

# IAPT Payment

## Implementing an outcomes-based payment approach for IAPT

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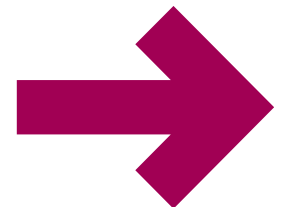
# Aims & Overview of Session

## Aims:

1. Strengthen understanding of IAPT payment guidance
2. Support implementation of IAPT payment approach

## Overview:

- Strategic Context
- National Tariff Rules – what does this mean for services
- Proposed National IAPT Payment Approach
  - Assessment
  - Cluster-based Activity
  - Quality & Outcomes
  - Price Design
- Implementation considerations
- Contractual Mechanisms to support implementation



# Strategic context

## Five Year Forward View for Mental Health

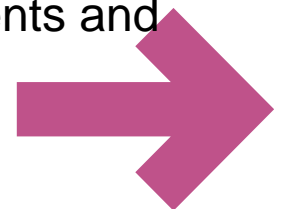
- Recommended payment system that will increase transparency in the payment system and support improvements by linking payment to quality and outcome measures

## Increased transparency

- “...the continued use of unaccountable, ill-defined, block contracts by mental health commissioners is detrimental to patient access to mental health services” IMHSA Policy Paper...”

## Move towards commissioning based on quality and patient outcomes rather than historical service provision.

- “...payment mechanisms that enable person-centred approaches to care and parity between physical and mental health. Payment agreements for mental health services are to be transparent, consider the needs of patients and ensure accountability...”



# 2017/19 National Tariff and IAPT

Local pricing rule 8 requires:

- the adoption an outcomes-based payment approach
- use of the 10 national outcome measures collected in the IAPT data set

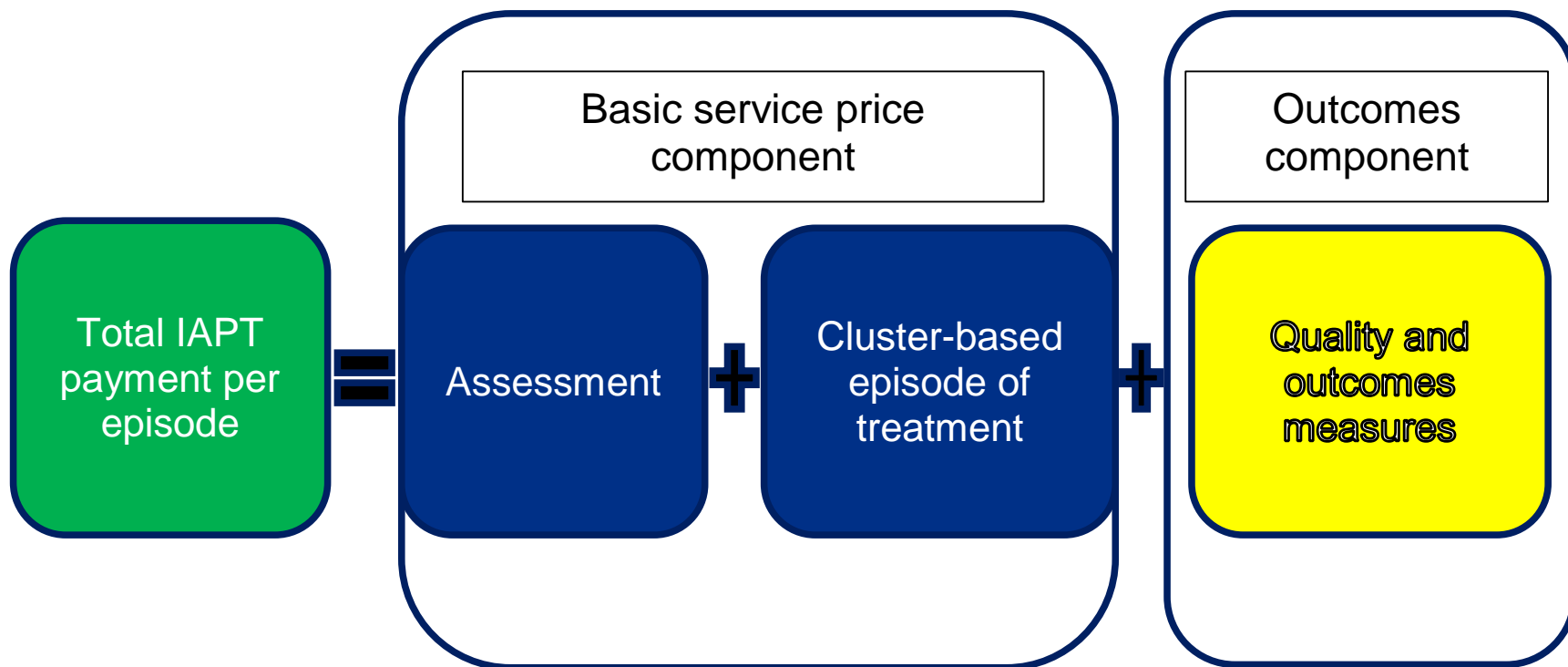
**From April 2017** commissioners and providers should be shadow testing an outcomes-based payment approach

