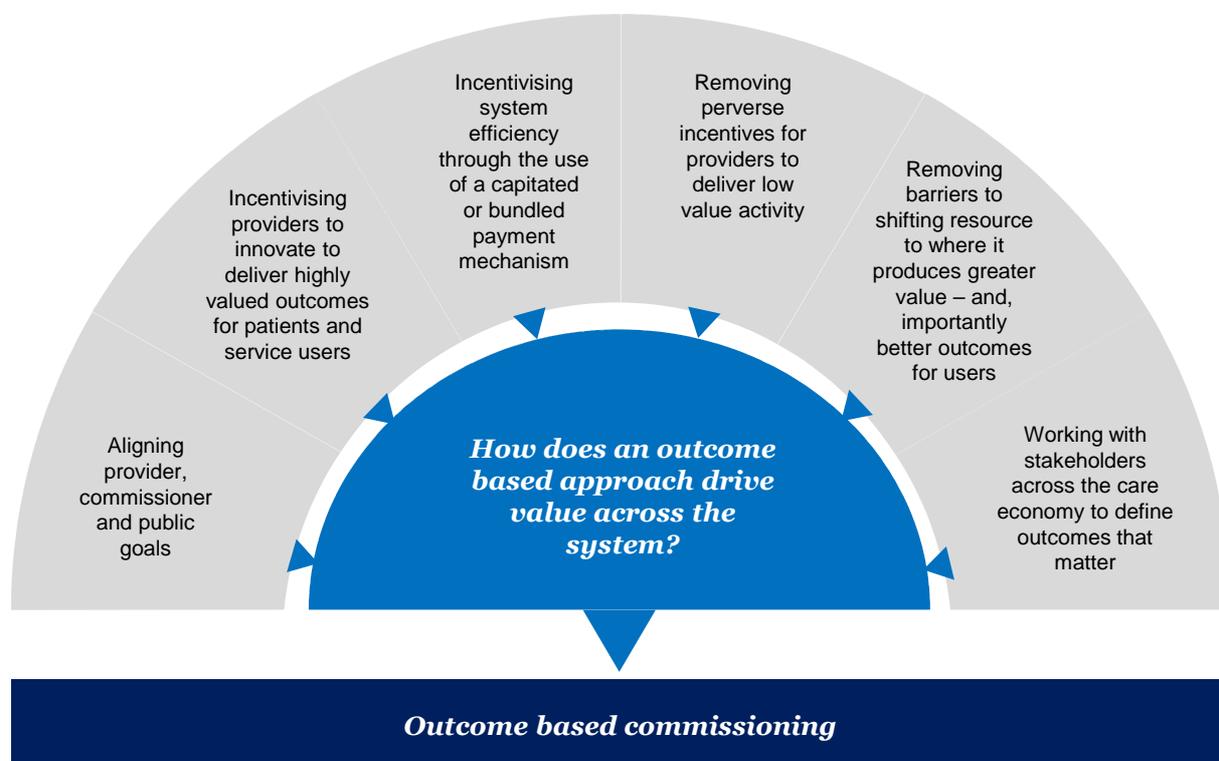


Commissioning for outcomes: Driving the delivery of value based care

Outcome based commissioning – OBC – is a value-driven approach to commissioning that aligns incentives to enable the coordinated delivery of outcomes that matter to patients and service users.

The health and care system currently faces an unprecedented set of financial and quality challenges. These are well known, and include a potential funding gap of up to £56 billion for the NHS in England by 2021/22, alongside an existing funding crisis in social care. Meeting these challenges requires a new approach to the way that services are commissioned and delivered across the system – a shift from activity to outcomes; from episodic, fragmented care to a coordinated, whole-system approach. OBC seeks to drive this shift through a new commissioning model, aligning incentives across the care economy

to create an environment where providers must collaborate and innovate to deliver outcome focussed care which provides value for money. Models of OBC have been successful in transforming the delivery of care internationally – improving patient outcomes at significantly reduced cost – but are in their infancy in England. Careful consideration is required to understand how OBC can be developed locally to drive transformation, yet the rewards for patients and the system of doing so are potentially great. OBC has the potential to transform the way that care is delivered across health and care in England.



