



National Audit Office

Report

by the Comptroller
and Auditor General

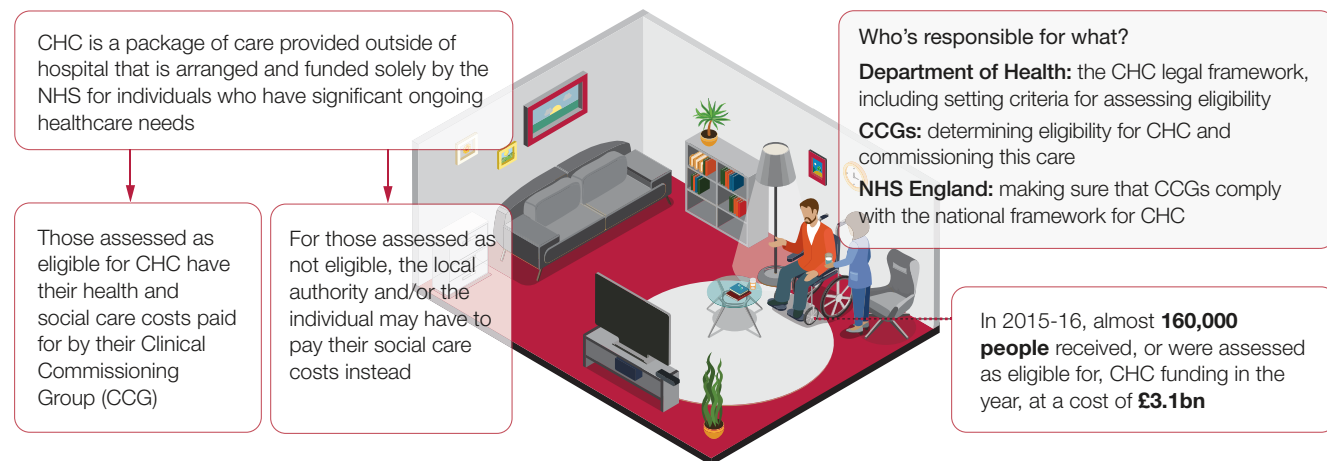
Department of Health and NHS England

Investigation into NHS continuing healthcare funding

Key information

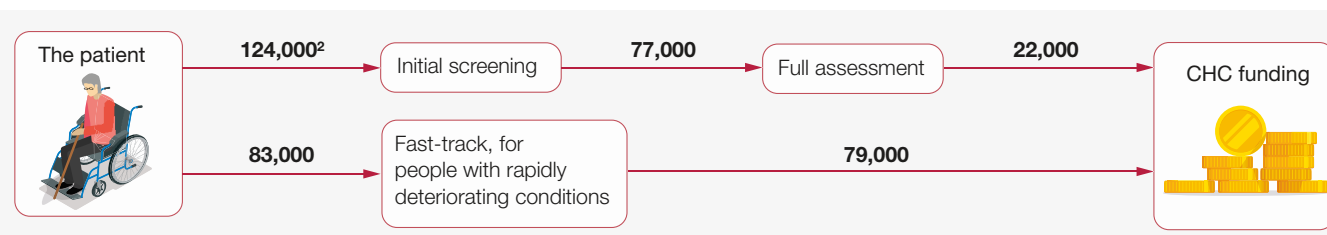
What this report is about

This report sets out the facts relating to NHS continuing healthcare (CHC) and, in particular, access to CHC funding

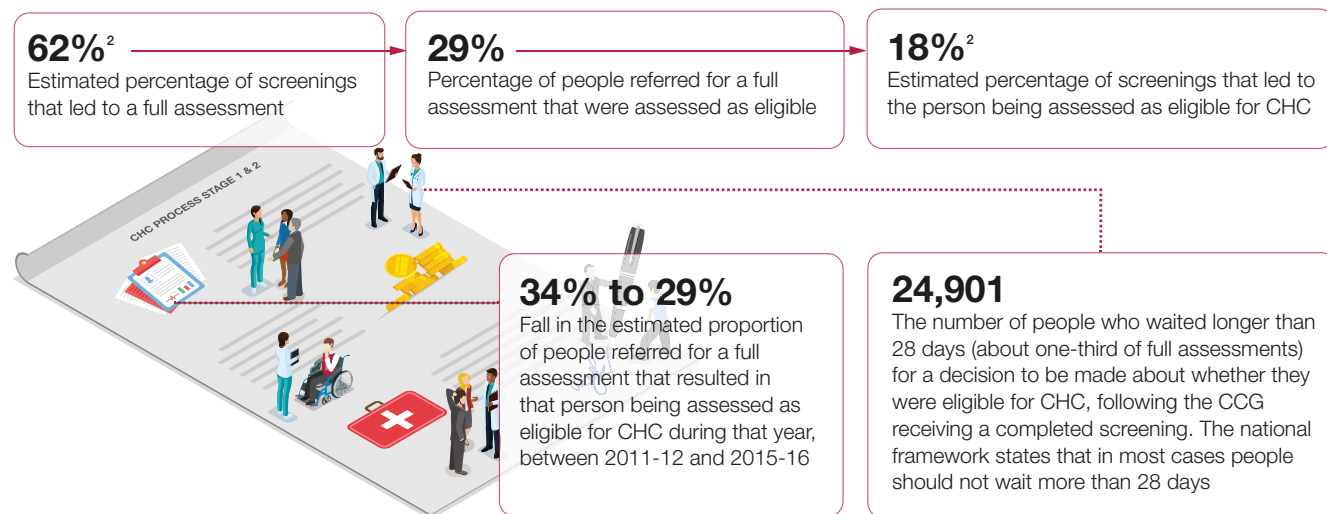


The CHC process

For most people the assessment process for CHC funding involves two stages



NHS England recognises that the current assessment process raises people's expectations about whether they will receive funding and does not make best use of assessment staff



Notes

1 All numbers and percentages are for 2015-16 unless stated otherwise. Numbers for the CHC process are rounded to the nearest 1,000.

