**Appendix 1: Commissioning Intentions – Principles on key contractual areas already in agreement**

**Key Principles Memorandum of Understanding NWL**

The following key principles contained in the memorandum of understanding, which we agreed to guide the approach to the 2016-17 contract, continue to be applicable:

1. We will **prioritise delivery of care that puts the person at the centre** and empowers individuals, carers and families. The **voice of the service user** will be heard **throughout the commissioning process.**
2. We will aim to deliver the **best possible best outcome for patients plus overall system outcome**, with outcomes for individual organisations secondary to those of patients and the system.
3. Contracting will be **undertaken in a fully open book manner** between providers and commissioners
4. Contracts will also **support financial stability** through the transformation, **minimising and actively managing risk together** and **driving maximum value** from the overall budget.
5. We aspire to **a collaborative, flexible and transformational approach** amongst providers and between commissioners and providers.
6. We **commit** to **maintain constructive on-going relationships**, provide clear leadership; promote effective **organisational engagement at all levels** and embrace opportunities for **smarter overall system working.**
7. We will **move towards an outcomes-based commissioning** approach, **prioritising certain key challenges and sharing risk** across the system.
8. We will develop **system-wide understanding** of **pathways, activity and clinical outcomes for patients before considering cost implications.** We will ensure robust **on-going triangulation between outcomes, activity and finance.**
9. We will translate **system-wide transformation initiatives** (principally the STP) into contractual and commissioning outcomes
10. We will **empower and encourage** clinicians and staff throughout organisations to **innovate**
11. We will work to ensure that the **costs of delivering services are minimised** whilst delivering the required outcomes and will **commit to implementing new pathways** that are more cost effective, **moving services and money between organisations** as required to support the change
12. We will **review existing contracts** and amend them when required to ensure they are **appropriately aligned across pathways** and between organisations to achieve planned outcomes

**North West London Sustainability and Transformation Plan (STP)**

In 2016 we collectively signed up as an STP to the key delivery areas described below:

- Improving your health and wellbeing
- Better care for people with long term conditions
- Better care for older people
- Improving mental health services for children and adults
- Safe, high quality and sustainable hospital services including specialised commissioning

Over the last two years we have been working to these objectives. Whilst these remain our priorities we have been working across the sector to refresh the areas of focus and governance to explicitly include our work within cancer and urgent care to deliver our statutory obligations.

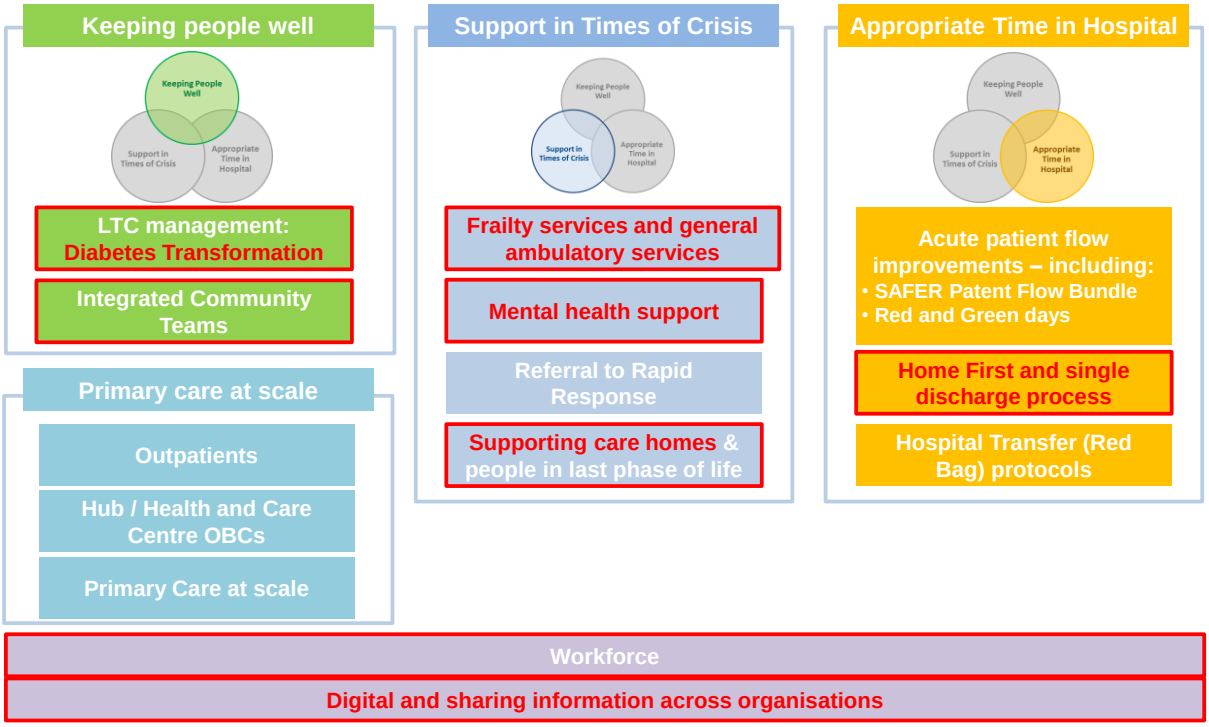
Our overall focus continues to be to work as an integrated system to deliver more proactive and preventative care:

- giving each child and family the best start and supporting people to live healthy lives
- ensuring there is the right care and support when it is needed
- and when hospital care is needed, ensuring people spend the appropriate amount of time in hospital

Key deliverables are the outpatients programme and the urgent care strategy, which aims to harness transformational models of care and new ways of working in order to manage non-elective activity (see Diagram 1). QIPP projects will be aligned to the key themes in these areas. Delivery in these areas should help support:

- Achievement of key performance targets
- Management of demand and flow to help achieve control totals
- Progress towards the business case underpinning the SOC 1 & 2

**Diagram 1: Key focus areas in the Urgent Care strategy (highlighted in red)**




To ensure alignment with our existing strategies and programmes we will look to commission activity in line with the levels set out in SOC1 with rebasing included where plans are shown to be off trajectory. As part of the 2018/19 STP CQIN there is an agreement to reconcile present activity levels with those set out in SOC1 which will help inform this process.
We will build on and strengthen our approach to standardising pathways and outcomes across NWL, particularly in the areas of cancer care, urgent care and outpatient care:

- Urgent Care – will include alignment of how secondary and primary care providers deliver services to ambulatory patients. At present all acute providers have set up services for these types of patients utilising chairs and ambulatory care pathways but all have slightly different models and recorded differently. It would support the health economy if plans to deliver ambulatory care are standardised across primary and secondary care via the Urgent Care programme.
- Outpatient programme has also shown a joint approach in assessing potential cost savings for commissioners and providers for pilot projects on the principle of minimising risk and sharing opportunities for cost savings.
- Diabetes – clinicians across the sector have developed an integrated diabetes service specification and are beginning to work to this, we would wish to continue this work to develop an outcomes based approach to commissioning and provision.
- Cancer care across the sector has developed a progressive programme and achieved statutory targets over the last 6 months. Work is on-going to establish sustainability. All are examples of how we could move forward together.

As part of the move to system wide changes under Acute care transformation it would be important to review provider opportunities from developments in 1) national Innovation & Transformation Fund and 2) Model Hospital benchmarking tool.

**Integrated Care for NWL- the way forward**

NWL has a strong foundation in integrated care based on the work co-produced by commissioners, providers and lay partners during the Whole Systems Integrated Care Programme. It is apparent that an aligned and coordinated approach to integrated care continues to be required in NWL so that patients can expect an uniformly high level of care and that pathways around our large acute Trusts

are aligned for operational delivery. In order to move forward in a coherent way we need to progress a framework that encompasses:

- Population health outcomes
- A common clinical strategy
- A common approach to enablers such as workforce, estates and digital
- A common currency and agreed principles for allocation of funding as we work towards a system control total

Through the summer we have held a number of workshops with system leaders, initially with the Clinical Board in May 2018, Clinical Board and Health and Care Programme Board in June 2018 and again on 13 September 2018. These, together with the system-wide stocktake undertaken to inform the workshops, have articulated the work we need to do jointly as we move towards becoming a NW London Integrated Care System. The key themes are as follows and through our STP governance we will formalise these into a jointly owned work programme in the coming months:

- A system wide clinical strategy that builds on the principles of Shaping a Healthier Future is ambitious for our population yet rooted in the reality of today.
- A set of underpinning system-wide enabling strategies, one NW London workforce strategy, one NW London digital strategy and one NW London estates strategy
- Commitment to develop our financing and contracting as we move from payment by results toward capitation funding and a single system control total
- A focus on system leadership and relationships as we bring together our respective organisational perspectives and obligations to work at system level
- Identification key system programmes where we can quickly demonstrate the impact of working as an integrated system

