

Thirteen principles of payment

In July 2017 the ELHCP published a consultation on payment development to support transformation in care and ways of working across East London. The consultation document provided an overview of different payment approaches, outlined benefits and risks of each and highlighted other 'enablers' of change that are needed to support system development.

The consultation process sought and received views on what individuals and organisations within East London wanted to achieve with the payment system and what payment reform should deliver for the health and care system as a whole. There was wide involvement in the consultation process and rich feedback was received in both written and verbal forms. The ELHCP held six workshops for payment development for ELHCP stakeholders including nearly 100 health and care representatives covering all 20 ELHCP partner organisations as well as other providers within East London. 54 members of the public attended the first workshop, representing a mix of individuals, health conditions and backgrounds across the ELHCP footprint. ELHCP colleagues also attended local authority governance and scrutiny committees. This process also enabled ELHCP partners to kick off a discussion across ELHCP about how they can work together differently to serve our population better.

Feedback from the Consultation suggested a number of 'principles for payment'. The ELHCP Board agreed this set of principles, and that they should apply to payment approaches developed within East London. If a single approach to payment was not taken across East London, local authorities or integrated care systems within this footprint could still adhere to a common set of principles.

Principles are not presented in a specific hierarchy.

Payment should:

1. enable and incentivise providers and commissioners to focus on achieving good quality care and the right outcomes for patients and our population;
2. include metrics that allow agreed outcomes to be linked to transactional payments;
3. allocate resources to get the balance of services right for our population, and to achieve value for money in regard to the location, model and method of care delivery;
4. support early intervention, prevention and condition management;
5. align organisational and system objectives, including measurements and targets;
6. ensure that payment within the system supports, and works within, the system-wide control total;
7. incentivise providers and commissioners to cooperate and provide coordinated care;
8. facilitate innovation and transformation at all levels within system, including making the most of the ideas and energy of clinicians, care professionals and front line staff;
9. facilitate, and create incentives for, delivery of the clinical strategy agreed for East London;
10. share risk in a way that is fair and creates incentives that support ELHCP objectives - ensure that overall system risk is lowered and financial risk is aligned to those parts most able to influence/manage the risk;
11. offer longer contract cycles to provide stability and incentivise investment;
12. ensure an approach that is transparent and simple for all in the system to understand
13. minimise administrative burdens and transaction costs associated with payment, including streamlining 'key performance indicators' and targets.