

Committee(s)	Dated:
Community and Children's Services – For Decision	10/07/2015
Subject: Sexual Health GUM (Genito-Urinary Medicine) Payment By Results Contracts	Public
Report of: Director of Community and Children's Services	For Decision

Summary

From April 2013, local authorities have been mandated to provide comprehensive sexual health services to their residential population. This includes open access to genito-urinary medicine (GUM) services, which include outpatient HIV services, HIV testing, specimen analysis and the dispensing of medication alongside a wider range of sexual health services. As it is open access, City residents can access GUM services anywhere across the country and the City of London Corporation will be required to pay for it.

To date, the City of London Corporation has been working with local authorities across Waltham Forest, Hackney, Tower Hamlets and Newham to negotiate the tariffs and terms for payment with the providers with the highest activity levels for our local authority areas. These negotiations have resulted in savings for each local authority.

The majority of local authorities across London are now working together to negotiate tariffs for services across London, and to commission a future Pan London service which represents value for money for all authorities involved.

This report provides Members with information on these negotiations and proposals to work across London to ensure value for money and access to services for city residents for future GUM services.

Members should note that an earlier version of this report was sent to the Health and Wellbeing Board, and that the report has been updated in line with the current situation.

Recommendation(s)

Members are asked to:

- approve the proposals to continue the Pan London negotiations with GUM providers across London, and involvement in the potential Pan London commissioning of GUM services from 2017.
- authorise officers to publish default conditions for financial year 2015/16 on the City of London Corporation website for GUM providers cross-charging for GUM services that do not partake in local tariff agreements:

- a. outlining the City and Hackney proposed starting position to 2015/16 baseline tariff rates and outlining our conditions to provide validation information against invoices charged to the City; and
- b. notifying GUM providers that payments are processed for the City by the London Borough of Hackney, outlining the London Borough of Hackney's process for payment, and highlighting expected compliance with the requirements of the London Borough of Hackney's financial terms and conditions prior to being paid.

Main Report

Background

2. From April 2013, local authorities have been mandated by regulation to commission comprehensive sexual health services, including HIV prevention and sexual health promotion, open access genito-urinary medicine (GUM) and contraception services for all age groups. HIV treatment and care, abortion, vasectomy and sterilisation services will continue to be provided by the NHS.
3. The City of London Corporation therefore holds responsibility for commissioning most sexual health interventions and services as part of our wider public health responsibilities, with costs being met from the ring-fenced public health grant. Fundamentally these services are aimed at the control of sexually transmitted disease and the reduction in unwanted pregnancies.

Current Position

4. We are obliged to provide open access sexual health GUM services. These offer the highest tier of sexual health services, led by consultants with specialist training in GUM and include outpatient HIV services, HIV testing, specimen analysis and the dispensing of medication alongside a wider range of sexual health services. These services, in the large part, are delivered by health trusts in clinical settings.
5. 'Open access' means that City residents can present at any GUM service across the country and the City of London Corporation holds a legal responsibility to pay for it. The City of London Corporation therefore receives invoices from across England for the use of these services. This process is managed for the City of London by the London Borough of Hackney, as part of the Service Level Agreement that we have in place for the management of public health services.

The GUM tariff

6. Those delivering GUM services are able to utilise the NHS Payment by Results (PbR) system for recouping costs incurred and charging local authorities for local residents accessing their services. The GUM payment mechanism pulls together a range of activities from the simple to the complex and amalgamates them into two tariffs. These are the First Appointment (FA)

and the Follow Up (FU) appointment, it is a clinical decision at point of care based on sexual activity history and symptoms presented to decide on what testing and what treatment is required.