We will need coherent, joined up and early engagement with regulators to support our ambitions for integration in 2019-21 and we have begun conversations with the national Integrated Care Team to explore applying to become a wave 3 Integrated Care System

**Acute Services**

As we look to continue to progress our commissioned hospital contracts (currently predominantly cost and volume based) plus all other commissioned contracts towards capitated integrated care, we will need to agree suitable contractual formats and funding mechanisms which most effectively manage overall system operational and financial risk. We will expect to move away from cost and volume based contracts, seeking alternative options which best incentivise the delivery of the transformation agenda set out in the STP. A key principle we will follow is a transparent approach via the CFO group to where provider operational costs lie so that we can take a collective responsibility to reduce activity income and manage costs within providers and examples are already under way as in the Outpatient programme to share benefits and risk. To help manage stability across the STP footprint we will be looking at 1) block agreements for some activity areas e.g. non-elective, maternity and 2) we will be expecting to continue reviewing the MROP methodology (Marginal Rate for Over Performance. Building on the work last year on high cost drugs gain share we would be open to such mechanisms for other areas to support the key elements of the STP. A key work stream in preparation for 2019-21 is the sector alignment of Urgent Care pathways such as ambulatory care across the sector as 1) Trusts are recording and charging differently and 2) slightly different pathways are undertaken for such patients. It has been agreed to align these areas by the CFO group and as a key work stream in the Urgent Care Programme.

Work is already under way via the sector CFO group to try and assess historical and potential growth for future years that will feed into negotiations earlier than usual. We wish to continue to explore the opportunities arising from a single sector control total as a way of managing risk within the sector and as a mechanism to take us towards ICOs.

North West London Collaboration of CCGs secured NHS England resource across seven CCGs to develop IAPT-LTC services with a focus on diabetes and chronic obstructive pulmonary disease (COPD). NW London CCGs are committed to developing IAPT-LTC services to ensure more residents can access talking therapies in primary, community and acute health care settings. To take this forward, commissioners will be negotiating how patients for each of our acute providers can access such therapies services via the Joint Transformation/QIPP Groups in each Trust. This supports the ambitions in NW London`s Sustainability and Transformation Plans to eliminate

unwarranted variation and improving long term condition management alongside increasing the provision of IAPT services from 15% to 25% of prevalence, by 2020/21 as stated in the Five Year Forward View for Mental Health Implementation Plan.

**Community Services**

For 2019/21 commissioners intend to support the transition of our community services contracts to enable the existing service delivery to align to the developing needs of integrated care models through increased integration of core and specialist service community services and with primary and acute care pathways to reduce delays in patient care and gaps in services. This builds on the existing work in the development of revised specifications across core service lines which continue to be a significant part of the step towards the delivery of the STP and accountable care models within the North West London Sector. As described above the sector approach to developing integrated care models will be critical to developing community services in NWL.

Where any additional funding agreements for service changes are made, CCGs reserve the right to claw back funding where services have not been mobilised to agreed timescales. Full transparency is expected on mobilisation of services and where plans deviate from agreed mobilisation plans resulting in different costs being incurred, it is expected that these changes and the impacts of spend are fully shared and agreed with Commissioners.

We are committed to collaborative working across the North West London sector and through delivery of the STP plan as well as through use of the new commissioning arrangements for NWL CCGs, reducing variation in primary and secondary care will supporting our aim to reduce health inequalities and inequality in access to services.

Our commissioning intentions for 2019/20 focus on joint working across North West London CCGs and providers to deliver the best outcomes for patients by planning and commissioning at scale or across the whole health and care system. North West London CCGs will also seek to align locally identified priorities to retain commissioning at scale.

Brent CCG seeks to commission a Multi-specialty Community Provider model, working with its GP networks and London North West Hospital University NHS Trust. The Programme involves bringing groups of GP practices together, supported by a range of health and social care professionals traditionally based outside of general practices. The model aims to bring together these professional to provide enhanced personalised and preventative care for their local communities. Brent CCG wishes to work with LNWHUT and our other partner organisations to rapidly develop a model of care based around this model, with an implementation date of April 2019. LNWHUT has already confirmed that it wishes to work with us on this programme as per Simon Crawford's letter of 13th September 2018.