**By April 2018** commissioners and providers should have implemented an outcomes-based payment approach

# National IAPT payment approach

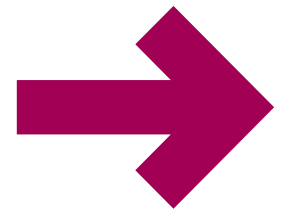
## Aims:

1. To reimburse providers for the costs of providing evidence-based episodes of treatment
2. To reward providers for performing well against agreed quality and outcome measures

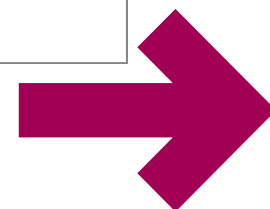
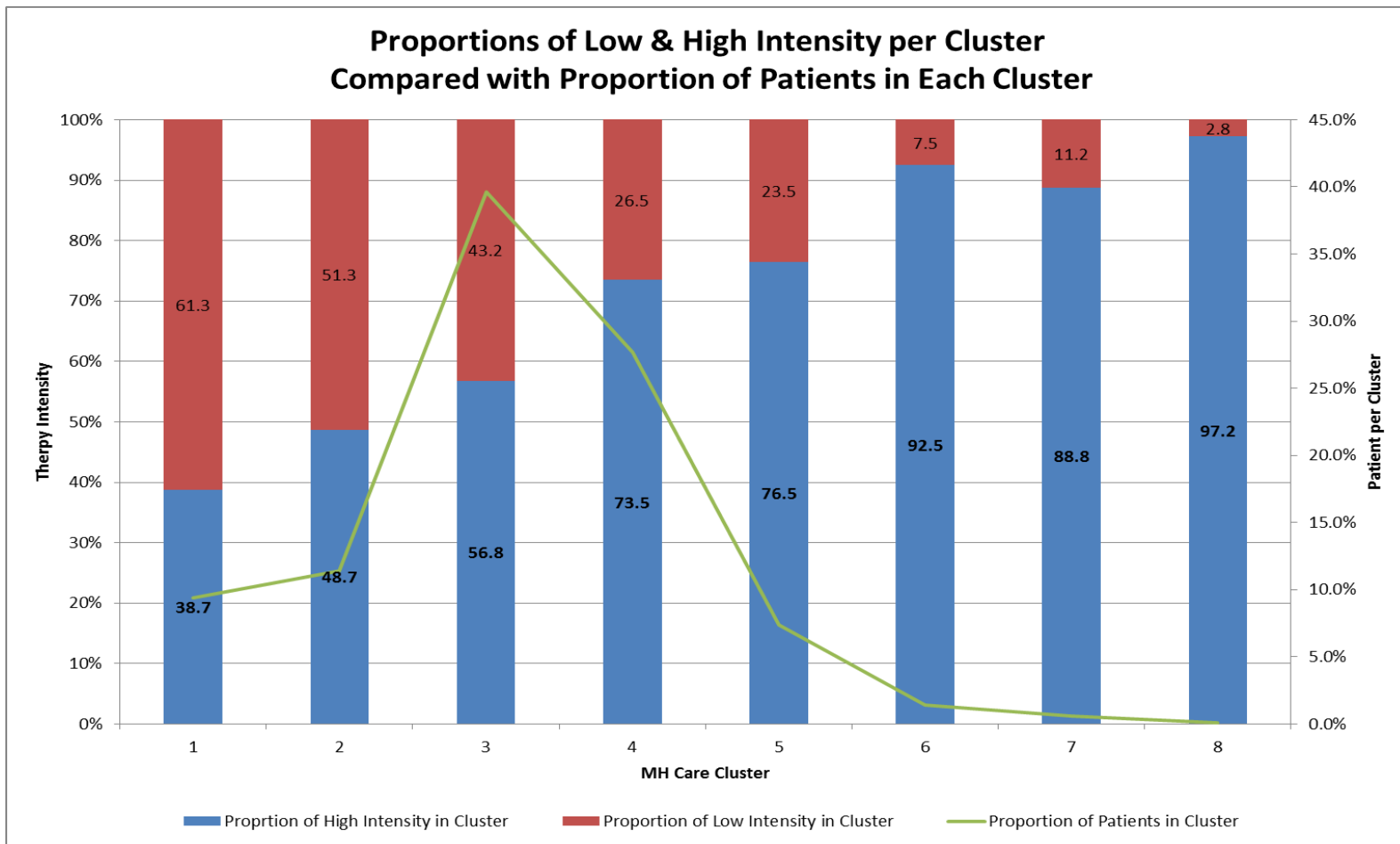


