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Dear Sarah Wilkinson

NHS Improvement's Mandatory Request to NHS Digital – Patient Level Information and Costing Systems (PLICS) Ambulance

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”).

We are writing to make a mandatory request under sections 255(1), 256(1)(a) and 256(2)(a) of the Health and Social Care Act 2012 (“HSCA”) that NHS Digital establish and operate a system for the collection and analysis of PLICS data from Ambulance providers 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 aforementioned 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 includes the local pricing rules for commissioning of 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 NHS Improvement to fulfil our duties in partnership with NHS England to set prices (and rules on local pricing) 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 the national tariff 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 to 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 an incident and patient care or identifying cost variation between individual incidents and patients. By introducing a standardised method of reporting cost information at incident level this can be rectified.

It is not always possible for ambulance services to know who the patient they are treating is. Coupled with this, systems to capture patient-level data in ambulance services are not widely used. Therefore, the intended method of the costing described here is to cost at an incident level and collect patient-level information relating to each incident where possible. The incident level costs can then be split to determine the costs of patient(s) involved. This is referred to as Patient Level Information and Costing Systems (PLICS) data in ambulance services.

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 the rules and guidance we provide on the payment arrangements for ambulance services;
- inform any future proposals for the payment arrangements for ambulance 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'
- identify 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 incident characteristics and cost; and
- 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 establish and operate a system for the collection and analysis of PLICS data, from up to 7 Ambulance providers.

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

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

In the event any of the 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 at Annex A.

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

- Data collection - ability for Provider Trusts to submit PLICS data direct to NHS Digital;
- Potential to link PLICS data with 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 onward 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:

- Message Header Information
- Reconciliation tables
- 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 October 2018 to January 2019 (inclusive).

The collection year begins on 1 April 2017 and ends on 31 March 2018. All incidents with an incident date within the collection year are in scope of this collection. Providers are asked to submit activity and financial data for all incidents going through 999 call centres or dispatch centres. The definition of an incident for the purposes of this collection is a discrete event where one or more response units are dispatched or clinical advice is given over the phone.

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 providers 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 sections 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 Provider Trust to enable it to re-identify the individuals who were the subject of the PLICS data which that Provider 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



Colin Dingwall, Costing Transformation Programme Director

Annex A – Data to be collected (Ambulance collection to be undertaken in 2018)

Costing Transformation Programme Data Extract Requirements

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

- The message header
- Reconciliation tables
- The activity records
- The activity cost records

Message Header (Reconciliation)

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 (i.e. the period the Incident Dates start)
Reporting Period End Date	The end of the reporting period the extract covers. (i.e. the period the Incident Dates end)
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

Message Header (Activity)

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 (i.e. the period the Incident Dates start)

Reporting Period End Date	The end of the reporting period the extract covers. (i.e. the period the Incident Dates end)
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 Care Monthly Extract Total Cost	The total sum of the costs within the monthly extract

Reconciliation tables

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. Can be positive or negative

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

Activity Information – Ambulance incidents

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 [As per NHS data dictionary] http://www.datadictionary.nhs.uk/data_dictionary/data_field_notes/o/org/organisation_code_(code_of_provider)_de.asp?shownav=1
Organisation Identifier (Code of Commissioner)	ORGANISATION IDENTIFIER (CODE OF COMMISSIONER) is the ORGANISATION IDENTIFIER of the Organisation commissioning health care. [As per NHS data dictionary]

Incident ID	Local incident ID
Source of Call	Source of call code
Call Category	Call category used for reporting purposes
Multi-Patient Incident	This field is to specify whether the incident involved more than one patient
Number of Response Units Mobilised for Incident	Number of response units mobilised to incident
Number of Response Units arriving on scene	Number of response units arriving on scene of the incident
Number of Response Units arriving at treatment centre	Number of response units arriving at a treatment centre
Incident Date Time	The incident date and time as used for reporting
Job cycle duration (seconds)	Job cycle duration in second. Latest time clear minus clock start time for incident.
Incident currency	The currency classification of the incident
NHS number	The primary identifier of a person within the NHS in England and Wales
Responder Type	Response unit type(s) arriving on scene to the incident
Organisation Identifier (Handover Destination)	Organisation identifier of handover destination. [Organisation identifier as per NHS data dictionary] http://www.datadictionary.nhs.uk/data_dictionary/data_field_notes/o/org/organisation_code_(code_of_provider)_de.asp?shownav=1

Costing information

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 in theatre
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 (department and organisation) for each resource reported

Activity to be submitted in 2018

The collection year begins on 1 April 2017 and ends on 31 March 2018. All incidents with an incident date within the collection year are in scope of this collection.

Annex B: Ambulance PLICS volunteer provider trusts

NHS Code	Organisation Name
RX9	EAST MIDLANDS AMBULANCE SERVICE NHS TRUST
RYC	EAST OF ENGLAND AMBULANCE SERVICE NHS TRUST
RRU	LONDON AMBULANCE SERVICE NHS TRUST
RYE	SOUTH CENTRAL AMBULANCE SERVICE NHS FOUNDATION TRUST
RYF	SOUTH WESTERN AMBULANCE SERVICE NHS FOUNDATION TRUST
RYA	WEST MIDLANDS AMBULANCE SERVICE NHS FOUNDATION TRUST
RX8	YORKSHIRE AMBULANCE SERVICE NHS TRUST