7. This was implemented to simplify the administration process. However, given the majority of the testing is completed on service users who are not displaying any symptoms and there is usually a negative result it would be fair to say that the use of this tariff often results in the commissioner paying a greater amount than the cost of the service provided.
8. The London Borough of Hackney (LB Hackney), on behalf of the City of London, is responsible for ensuring that tariff rates for these services are competitively priced and payments are made by result (PbR) against validated activity data, ensuring that the City of London is only paying for City residents on mandated procedures.
9. The majority of activity, and cost, is within London at the following hospital trusts:
 - Barts Health NHS Trust
 - Central and North West London NHS Foundation Trust
 - Chelsea and Westminster Hospital NHS Foundation Trust
 - Guy's and St Thomas' NHS Foundation Trust
 - Homerton University Hospital NHS Foundation Trust
 - Imperial College Healthcare NHS Trust.
10. National tariff guide prices are available from NHS England; however, local authorities are able to negotiate rates with GUM services, should they wish to, taking into account local factors such as population data, demand and market forces.
11. Up until this year we have taken this approach with the above six London trusts as City and Hackney residents who present at their GUM service represent a significant share of their GUM activity. These negotiations have taken place through the North East London Commissioning Support Unit (NELCSU) in collaboration with the London Boroughs of Tower Hamlets, Hackney, Waltham Forest and Newham, and the City of London Corporation.

Pan London GUM negotiations

12. For the 2015 tariff negotiations we have now joined up with 22 London Boroughs. This has allowed us to take a much firmer starting negotiation position in terms of contract variables with the main objective of getting a better control of costs and growth for the next two years.
13. Recognising that this is a fragile and informal partnership at present, we have retained the strong partnership with our neighbouring boroughs as detailed at paragraph 11 above, which will give us a fall back position if required. We anticipate having contracts in place during July 2015 via the agreement with LB Hackney, pending the negotiations with providers.

14. There is a potential option to implement an integrated sexual health payment by activity model which is currently running in other areas of the country. This integrated tariff would bring together all GUM and Community Sexual Health activities. The City and LB Hackney would be in support of this proposal.

Pan London Commissioning Programme

15. In the longer term it is proposed that the City join a collective of local authorities across London who will develop a new joint commissioning model for delivery in 2017. The aim of this would be to have a more evenly and proportionate distribution of GUM services across London, a firmer control of the service development, and a clearer consistent pathway to the range of services offered.
16. The Director of Public Health for Hackney and the City is chairing the Clinical Working Group which is framing the clinical model for the service, and there is representation from LB Hackney (on behalf of the City) on the Management and Procurement programme boards focussed on how the new service will be procured and run.
17. It is anticipated that a Business Case will be prepared for the Pan London service this summer.

Proposals

18. The recommendations that Members are asked to approve are:
 - a. To approve the proposals to continue the Pan London negotiations with GUM providers across London, and involvement in the potential Pan London commissioning of GUM services.
 - b. To authorise officers to publish default conditions for financial year 2015/16 on the City of London Corporation website for GUM providers cross-charging for GUM services that do not partake in local tariff agreements:
 - i. outlining the City and Hackney proposed starting position to 2015/16 baseline tariff rates and outlining our conditions to provide validation information against invoices charged to the City; and
 - ii. notifying GUM providers that payments are processed for the City by the London Borough of Hackney, outlining the London Borough of Hackney's process for payment, and highlighting expected compliance with the requirements of the London Borough of Hackney's financial terms and conditions prior to being paid.
19. Financial risks associated with increased demand on GUM services will also be managed through more effective prevention and community-based services, which the City is currently developing.

Corporate & Strategic Implications

20. The proposals within this report support the following strategic aims from the Department of Community and Children's Services Business Plan:
 - a. Priority Two – Health and wellbeing: Promoting the health and wellbeing of all City residents and workers and improving access to health services in the Square Mile.
 - b. Priority Five – Efficiency and effectiveness: Delivering value for money and outstanding services.

Implications

21. The proposals continue to fulfil legal requirements to pay for cross-charging GUM services through tariff negotiations to ensure the City is achieving value for money.

Conclusion

22. The proposals to Committee are the best way to ensure that City residents get access to services while ensuring the best possible value for to the City.

Appendices

- None.

Lorna Corbin

Commissioning and Performance Manager (Public Health)

T: 020 7332 1173

E: lorna.corbin@cityoflondon.gov.uk