NHS tariff development and the impact of good quality data and coding

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NHS tariff development and the impact of good quality data and coding
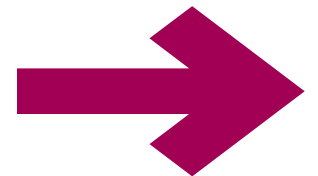
NHS England

CHKS Conference

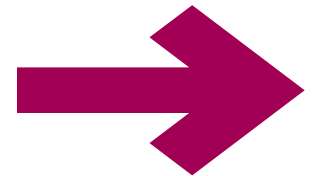Martin Campbell, Head of Pricing

6th October 2015

Tariff development and the impact of good quality data and coding?

- Why do we need good quality data & coding?

- Clinical coding

- Cost data

- Quality & outcomes data

- Supporting the Five Year Forward View

Reforming the payment system for NHS services: supporting the 5YFV

- A comprehensive set of classifications, particularly focusing on community, mental health and specialised services

- Introduce a single mandated patient-level cost collection across all care settings

- Support commissioners and providers to link cost, activity and outcomes across care settings

- Develop a set of quality measures linked to payment

- Develop the sector's ability in capturing and using high quality cost, activity and outcomes data
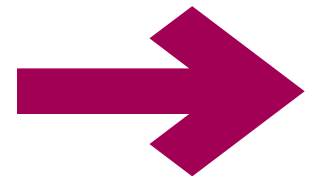
# Why does the tariff require good quality data and coding?

Cycle diagram: Currency design → Calculation of prices → Accurate payment → Link to quality/outcomes
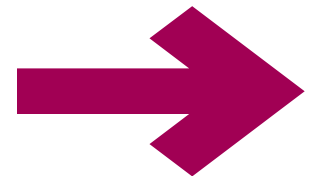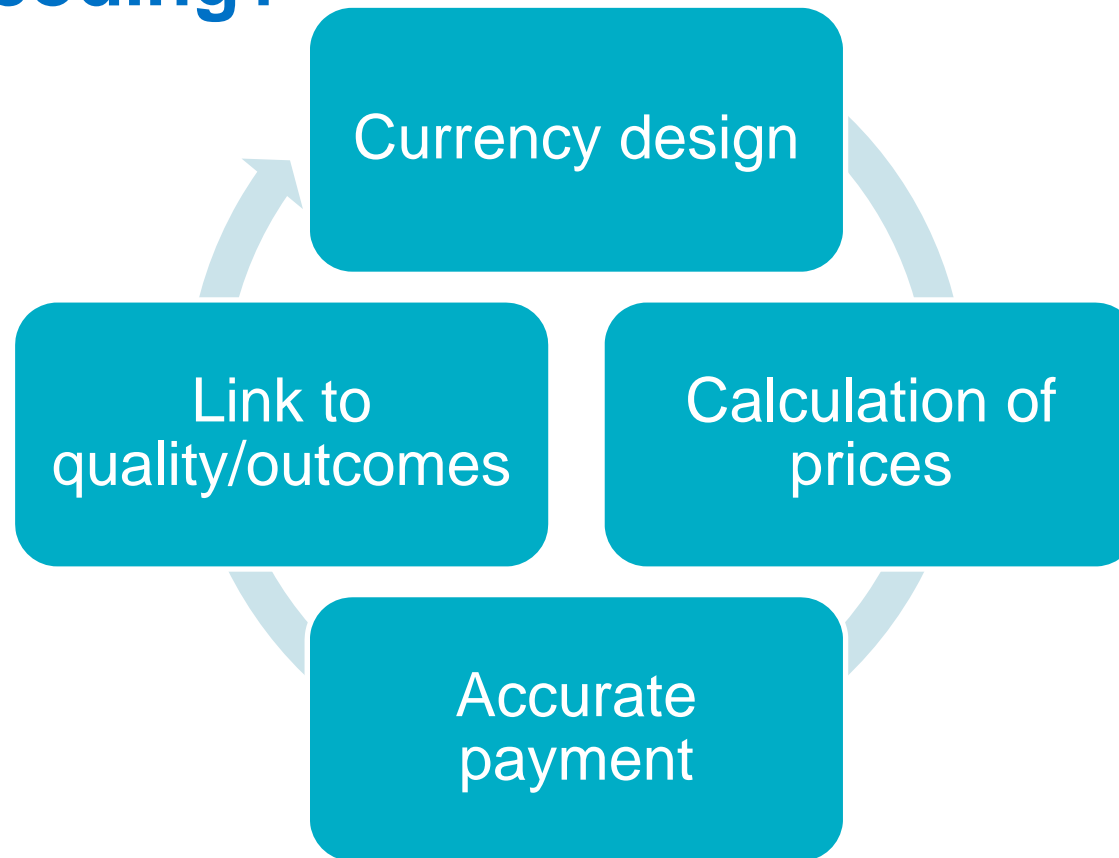
Getting good quality clinical coding is fundamental…