In particular, this would include district nursing, tissue viability and specialist community nursing.

The model we wish to commission would involve a block/ risk share arrangement on all non-elective activity for patients aged 18 and above. The CCG would seek to put this new contracting model in place with effect from April 2019. As part of this model we would also seek to repatriate activity which is currently flowing outside of the NWL acute sector and to bring it back within the scope of our integrated care system, which would result in a greater proportion of income accruing to LNWHUT from the repatriated activity.

In return for this collaboration, Brent CCG would undertake not to decommission those community services referred to above in return for agreeing and delivering a programme of work for the MCP with specific timeframes

Ealing CCG is progressing with the procurement of the single contract for out of hospital services. Subject to the procurement outcome, the intention remains in place to manage the safe contract handover of the in scope service lines with a planned go live of contract on 4th May 2019. All decommissioning notices remain in place.

Within appendix 2, there are specific notices listing the relevant CCG and are effective of the date of this letter.

**Mental Health Services**

The CCGs intend to continue the joint working with our local Mental Health Trusts to support the transformation of local services to align to integrated care models and the North West London STP. Specific benefits will ensure that patients with mental health problems benefit from improved integration across a range of pathways and outcomes are seen across both mental health and physical health settings. We expect to see further improvements in the management of crisis response pathways, the interface with Accident and Emergency settings and the flow from mental health inpatient wards through to community recovery settings and primary care mental health services through shifting settings of care developments. Delayed transfers of care will continue to be a focus of attention to support the need for local bed base reconfigurations. In line with work supported by the Like Minded strategy, we will continue to develop and implement care pathways for severe and enduring mental health need including urgent, primary and recovery care. This on-going work will be subject to the development of appropriate community and primary care capacity to support patients in the pathway.

Where any additional funding agreements for service changes are made, CCGs reserve the right to claw back funding where services have not been mobilised to agreed timescales. Full transparency is expected on mobilisation of services and where plans deviate from agreed mobilisation plans resulting in different costs being incurred, it is expected that these changes and the impacts of spend are fully shared and agreed with Commissioners.

In Brent, there is continued work to transform child and adolescent mental health services (CAMHS) in line with our local vision and the North West London plan. This will include the strengthening of the current crisis and gateway points of access, and the development on online support. Brent CCG is committed to meeting, and if possible exceeding, the access rates expected in *Implementing the Five Year Forward View for Mental Health*. We hope to be successful in our bid for school-CAMHS, and will work closely with NHS and voluntary sector providers to deliver this. Brent is exploring ways to improve the transition from CAMHS to adult mental health services, as is particularly keen to extend the local Early Intervention in Psychosis offer to include 'at risk mental state' support for siblings of teenagers experiencing a first episode of psychosis.

Adult mental health service development includes strengthening of primary care mental health support, primary care dementia support, psychological therapies (for common mental disorders, serious mental illness (including personality disorders), and as part of treating long-term physical conditions). Brent CCG is introducing more focused annual assessments for patients with serious mental illness, which we would expect would reduce reliance on non-elective care (reduced non-elective admissions for physical acute care) for that group, particularly around respiratory care. A key indicator of success would be the flu vaccination uptake in the Brent serious mental illness group as part of winter planning each year. We are also working to improve the physical health care available to mental health inpatients by developing the well-attested GP In-Reach model used on elderly mental health wards, and exploring the use of Rapid Response models in working-age mental health wards.

Brent CCG is keen to find ways to address the mental health workforce challenge by working with the Recovery College to develop more opportunities for local people to train in culturally sensitive peer support. As part of new duties on CCGs in supporting mental health training, we would expect the Brent work force plans to be coproduced between commissioner and provider, so that we make the best use of the available training places of Child Wellbeing Practitioners, and talking therapy practitioners.

Brent learning disability services have recently become integrated, and the CCG is keen to ensure providers have a clear contractual framework, so is exploring the use of an Alliance Agreement. Work continues around the Brent Transforming Care Plan, as part of a larger North West London plan. The CCG will ensure the local dynamic risk register is improved, and includes details of children and adults at risk of a mental health admission. The CCG will also clarify the commissioned support in physical acute services for people with learning disabilities and their carers.

