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12 November 2018

Dear Sarah Wilkinson

NHS Improvement's Mandatory Request to NHS Digital – Patient Level Costing Information Systems (PLICS) Improving Access to Psychological Therapies (IAPT) pilot

I am writing to the Health and Social Care Information Centre (now known as and referred to in this letter as “NHS Digital”) on behalf of Monitor (referred to in the rest of this letter as “NHS Improvement”).

Under sections 255(1), 256(1)(a) and 256(2)(a) of the Health and Social Care Act 2012 (“HSCA”) we hereby request that NHS Digital establishes and operates a system for the collection and analysis of PLICS IAPT data from Trusts in accordance with this request.

I have set out below full details of the relevant functions of NHS Improvement, and the drivers for and benefits of our Costing Transformation Programme to which the collections are a key enabler.

NHS Improvement's functions

Under Chapter 4, Part 3 of the HSCA, NHS Improvement working with NHS England, is responsible for developing, publicising and enforcing the national tariff, which sets out the price payable by commissioners for NHS services.

NHS Improvement is also responsible for licensing providers of NHS services under Chapter 3, Part 3 of the HSCA. The licence includes a set of standard licence conditions, including:

- conditions applicable to foundation trusts relating to governance arrangements (e.g. there is a requirement for licensees to establish and implement systems and/or

processes to ensure compliance with licensee's duty to operate efficiently, economically and effectively); and

- conditions that enable us to fulfil our duties in partnership with NHS England to set prices for NHS care by requiring providers to collect costing information.

Three licence conditions relate to costing:

Pricing condition 1: Recording of information. Under this licence condition, we can require licence holders to record information, including cost information, in line with our published guidance. Such information must be recorded using our 'approved reporting currencies' and in accordance with our *Approved costing guidance*.

Pricing condition 2: Provision of information. Having recorded the information in line with pricing condition 1, licence holders can be required to submit this information to us, as well as other information and reports we may require for our pricing functions.

Pricing condition 3: Assurance report on submissions to NHS Improvement. It is important for price setting that the information submitted is accurate. This condition allows us to require licence holders to submit an assurance report confirming that the information they have provided is accurate.

Although NHS trusts do not have to hold a provider licence, they too must comply with the requirements of these licence conditions under the NHS Trust Development Authority's regime for NHS trusts.

NHS Improvement has a general power under paragraph 15 of Schedule 8 in the HSCA to do anything which appears to it to be necessary or expedient for the purposes of, or in connection with, the exercise of our function.

Costing Transformation Programme

Understanding how providers spend money is essential in tackling short-term deficits; supporting the development of new models of care and reducing the variation in resource utilisation.

Benchmarking using current Reference Cost data cannot identify precisely where there is potential for efficiency gains. Such data is limited in its ability to reflect the complexity of patient care and identifying cost variation between individual patients. By introducing a standardised method of reporting cost information at patient level this can be rectified. This is known as PLICS.

NHS Improvement's Costing Transformation Programme (CTP), was established to implement PLICS across Acute, Mental Health, Ambulance and Community providers. The programme entails:

- introducing and implementing new standards for patient level costing;

- developing and implementing one single national cost collection to replace current multiple collections;
- establishing the minimum required standards for costing software and promoting its adoption; and
- driving and encouraging sector support to adopt Patient Level Costing methodology and technology.

The information gathered from this programme will be used to enable NHS Improvement to perform its pricing and licensing functions under the HSCA more effectively. It will:

- inform new methods of pricing NHS services;
- inform new approaches and other changes to the design of the currencies used to price NHS services;
- contribute to NHS Improvement's strategic objective of a 'single national cost collection by 2020';
- inform the relationship between provider characteristics and cost;
- help trusts to maximise use of their resources and improve efficiencies, as required by the provider licence;
- identify the relationship between patient characteristics and cost;
- support an approach to benchmarking for regulatory purposes.

Mandatory request

Under sections 255(1), 256(1)(a) and 256(2)(a) of the HSCA, we hereby request that NHS Digital establishes and operates a system for the collection and analysis of PLICS data, from up to 21 Trusts.

The identities of the Trusts from whom PLICS data is to be collected is set out in Annex B.

Together all such Trusts are referred to in this request as "Commissioned Provider Trusts".

In the event that any of the "Commissioned Provider Trusts" are not able to participate in this data collection exercise, then NHS Improvement shall provide an updated Annex B to NHS Digital at the earliest opportunity.

The term "PLICS data" is used in this request to refer to the data set out in Annex A.

The system to be established and operated under this request will need to have the following functionality:

- Data collection – the ability for Commissioned Provider Trusts to submit PLICS data direct to NHS Digital;
- Potential to link PLICS data, with data from the IAPT dataset and other relevant activity and outcome data held by NHS Digital to be agreed between NHS Digital and NHS Improvement via data specifications;
- Data quality and validation; and
- Data supply – the functionality to provide pseudonymised PLICS data to NHS Improvement for processing and analysis, to be agreed between NHS Digital and NHS Improvement via data specifications.