- Poor quality clinical coding of diagnosis and procedure causes problems with:

    - design of currencies
    - accurate cost data
    - accurate payment

# Accurate coding is more important with HRG4+…

- Better recognition of multiple procedures

- Introduction of interactive complications and co-moribidities

- To ensure accurate payment, depth of coding will be important
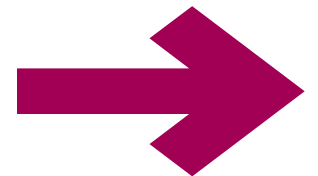
The adoption of HRG4+

HRG 4

FZ67A	Major Small Intestine Procedures 19 years and over with CC
FZ67B	Major Small Intestine Procedures 19 years and over without CC
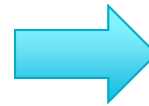
HRG 4+

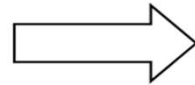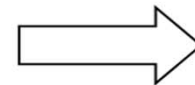| FZ67C	Major Small Intestine Procedures, 19 years and over, with CC Score 7+
FZ67D	Major Small Intestine Procedures, 19 years and over, with CC Score 4-6
FZ67E	Major Small Intestine Procedures, 19 years and over, with CC Score 2-3
FZ67F	Major Small Intestine Procedures, 19 years and over, with CC Score 0-1
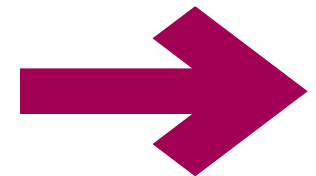
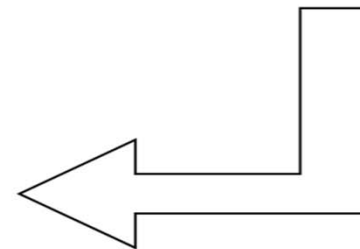# Accuracy of payment

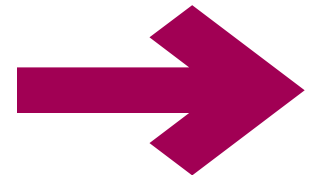Spell in hospital → Patient Records → Grouper Software

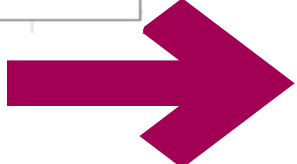**Grouping Criteria:**
o Clinically meaningful
o Iso-resource

HRG
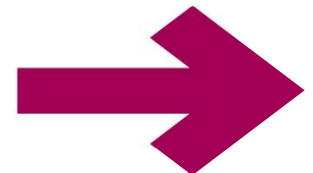
Good quality cost data is key to setting accurate prices…

- National tariff prices are set using the average reference costs, so reliant on these being accurate to ensure the tariff is accurate

- Prices are tested with clinical experts - biggest issues are those areas with a high element of high cost drugs/devices (e.g. orthopaedics)

- It is unlikely that the roll-out of PLICs data will solve all data quality issues, so…

- Should we clean cost data more rigorously before prices are calculated?

