler Tunstall Letter	 PCTletter-Nov12VoY. doc