# Basic service component

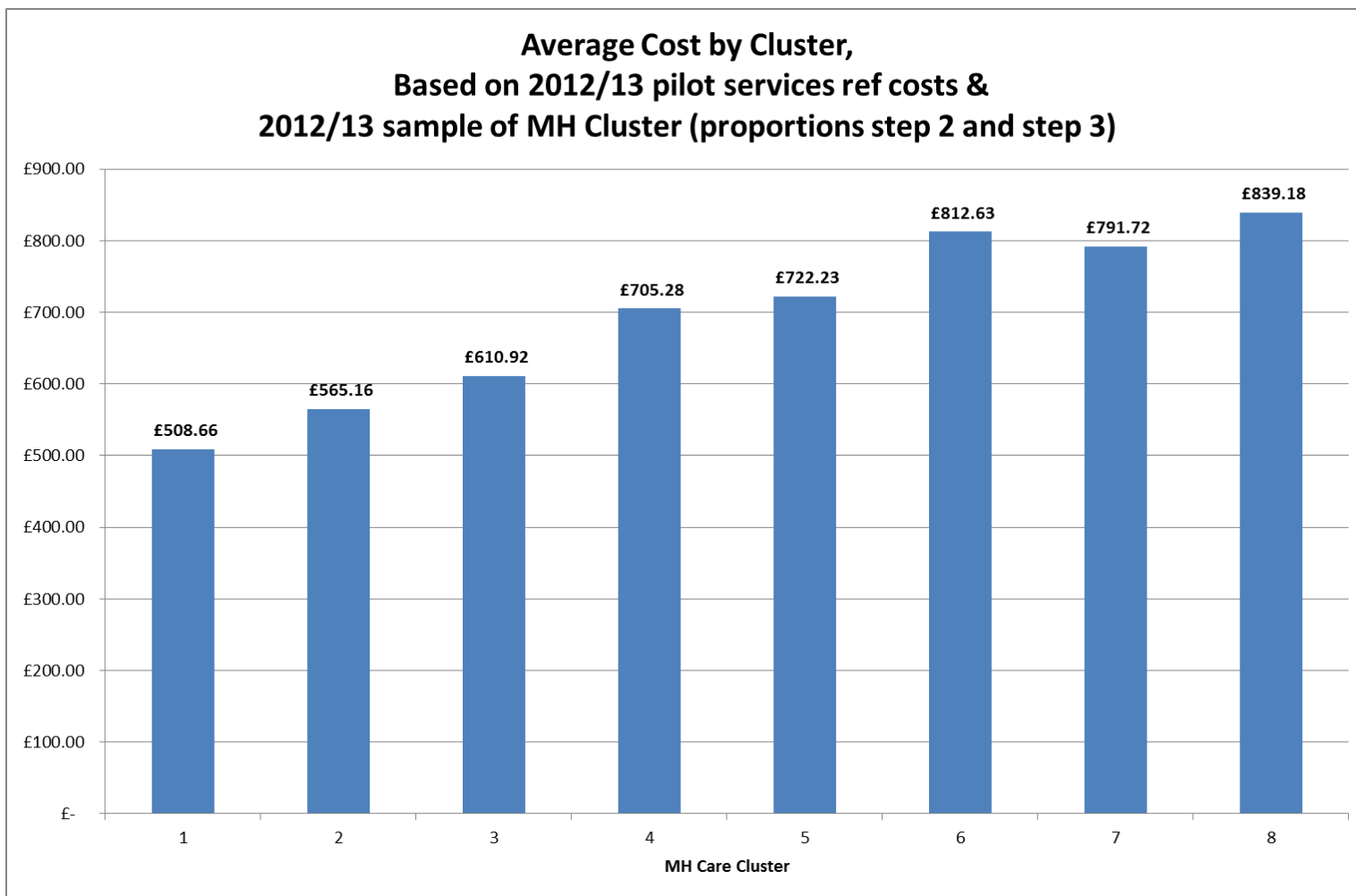
- Local prices for an assessment (flat rate) and a cluster-based episode of treatment