There are four ‘levels’ of data requiring collection by NHS Digital as part of the Costing Transformation programme, collectively these will form the data extract requested by NHS Improvement.

The four levels referred to above are:

- Reconciliation tables
- Message Header Information
- Activity Records; and
- Activity Costs Records.

The detail of what is included for each of the above is found in Annex A.

This data collection exercise is expected to take place over the period of November 2018 to March 2019 (inclusive).

The collection year begins on 1 April 2017 and ends on 31 March 2018. All attended IAPT appointments within the collection year are in scope of this collection.

Only those activity cost records for resources used and activities undertaken within the collection year should be included, regardless of when the referral started or ended.

Where an individual has not explicitly consented to their data being used for secondary purposes and the provider did not flow the records for this patient within IAPT then this data should also be excluded from the PLICS data flowing to NHS Digital under this request.

Unless it is deemed by the NHS Improvement Costing Transformation Programme Director that the system for the collection and analysis of PLICS established and operated pursuant to this request is ineffective at any point during this programme of works and NHS Improvement formally withdraws this request in writing to NHS Digital, NHS Improvement shall continue to request NHS Digital to collect and analyse PLICS data from Commissioned Provider Trusts in accordance with this request.

We have set out above how the collection of PLICS data is relevant to our pricing functions. In accordance with section 255(4)(b) we consider that the information which could be obtained by complying with the request is information which it is necessary or expedient for NHS Improvement to have in relation to its discharge of its duties:

- a) in relation to the pricing of health care services provided for the purposes of the NHS; in particular, its duty to prepare and publish the national tariff (section 116 and 118 of the HSCA);
- b) in relation to the licensing of providers of NHS services; in particular, its duty to oversee and enforce the licence (see Part 3 of Chapter 3 of the HSCA); and
- c) generally, in relation to the exercise of its functions, in particular its duty under section 62(1) of HSCA in exercising its functions to protect and promote the interests of people who use health care services by promoting provision of health care services which is economic, efficient and effective, and maintains or improves the quality of the services.

“Monitor” is listed as a “principal body” under section 255(9) of the HSCA. This request therefore meets the requirements for a mandatory request under section 255(4) of the HSCA and is a confidential collection request in accordance with section 256(1)(a) and 256(2)(a) of the HSCA. Prior to making this request, NHS Improvement has liaised and worked with NHS Digital as required by 257(4) of the HSCA and recognises this request must go through an established system of approvals within NHS Digital.

In making this mandatory request, NHS Improvement also requests that, pursuant to section 262(4) and (5) of the HSCA:


1. NHS Digital exercises the powers it has (and may choose which of its powers to exercise at its sole discretion) to disseminate the information which it obtains by complying with this request, so as to provide information to a Commissioned Provider Trust to enable it to re-identify the individuals who were the subject of the PLICS data which that Trust had submitted.
2. NHS Digital does not exercise the power conferred by section 261(4) of the HSCA in relation to the information which it obtains by complying with this request, other than to disseminate information to such persons, for such purposes and at such times as may be agreed between NHS Digital and NHS Improvement. Such consent to disseminate data shall not be unreasonably withheld by NHS Improvement and would only be withheld where NHS Improvement considers that use of the data would be either;

- a) detrimental to the aims of the Costing Transformation Programme or,
- b) detrimental to NHS Improvement performing its pricing and licensing functions under the HSCA.

NHS Improvement recognises that in submitting this request under section 255 of the HSCA, NHS Digital is entitled to charge a reasonable fee pursuant to section 257(3) in respect of the cost of complying with this request from NHS Improvement.

Finally, NHS Improvement understands that these collections are subject to confirmation of funding and resources, in line with NHS Digital's business planning cycle and wider health and care system budgetary management (for example, NIB funding).

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Colin Dingwall', with a horizontal flourish underneath.

Colin Dingwall, Costing Transformation Programme Director

Annex A

Costing Transformation Programme Data Extract Requirements

NHS Digital is being asked to collect the below information, which collectively form the extract requested by NHS Improvement:

1) Reconciliation table

- The message header
- The final audited accounts table
- The services / cost group main table

2) Patient level table

- The message header
- The activity records
- The activity cost records

1) Reconciliation table

Message Header

Field Name	Description
Organisation identifier (Code of submitting organisation)	Organisation identifier (Code of submitting organisation) is the organisation identifier of the organisation acting as the physical sender of a data set submission.
Financial year	The reporting period for financial data
Reporting period start date	The start of the reporting period the extract covers
Reporting period end date	The end of the reporting period the extract covers.
Date and time data set created	The date and time the extract was created
Patient level costing care activity type code	The data set the extract covers

Final audited accounts table

Field Name	Description
Final audit accounts ID	Identifier which describes the financial transactions charged to the statement of comprehensive income

Cost or Income value	Financial transaction value
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Service and cost exclusions

