

Outcomes Based Contracting for Adult Mental Health Services: an update for Oxfordshire Health Overview Scrutiny Committee

1. Purpose of this Paper

This paper sets out for HOSC progress with the implementation of the outcomes based contract (OBC) signed by Oxfordshire Clinical Commissioning Group (OCCG) and Oxford Health NHS FT (Oxford Health) on 1 October 2015. It clarifies the scope of the contract, seeks to explain the contracting mechanism and identifies next steps.

HOSC is asked to note the paper which is presented as an update for information, and raise any other questions for clarification. HOSC is asked to support the next steps set out at section 7 on page 6 below.

2. Why outcomes based contracting for mental health?

In 2012-13 OCCG undertook an extensive process to engage users, carers, clinicians and providers in exploring the rationale for OBC and in designing both those outcomes that would make a difference to people living with mental illness, and the model for delivering this new kind of service. There are many reasons why OCCG concluded that OBC was the right approach, but the key one was the feedback from a user and carer event held in July 2013:

“...if you are not commissioning for outcomes-what are you doing?”

The model was developed with the people that use services and those who care for them and proposed the following key features:

- One front door to services with a multi-agency assessment and treatment approach
- One personalised care plan across the pathways
- One database for all relevant inputs across the pathway
- One system of clinical governance and risk management

3. Current Status of Outcomes Based Contract

OCCG awarded the contract for OBC after Oxford Health and its partners successfully completed a *most capable provider process* in September 2014. The *capable provider process* was designed with the support of users of services and those who care for them. These groups were also involved in the evaluation itself and part of the panel that

approved the award of *capable provider* status to Oxford Health and its partners. The process was one in which it was possible for the bidder to fail.

The draft contract for OBC was negotiated in terms of the service specifications and quality schedules during 2014-15, and the final contract was signed on 1 October 2015. The contract parties are OCCG as commissioner on behalf of Oxfordshire County Council (OCC) and OH on behalf of the Oxford Mental Health Partnership. The partnership is made up of

- Oxford Health
- Oxfordshire Mind
- Response
- Restore
- Elmore Community Services
- Connection Floating Support

Oxford Health sub-contracts to its partner organizations. The contract length is for 5 years with the option to extend the contract for a further 2 years. The initial period therefore runs until 30 September 2020. The overall contract value is approximately £36m per annum, made up of health and social care funding that sits in the s75 NHS Act 2006 Pooled Budget between OCCG and OCC.

4. Scope of the Outcomes Based Contract

The OBC contract is designed to deliver recovery and well-being for adults who live with severe mental illness through the achievement of specified outcomes. It should meet the user and carer desire for responsive services that enable people to live with and beyond their mental illness. Ultimately the aim of the contract is to help people living with severe mental illness to live as independently as possible, managing without the ongoing support of secondary mental health services.

The outcomes that form the basis of OBC were developed as part of a public consultation in 2013.

Outcome	Proposed metric
People will live longer	Mortality rate of people with SMI
People will improve functioning	Recovery star; progress through PbR clusters; effective discharge
Timely access to support	Emergency response: 2 hours
Carers will feel supported	Surveyed on case review
People will have a meaningful role	People in paid work, structured volunteering and structured education
People will have stable accommodation	People in settled home, including on supported housing pathway
People will have better physical health	Reduced used of urgent care pathway; "normal" BMI; smoking reduction

Key:

- SMI-severe mental illness
- Recovery Star: a user completed self-assessment tool that enables people to identify their strengths and their barriers to well-being and focus their care plan on addressing these issues
- PbR clusters: a nationally developed "payment by results" tool that stratifies the severity of someone's mental illness through a clinical assessment. The clusters are a scale of need relating to anxiety and depression, psychosis, and dementia. Only the first two form part of OBC
- BMI-body mass index

Taken together these outcomes are designed to draw together the user (Recovery Star) and the clinician (PbR cluster) perspective on how well someone is doing. The outcomes are a combination of the short and long term (individual better physical health v overall mortality rate). The outcomes focus on what works: structured activity; stable housing; well-supported carers; responsive services in a crisis.

Population covered by the contract

This contract is concerned with the needs of adults aged 18- 65 with severe mental illness (moderate to severe anxiety and depression, personality disorder, psychosis). It doesn't cover:

- Children and Young People (except where experiencing first onset of psychosis from age 14)
- People with dementia
- People with Learning Disability
- People with mild to moderate anxiety and depression who would be supported instead in the Psychological Therapy and Wellbeing Service.