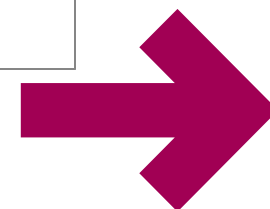
# Intensity of treatment by cluster



# Costs by cluster



Cluster weighted average cost £619.94

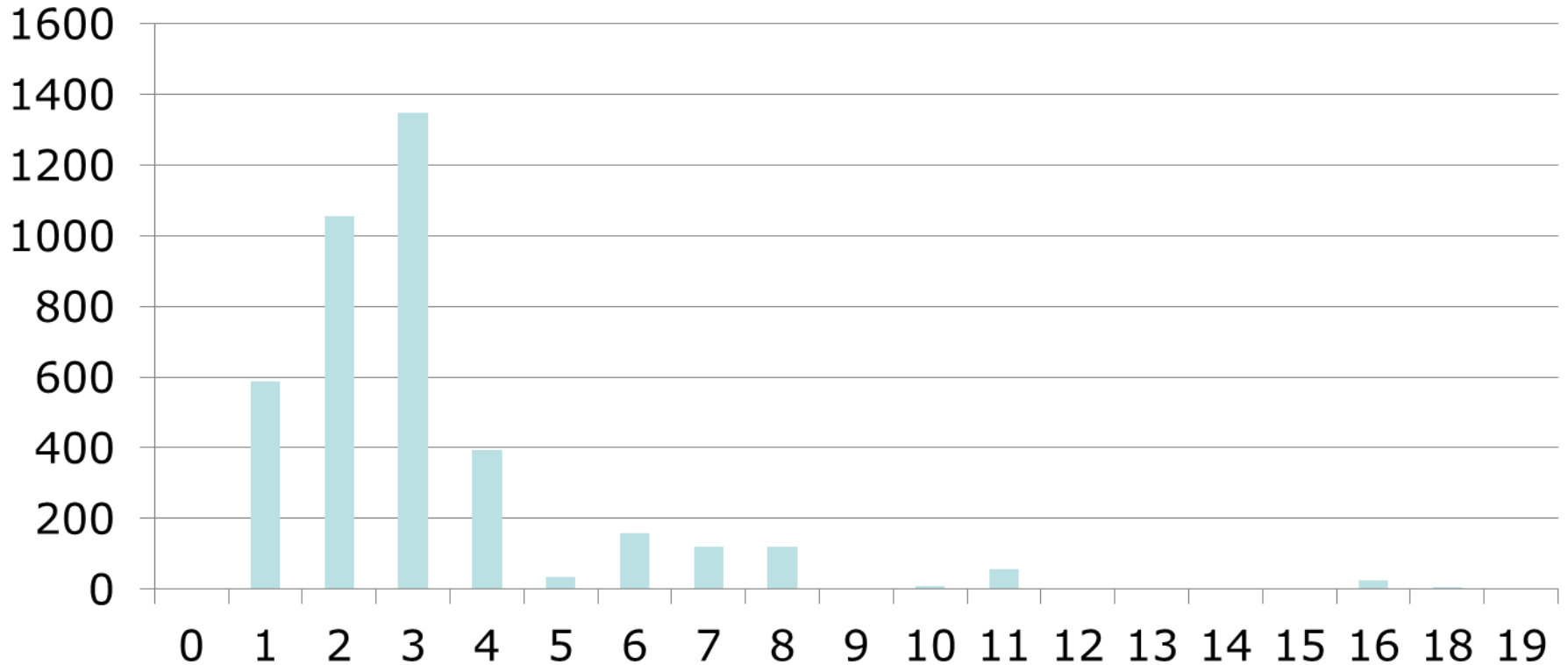




East London   
NHS Foundation Trust

# Mental Health Cluster

## Number of referrals



6- overvalued ideas, 7- enduring non-psychotic, 8-EUPD  
11-low level psychosis, 16- dual diagnosis