Field Name	Description
Service ID	Identifier to report services excluded from the data set
Total Cost	The unit costs on a full absorption basis, which should equal the sum of patient facing and support costs for each resource reported in the service cost exclusions

2) Patient level Table

Message Header

Field Name	Description
Organisation identifier (Code of submitting organisation)	Organisation identifier (Code of submitting organisation) is the organisation identifier of the organisation acting as the physical sender of a data set submission.
Financial year	The reporting period for financial data
Reporting period start date	The start of the reporting period the extract covers
Reporting period end date	The end of the reporting period the extract covers.
Date and time data set created	The date and time the extract was created
Patient level costing care activity type code	The data set the extract covers
Patient level costing submission record count	The total number of activity records included in the monthly extract
Patient level costing monthly extract total cost	The total sum of the costs within the monthly extract

Activity Records

Field Name	Description
Organisation identifier (Code of provider)*	Organisation identifier (Code of provider) is the Organisation identifier of the organisation acting as a health care provider.
Local patient identifier (extended)	A identifier used to identify a PATIENT uniquely within a Health Care Provider
NHS number	The primary identifier of a person within the NHS in England and Wales.
NHS number status indicator code	Codes in this field indicate whether the patients' NHS number is present, and if it is verified. If the NHS number is absent, the indicator gives the reason why.
Person birth date	The date on which a person is born or is officially deemed to have been born
Postcode of usual address	Post code of usual address.
Person stated gender code	Person stated gender code is self declared or inferred by observation for those unable to declare their person stated gender.
Service request identifier*	The unique identifier for a SERVICE REQUEST for the Health Care Provider. This ID will be used to link PLICS data to IAPT data already submitted to NHS Digital.
Appointment date*	The date of an APPOINTMENT. In the case of a PATIENT attending an Out-Patient Clinic without prior notice or APPOINTMENT, the PATIENT will be given an Out-Patient Appointment.
Appointment time*	The time of an APPOINTMENT.
Attended or did not attend*	An indication of whether an APPOINTMENT for a CARE CONTACT took place.
Mental health care cluster code*	The allocation of the MENTAL HEALTH CARE CLUSTER CODE by the CARE PROFESSIONAL. The determination of the MENTAL HEALTH CARE CLUSTER CODE may or may not have involved the use of the National Tariff Payment System clustering algorithm.

* These data items are described in the national data set [Improving Access to Psychological Therapies Data Set version 1.5](#) and will be records already submitted in monthly IAPT submissions during 2017/18.

Activity Cost Records

Field Name	Description
Patient level costing collection activity identifier	Unique identifier to report activities, which are measurable amount of work performed using resources to deliver elements of patient care. Patient activity can be recorded and reported through various feeding systems.
Patient level costing collection activity count	The number or duration of activities undertaken, eg number of tests or duration on ward
Patient level costing collection resource identifier	Unique identifier to report resources, which are components used to deliver activities, such as staffing, supplies, systems and facilities
Patient level costing collection total cost	The unit costs on a full absorption basis, which should equal the sum of patient facing and support costs for each resource reported separately

Annex B

Commissioned Provider Trusts from whom PLICS data is to be collected

Organisation code	Trust Name
RXT	BIRMINGHAM AND SOLIHULL MENTAL HEALTH NHS FOUNDATION TRUST
RV3	CENTRAL AND NORTH WEST LONDON NHS FOUNDATION TRUST
RJ8	CORNWALL PARTNERSHIP NHS FOUNDATION TRUST
RYG	COVENTRY AND WARWICKSHIRE PARTNERSHIP NHS TRUST
RWV	DEVON PARTNERSHIP NHS TRUST
RWK	EAST LONDON NHS FOUNDATION TRUST
RXV	GREATER MANCHESTER WEST MENTAL HEALTH NHS FOUNDATION TRUST
RV9	HUMBER NHS FOUNDATION TRUST
RXY	KENT AND MEDWAY NHS AND SOCIAL CARE PARTNERSHIP TRUST
RT5	LEICESTERSHIRE PARTNERSHIP TRUST
RP7	LINCOLNSHIRE PARTNERSHIP NHS FOUNDATION TRUST
RW4	MERSEY CARE NHS FOUNDATION TRUST
RAT	NORTH EAST LONDON NHS FOUNDATION TRUST
RLY	NORTH STAFFORDSHIRE COMBINED HEALTHCARE NHS TRUST
RTV	NORTH WEST BOROUGHES HEALTHCARE NHS FOUNDATION TRUST
RHA	NOTTINGHAMSHIRE HEALTHCARE NHS FOUNDATION TRUST
RNU	OXFORD HEALTH NHS FOUNDATION TRUST
RPG	OXLEAS NHS FOUNDATION TRUST
RT2	PENNINE CARE NHS FOUNDATION TRUST
RW1	SOUTHERN HEALTH NHS FOUNDATION TRUST
RKL	WEST LONDON MENTAL HEALTH NHS TRUST