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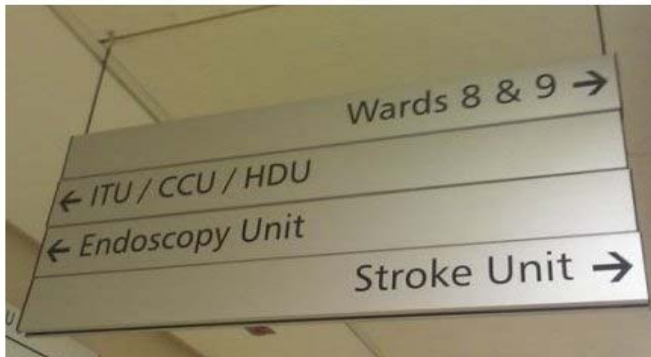# Example of a typical problem in reference cost quality

HC40A EL - Distribution of raw reference cost

16/17 tariff

EWG suggested tariff

No. of the trusts

Unit cost reported
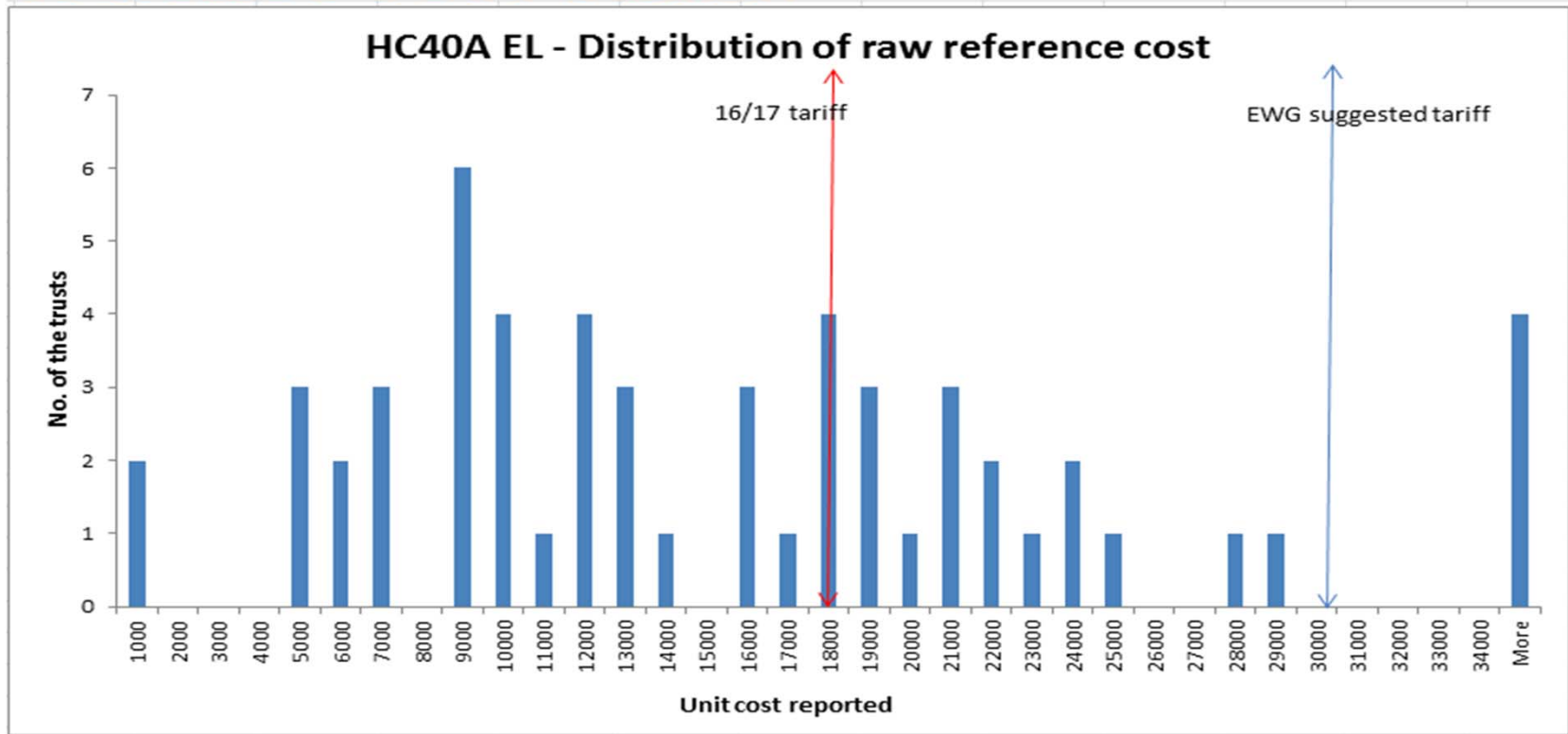
We also need accurate data from other datasets to support tariff development, e.g. for Stroke BPT