## Clusters & intake severity

<b>Cluster</b>	<b>Mean intake PHQ</b>	<b>SD</b>	<b>n</b>	<b>95% CI of <u>mean</u></b>
One	11.3	4.7	121	10.4-12.1
Two	13.2	5.2	513	12.7-13.6
Three	16.3	5.0	507	15.9-16.7
Four	18.3	4.9	75	17.2-19.4

# Clusters and intake severity

<b>Cluster</b>	<b>Mean intake GAD</b>	<b>SD</b>	<b>n</b>	<b>95% CI of <u>mean</u></b>
One	11.6	4.0	121	10.8-12.3
Two	12.6	4.4	513	12.3-13.0
Three	14.5	4.2	507	14.2-14.9
Four	16.2	3.5	75	15.4-17.0

# Cluster and Recovery Rate

Cluster	n	Recovery	95% CI for percentage
One	131	68.7%	60.8%-76.6%
Two	549	61.2%	57.1%-65.3%
Three	565	52.6%	48.4%-56.7%
Four	102	34.3%	25.1%-43.5%

# Local Price Design

Establishing the price:

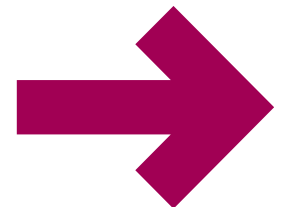
- Approach to developing prices outlined within guidance aligns with published guidance on developing an episodic payment approach
- As a pragmatic starting point historic contract value may serve as point of departure; reference cost data can also provide useful information for cost benchmarking and the cost of delivery to inform local price-setting
- Feedback has suggested that local interpretation of guidance suggests outcomes component is then top-sliced from this:

# Performance component

- Locally weighted 10 national quality and outcome measures linked to payment

# 10 national quality and outcome measures

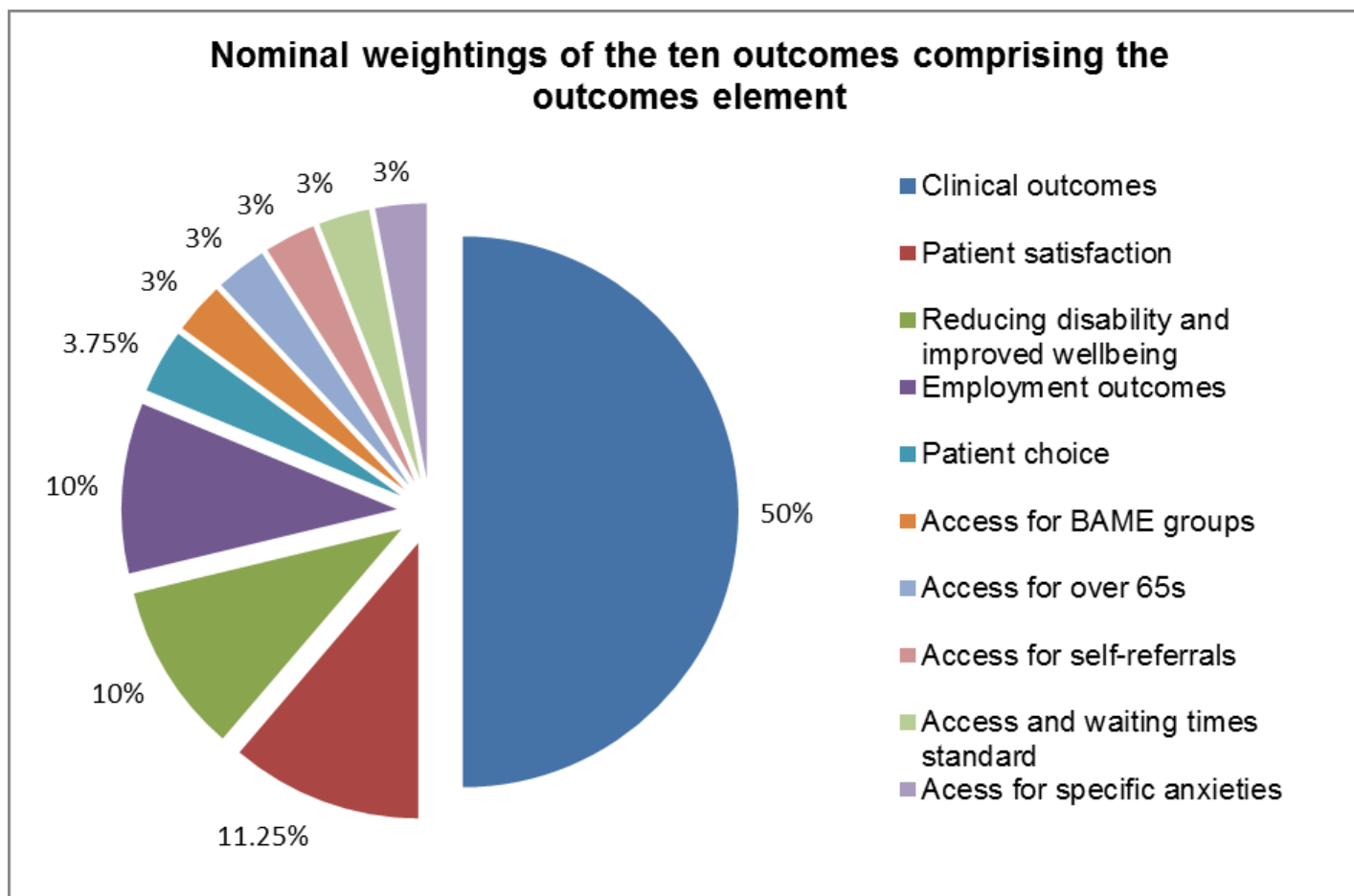
- Local pricing rule 8 requires the use of the 10 national measures:
  1. Waiting times (Access)
  2. Black, Asian and minority ethnic (BAME) (Access)
  3. Over 65s (Access)
  4. Specific anxieties (Access)
  5. Self-referral (Access)
  6. Clinical outcomes
  7. Reduced disability and improved wellbeing
  8. Employment outcomes
  9. Satisfaction (Patient experience)
  10. Choice of therapy (Patient experience).