Services in scope

The contract brings together in one contract a number of services that were previously commissioned across a range of different contracts:

- In-patient and community mental health services, including crisis response
- Housing and support services
- Employment and recovery services
- Social care personal budgets and individual packages
- Well-being services and specialist psychology
- Many of these services were previously provided by OH's partners in contracts held directly with OCCG.

Future scope of the contract

There are a number of planned and potential expansions to the contract

- Services that fall within the mental health urgent care pathway and which help deliver the Crisis Care Concordat. These services need to be aligned into one specification and that might sit appropriately within the OBC contract.
- Services to people with Learning Disability who also have a severe mental illness but who are currently supported by Southern Health NHS FT. These people may receive their care within the mainstream OBC service in line with the Oxfordshire *Big Plan* and the national *Transforming Care Plan*
- OCCG and OCC need to align the Oxfordshire *Local Transformation Plan* for children and young peoples' mental health with OBC especially around managing transition
- OCCG is presently leading a review of older adult mental services, and this will consider whether people aged 65 and above with anxiety and depression and psychosis should be brought within scope.
- There is a potential gap in our commissioning around the needs of people with Autism and behaviours that challenge: this is being explored as part of the development of the *Transforming Care Plan* mentioned above.

5. Contract structure and incentives

The contract is built around the delivery of the outcomes:

- 80% of the contract value is paid as a block. It is evaluated against the performance of quality indicators and balancing measures that have been built into the contract (to provide assurance that the delivery of the outcomes does not drive unintended consequences elsewhere).

- 20% of the contract value is paid on delivery of outcomes. The different outcome measures have been assigned a number of points out of a hundred to reflect the relative importance of the outcome. Each point is worth c £70,000.

In effect, the delivery of the outcomes is designed to earn the money that provides sufficient incentive for OH and its partners to redesign their services and address organizational challenges around integrated care planning and personalised approaches. If, for instance, getting more people into work, volunteering or education was worth 20% of the outcomes pot-that would be worth £1.4m. The incentives, allied to the length of the contract are designed to encourage the provider to remodel their services.

Part of the incentive pot (10% of the 20%) will be paid on delivery of transformational aspects of the service. These will be reviewed and agreed annually.

6. Performance of the OBC contract to date

The contract is new and in several cases the target for the provider in Year 1 is the achievement of the prior year baseline. In several others we are developing completely new measures and so the first year will establish the baseline to set an improvement trajectory from Year 2. We will be measuring performance against long-established measures for employment and settled housing in year 1.

Oxford Health and its partners have been active in developing these new services prior to the start of the contract:

- Oxford Health moved to 7 day working for the community based Adult Mental Health Teams in 2013-14.
- Oxford Health and its partners have designed and implemented the Recovery College

The contract will be monitored monthly. The recent Care Quality Commission report into services provided by Oxford Health has highlighted a number of areas needing improvement, some of which directly relate to the delivery of this contract. There is an established process for managing the actions arising from the report, but OCCG will additionally be asking Oxford Health to evidence improvement in the care planning process in the Adult Mental Health Teams, and be seeking assurance that users and carers are involved in this process.

The OBC contract is the main delivery vehicle for Oxfordshire's implementation of the national plan *No Health without Mental Health* and for the delivery of the new national access standard in relation to early intervention in psychosis: the national standard is that 50% of patients referred are seen within 2 weeks. Oxford Health is meeting and exceeding that target.

7. Next steps for the OBC contract

The lengthy process of bringing the contract into being has led to some confusion about what stage has been reached. Therefore Oxford Health and OCCG are working with users and carers who were involved in *Alice's Report* published by Healthwatch Oxfordshire in 2015 to put on an event on Tuesday 23rd February in Oxford to showcase the new services and explore how best to involve users and carers in their delivery and development. There has been considerable interest in this event.

OCCG and Oxford Health are working through the implementation plan and will report progress through the Mental Health Joint Management Group quarterly.

As part of the development and implementation of

- The Local Transformation Plan for children and young people's mental health
- The Oxfordshire Mental Health Crisis Concordat
- The Transforming Care Plan for people with Learning Disability and/or Autism
- The review of older adult mental health services

OCCG will be considering how the scope of OBC might be extended, and/or how the contract needs to be amended to ensure alignment with the new service.

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Oxfordshire Clinical Commissioning Group

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