**Quality and Safety Standards**

Patient safety, health outcomes, patient experience, reducing Health inequalities and Safeguarding all remain central to delivery of high quality, personalised service provision. All commissioned services must continue to comply with current legislation, plus multi-agency and NHS assurance systems

covering safeguarding children, adults and equality. Core to contract monitoring will continue to be the requirement to ensure that providers, through a culture of learning, have robust and aligned mechanisms to report, monitor and improve quality of services. These will continue to be actively monitored at monthly Clinical Quality Group meetings and clinical visits embarked upon where deemed appropriate.

The Quality schedule ensures consistency across all NWL commissioned providers. Our strategic objectives for 2019 onwards are to help ensure all our providers from NWL receive a CQC rating of good or above. We have been successful in NWL in aligning quality standards across acute contracts and as part of achieving this with Mental Health and Community contracts we will be aiming to agree: A series of generic quality requirements across all providers

- A set of core quality standards reflecting the provider speciality – Acute, Mental Health and Community
- A set of local metrics applicable to individual providers
- Adherence to the Public Sector Equality Duty, reported annually

**Planned Procedure with a Threshold (PPwT) and Individual Funding Request (IFR)**

The NHS is required to improve the care and health of local populations within a limited and increasingly challenging financial budget. There are some treatments that are therefore not normally available on the NHS and there are some treatments are only funded with if certain clinical thresholds to warrant treatment are met. These are called Planned Procedure with a Threshold (PPwT).

This means we have to:

- Review the clinical reasons for exceptionality in individual cases;
- Examine the evidence for the safety and effectiveness of any treatment; and
- Assess and evaluate and the current services and treatments we provide in order to continue to give patients the greatest health gains from the resources available.

As part of ensuring the most effective use of resources, standardisation of clinical practice and equity in access for patients the Planned Procedures with a Threshold (PPwT) portfolio of policies are commissioned across the eight CCGs in NW London. During 2019/20 existing PPwT policies are being reviewed and updated.

The NW London CCG Policy Development Group (PDG) will be reviewing a number of local treatments with limited clinical value within 2019/20 with a view to develop policies with access criteria for implementation in year 2019/20.

In addition, NHS England both National and London Region have identified a series of policies that will also provide commissioning guidance for local CCGs to consider through local governance arrangements. These may supersede existing PPwT thresholds or add new policies to the current PPwT portfolio.

The access for treatment will continue to be through a clinical authorisation route (PPwT form), or if the procedure or drug is not routinely funded, through the completion of an Individual Funding Request (IFR) form.

For more information on PPwT and IFR please refer to link: https://www.hounslowccg.nhs.uk/what-we-do/individual-funding-requests-and-ppwt.aspx

**CQUINs**

The NHS England CQUIN guidance is yet to be released and at this stage we will be assuming that any nationally mandated indicators will be traded as done historically with payments based on achievement. For any STP engagement CQUINs we would expect to build on the agreements reached for 2018/19 to help support our joint programmes.

**Information Requirements Schedule**

As for the quality schedule, the overall intent for the information requirements schedule is to continue to rationalise and streamline requirements as necessary for the 2019-21 contract. This should release resources to focus on “smarter working” system-wide opportunities as well as to minimise changes, aside from any new requirements arising from the development of the STP and ACO programmes.

Trusts are expected to report compliance within the contractual Service Conditions (SC).

**Statutory targets**

General
Support Trusts by streamlining information and quality schedules. Working closer with stakeholders (NHSE and NHSI) to standardise reporting where appropriate to defined core deliverables, enhanced by local measures. Subject to guidance there will be a sustained focus on A&E targets supported by the work of the Urgent Care programme.

Cancer
NWL CCGs will continue to work collaboratively with Trusts on the delivery of national Cancer Waiting Times standards to provide patient centred pathways. Incorporating the new 'Quality of Life' metric across all tumour specialities; further integrating primary and secondary care within our STP footprint.

RTT
Sustained delivery of waiting times standards with a focused approach to reduce waiting times overall where patients are exceeding expectations. Optimising diagnostic capacity across internal and external systems and departments. With the aim to deliver increased productivity, improved outcomes and a better patient experience.

**Medicines Management Commissioning Intentions 2019/20**

For Payment-by-Results (PbR) excluded drugs, continued major focus on achieving maximum possible system wide benefits from:

- Implementing adoption and switching to use of lower cost/best value brands of biosimilar adalimumab quickly and as soon as the lower cost version becomes available. With respect to the NHS England document 'Commissioning framework for biological medicines (including biosimilar medicines)' if more than one treatment is suitable, the best value biological medicine, including biosimilars, should be chosen. It is expected that at least 90% of new patients will be prescribed the best value biologic medicine within 3 months of launch (or as confirmed by LPP contract) or the date the product is available to the Trust, and at least 80% of existing patients within 12 months, or sooner if possible.