Urgent brain scan
SINAP data – 1hr scan from 29% to 33% and 24 hour scan from 91% to 92%

Stroke unit care
Vital sign data – from 62% to 75% in number of patients staying on stroke unit
SINAP – from 48% to 55% in number of first admissions to stroke unit
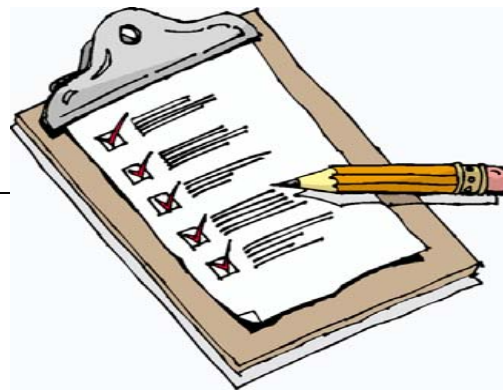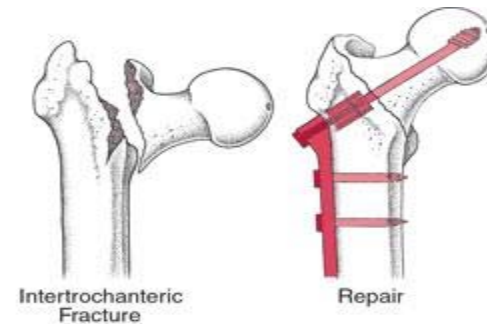
…and fragility hip fracture BPT

Timely surgery
HES data
4pp increase or ~850 patients (48 hours)
NHFD data
12pp increase in England
3pp increase between participants

Intertrochanteric Fracture   Repair

Ortho-geriatrician input
NHFD data
18 pp increase in England for joint care protocol

Usual place of residence
HES
2.1pp or 300 patients increase

Data quality in non-acute settings

- Data quality in community and mental health doesn't seem to be as good as acute data

- There will be a greater focus on developing payment approaches for community and mental health services, especially with the introduction of new care models

- Partly due to current block contracts and the later development of standard currencies (or none for community services)

- Quality of cost data has been an issue with the implementation of care clusters as the currency for mental health payment
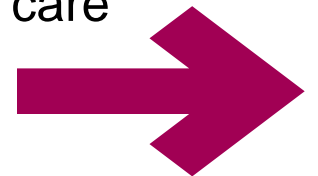
Does good quality data & coding still matter if we are moving to population-based payment models?

- Need to understand patient-level costs for individuals with different conditions and co-morbidities
- Bundled payments will need to be developed from standard building blocks
- Need to understand how patients access health (& social care) services across different settings
- Need to improve the quality of data in non-acute settings
- Greater focus on payments linked to quality & outcomes and therefore the collection of associated metrics

18

Summary

- Good quality data and coding is key to the operation of the tariff

- Implementation of HRG4+ means depth of coding more important

- Importance of good quality data in non-acute settings will become more important

- Increasing use of quality & outcomes metrics and clinical datasets

- Data quality will continue to be important when implementing the new payment approaches to support the Five Year Forward View