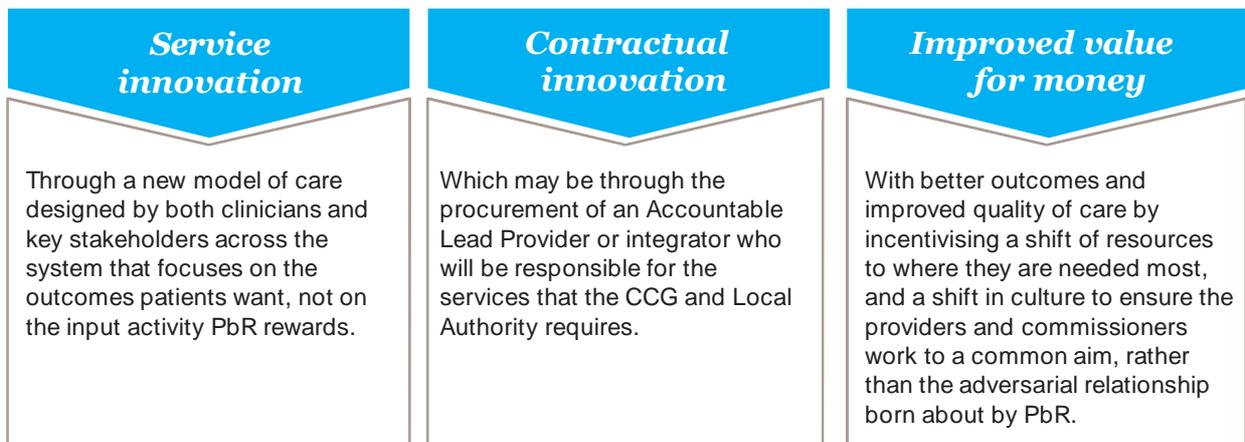
What is outcome based commissioning?

Outcome based contracts are an innovative approach to commissioning that rewards both value for money and delivery of better outcomes that are important to patients and service users.

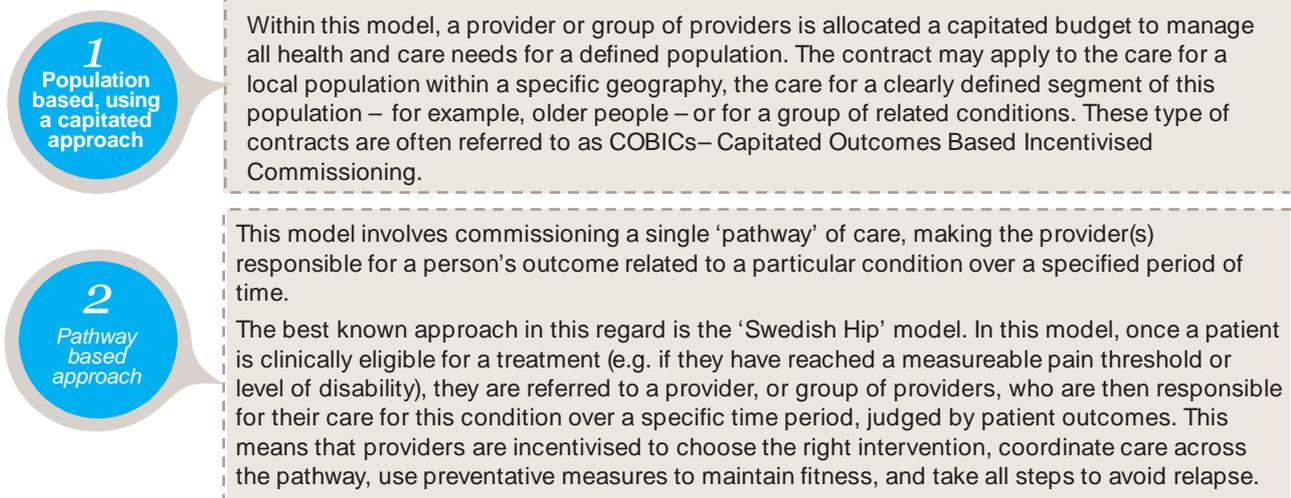
Traditional healthcare commissioning in the NHS has tended to focus on processes – numbers of appointments, attendances, operations and procedures – which has sustained an episodic, fragmented approach to the delivery of care, while acting as a barrier to collaboration across the care economy. But with static funding levels, growing demand and unexplained variation in quality of care between providers, we need to commission differently.

OBC is a mechanism to drive this change. Applying a new approach to working with clinicians and stakeholders across the care economy, and engaging patients and service users to find out what outcomes they want, outcome based contracts transfer appropriate risk to a provider (or providers) and creates the circumstances and incentives that allow them to innovate and profit from success – provided they can manage costs and deliver the outcomes you want. To do so, providers must collaborate, problem solve, and deliver efficient, integrated services.

Through this approach, outcome based contracts aim to deliver:



Broadly, there are two main approaches to outcome based contracting:



In general, a population based approach is best for complex problems, where comorbidities are significant factors. A pathway approach is best adopted where there can be no confusion about the clinical problem being addressed; however, it must be recognised that a single condition is rarely the only condition that an individual suffers from – particularly in relation to older people – meaning that the service area chosen for this type of contract must be considered carefully to minimise ambiguity over causality.