- Maintain continued uptake of best value medicines/biosimilars infliximab, etanercept, rituximab and insulin glargine (non-PbR excluded biosimilar) in place of the higher cost brands.

- An agreed patient supply of no more than 2 months high cost medication per homecare delivery to avoid unnecessary wastage due to treatment modification.

- Commissioners would like to review and potentially re-negotiate historic arrangements in place for sharing benefits and funding for any on-cost and/or homecare charges.

- Switch from invoicing of insulin pumps and pump consumables to activity on SLAM data so to provide a transparent mechanism for monitoring of these PbR excluded devices for both provider and CCG. Note: Continuous Glucose Monitoring (CGM) should not be charged on high cost drug SLAM data as this is within tariff.

In order to achieve smarter system working, we wish to:

- Ensure that the Blueteq IT system is embedded and used to submit and administer funding requests for CCG commissioned PbR excluded drugs.

- Work collaboratively to reduce the number of drug challenges via SLAM and cut down unnecessary "to and fro".

- Strengthen a collaborative partnership with primary and secondary care:

    - Continued support of the NWL CCGs' work to reduce prescription of medicines that can be purchased without a prescription, by aligning with this work and reducing supply of such medicines on A&E or outpatient clinic prescriptions. A detailed outline of the CCGs' approach is currently in the 2018/19 Medicines Schedule and will be included for

the following year. The NHS England document: *Conditions for which over the counter items should not routinely be prescribed in primary care: Guidance for CCGs* https://www.england.nhs.uk/publication/conditions-for-which-over-the-counter-items-should-not-routinely-be-prescribed-in-primary-care-guidance-for-ccgs/ will also be included in the schedule for 2019/20.

- Continued support of the NHS England document *'Items which should not routinely be prescribed in primary care'*. The 2017/18 Medicines Schedule currently states that "GPs should not be asked to initiate products specified in this document. Similarly for patients newly initiated on such treatment by the Provider, GPs should not be asked to continue this unless exceptional circumstances apply as per guidance". For 2019/20, additional wording will include: "for some patients currently on treatment specified in the document, the GP may refer the patient to the Trust for review or seek specialist guidance with respect to stopping or changing the medication which has been listed in the NHS England document".

- Bring together primary and secondary care prescribing by promoting best practice and cost effective prescribing in line with the following:

  - NHS London Free Style Libre prescribing guidance and North West London process
  - North West London inhaler guidelines
  - North West London diabetes guidelines on prescribing blood glucose test strips
  - Trusts will work with the commissioner when contracts are negotiated for the procurement or supply of the following which may require on-going prescription in primary care:
    - 1st line specialist infant formula milks - use the best-buy extensively Hydrolysed Formulae (eHF) for the majority of children with cows' milk protein allergy in community
    - 2nd line specialist infant formula milks - use the best-buy amino acid formula for all children with cows' milk protein allergy in community
    - Oral Nutritional Supplements (ONS) – for clinicians/dieticians who prescribe ONS, the choice of product(s) should be based on current best buy in community
    - Catheter and Continence Equipment – formulary options as agreed with host commissioner

**Metrics**

NWL CCG's will look to continue with the existing 2018-19 national mandatory and contractual clinical metrics and will continue to seek standardisation in application across providers. Where additional clinical metrics are identified and there is merit in introducing them, these will be used to monitor operational performance to assist with benchmarking, to optimise pathways and aid discussion in clinical work streams in support of STP transformation initiatives. As part of the move to maximise system wide efficiency opportunities commissioners would expect providers to review and share potential developments in 1) national Innovation & Transformation Fund and 2) Model Hospital benchmarking tool.

**London Commissioning Arrangements**

London CCGs will continue with the existing Coordinating Commissioner arrangements currently in place for 2017-19, via a pan-London Consortium Agreement, which outlines the governance arrangements plus respective roles and responsibilities of the Coordinating Commissioner and Associate CCGs.

The Commissioning Intentions for a variety of pan-London clinical networks will be shared when received.

**Specialised Services**

CCGs will continue to work collaboratively with NHS England Specialised Commissioning on projects identified within the STP process that reach across CCG and Specialised commissioned pathways.