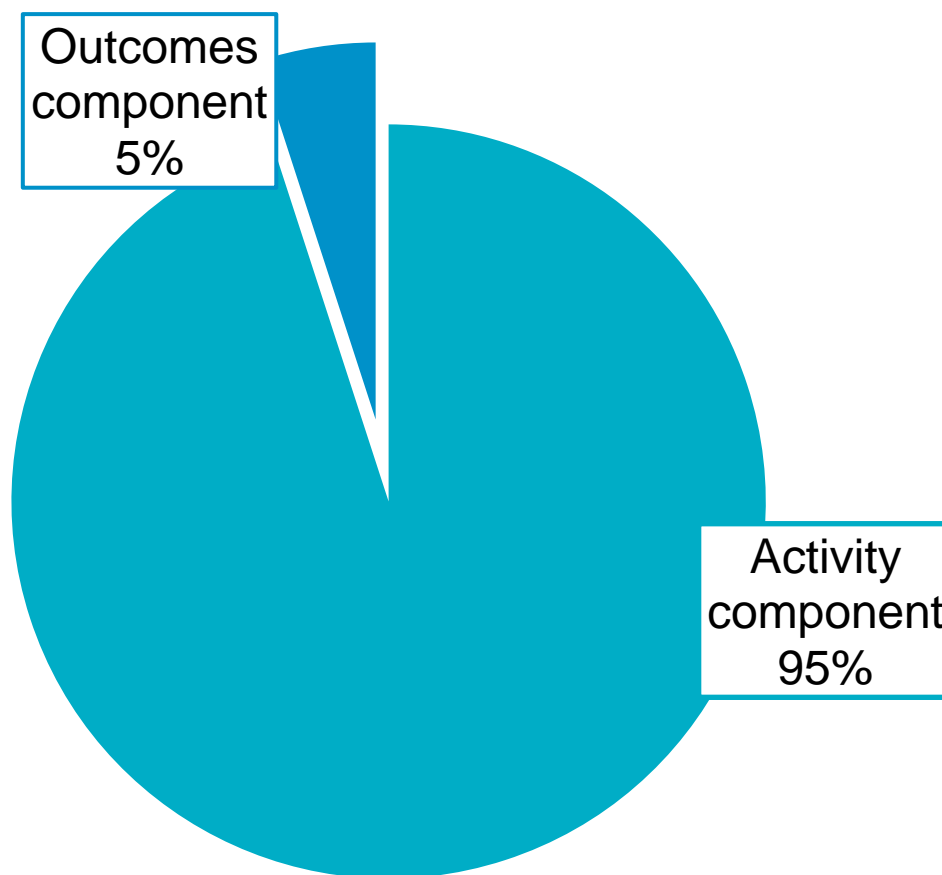
# Quality and outcome weightings

- Commissioners and providers should agree quality and outcome measures weightings in line with local priorities



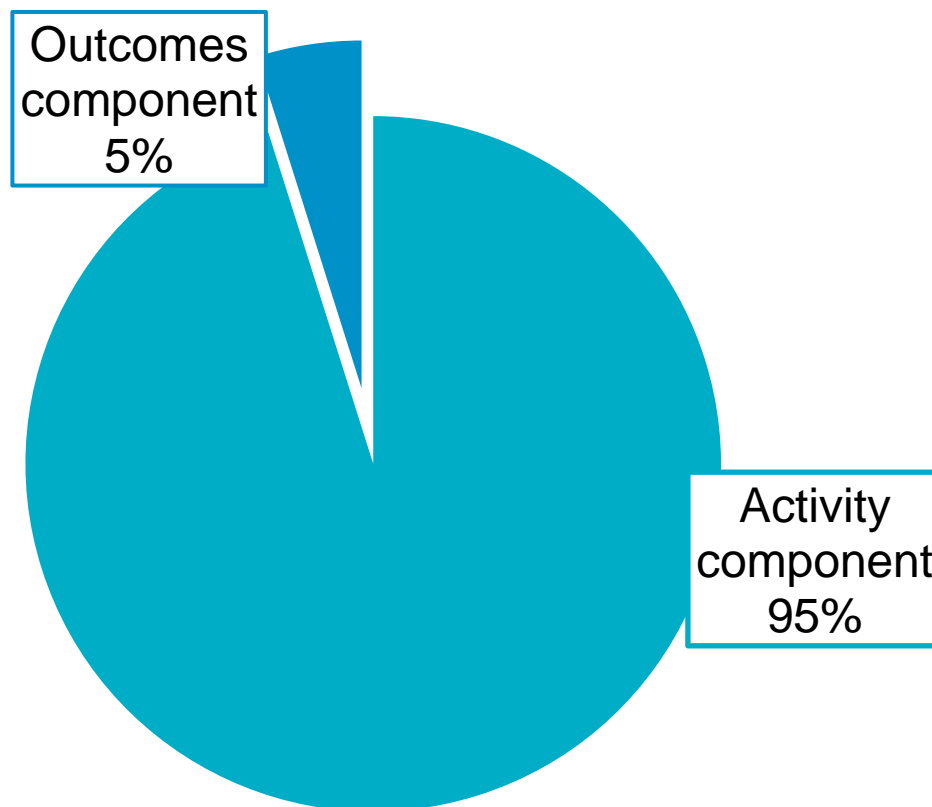
# Value of the outcomes component

- Our guidance with NHS Improvement recommends the value of the outcomes component being set at a minimum of 5% of contract value initially.



# Local Price Design – Interpretation

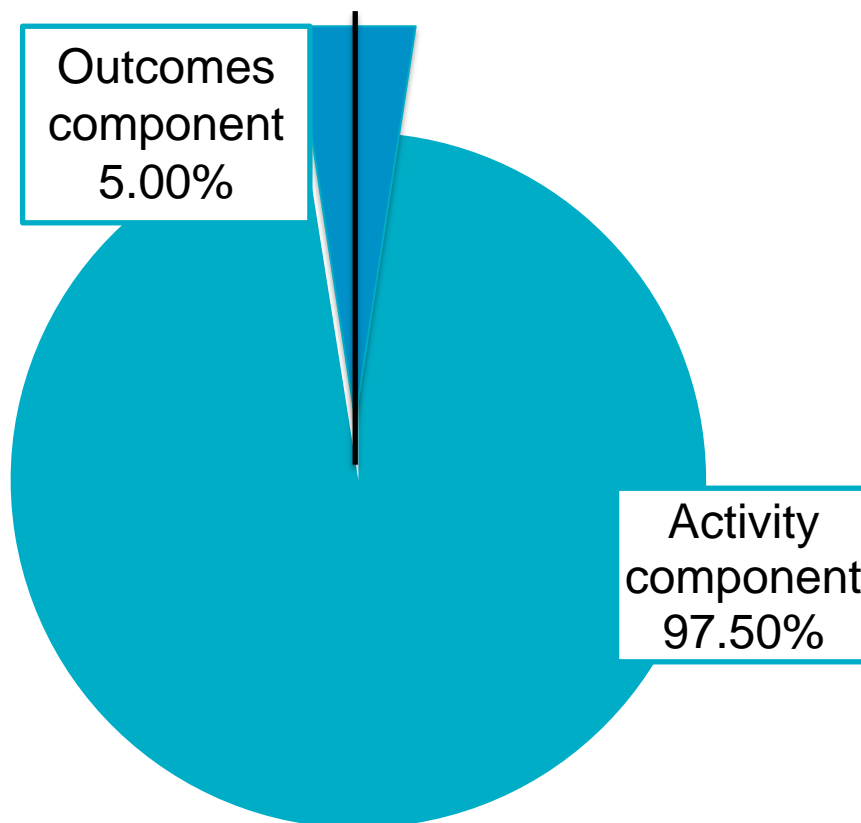
- Where achieving 100% of price represents recovery of efficient costs:



Top-slice approach requires delivery of 100% of outcome component to cover costs, presenting **Significant Risk to Provider**

# Local Price Design – Policy Intention

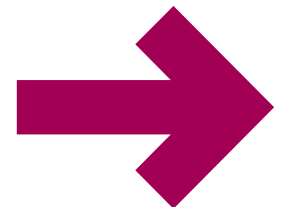
- Local price structure to incentivise improved quality of care:



Cost recovery should be achieved through delivery of agreed standard of care, with opportunity to exceed this.

# Implementation considerations

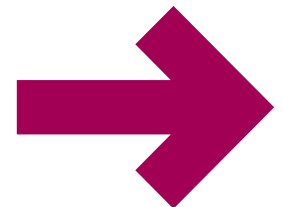
- **Shadow testing**
  - Bringing together payment approach and contracting
  - IAPT service model
    - Use of care clusters
    - Stepped pathway shared between providers
    - Data quality
  - Price Setting



# Refreshed guidance & benchmark prices

## Developing an outcomes-based payment approach to be refreshed

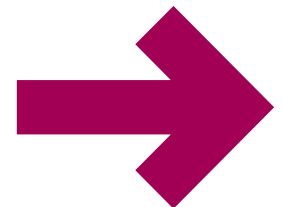
- Clarify policy intention in terms of outcomes component
- Correct measure threshold
- Align with IAPT manual IAPT payment and outcomes tool
- Worked examples.



# Case studies

## 5 Outcomes-based payment case studies

- Based on experience of CCGs and providers
  - Background
  - The local payment problem and solution?
  - The local approach and components
  - Learning points and contact details.



# Case studies (2)


## South Staffordshire and Shropshire NHSFT

- In line with payment guidance
- Status: Shadow testing underway
- Pragmatic approach (Governance, 2 out of 7 CCGs, link to 5 measures)
- Data improvement plan
- (LTC-IAPT site)

## Wakefield CCG

- In line with the rule – ‘intelligent’ block
- Status: Implemented
- Pragmatic approach (Governance, 1 third sector provider, 3 measures and a penalty at service level)
- Improvements achieved.(Access and satisfaction).

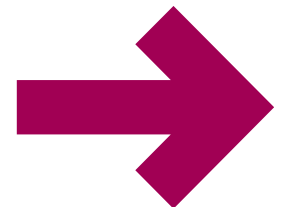
## Birmingham Cross City CCG

- In line with payment guidance
  - Status: Shadow testing underway
  - Pragmatic approach (Governance, 1 NHS Trust, linking payment to 2 measures)
  - Data improvement plan.
- 



# Summary

- 2017/19 national tariff published requires areas to implement an outcome-based payment approach by April 2018
- Payment approach should use the 10 national outcome and quality measures, but there may also be metrics which are locally important
- NHS England and Improvement have published guidance on an outcomes-based payment approach which has two components:
  1. Activity
  2. Outcomes
- NHS Digital have been commissioned to provide a tool to support implementation
- More resources to support progress with implementation.



# Questions?