2 These figures are estimates.

Source: National Audit Office

Variation in access to CHC

There is significant variation between CCGs in both the number and proportion of people assessed as eligible for CHC

28 to 356 per 50,000 population

Range in the number of people that received, or were assessed as eligible for, funding

41% to 86%

Range in the estimated proportion of people that were referred and subsequently assessed as eligible, excluding the 5% of CCGs with the lowest and highest percentages

There are limited assurance processes in place to ensure that eligibility decisions are consistent, both between and within CCGs

Health and social care professionals must use their professional judgement at both the initial screening and full assessment stages

There are limited mechanisms for ensuring that individual eligibility decisions are being made consistently across CCGs

There is a shortage of data on CHC, for example, on appeals to CCGs about eligibility decisions

NHS England and the Department of Health have recently started work aimed at providing more consistent access and supporting CCGs to make efficiency savings. From April 2017, it expanded the data it collects on CHC



The cost of CHC

The funding of CHC is a significant cost pressure on CCGs' spending

CCGs are legally required to provide CHC funding for all those assessed as eligible

16%

Increase in spending on CHC between 2013-14 and 2015-16

4%

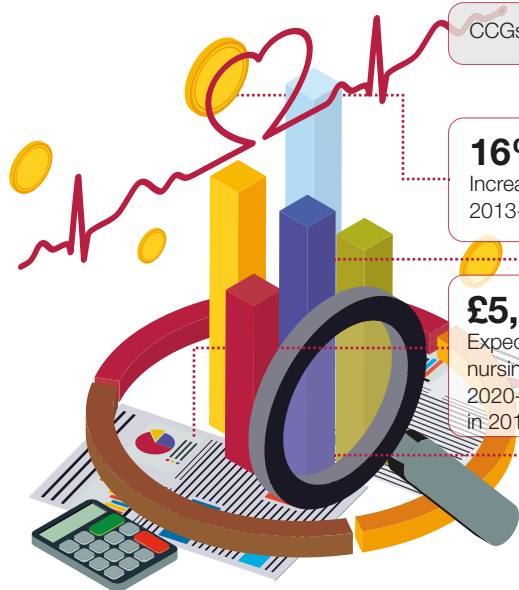
Percentage of CCGs' total spend accounted for by CHC

£5,247m

Expected spend on CHC, NHS-funded nursing care and assessment costs by 2020-21 if no action is taken (£3,607m in 2015-16)

£855m

NHS England's expected savings from reducing administration assessment costs and the overall cost of care



What this investigation is about

1 NHS continuing healthcare (CHC) is a package of care provided outside of hospital that is arranged and funded solely by the NHS for individuals aged 18 years and older who have significant ongoing healthcare needs. When someone is assessed as eligible for CHC, the NHS is responsible for funding the full package of health and social care. The number of people assessed as eligible for CHC funding has been growing by an average of 6.4% a year over the last four years. In 2015-16, almost 160,000 people received, or were assessed as eligible for, CHC funding during the year, at a cost of £3.1 billion.

2 Funding for ongoing healthcare is a complex and highly sensitive area, which can affect some of the most vulnerable people in society and those that care for them. If someone is not eligible for CHC, they may have to pay for all or part of their social care costs. Social care services, such as care home fees, may be paid for by local authorities, but the person may need to pay a charge depending on their income, savings and capital assets. Therefore, decisions about whether someone is eligible for CHC may have a significant impact on their finances.

3 The national framework for CHC states that eligibility should be based on someone's healthcare needs and not their diagnosis. Many people that are assessed for CHC funding are reaching the end of their lives or face a long-term condition, because of a disability, accident or illness. They can have a wide range of healthcare conditions and may receive funding for just a few weeks or many years (**Figure 1**).

4 The Department of Health (the Department) is responsible for the legal framework for CHC. This includes: setting criteria for assessing eligibility for CHC through a national framework and providing supporting guidance; publishing screening (checklist) and assessment tools; and setting principles for resolving disputes. Clinical commissioning groups (CCGs) are responsible for determining eligibility for CHC and NHS-funded nursing care (for those not eligible for CHC but assessed as needing care from a registered nurse) and for funding and commissioning this care if patients are assessed as eligible. The CCG is legally required to provide CHC funding for all those assessed as eligible. NHS England is responsible for making sure that CCGs comply with the national framework and may arrange independent reviews of CHC decisions if requested by patients.

5 Between February 2016 and July 2017, we have received correspondence from over 100 members of the public raising concerns about the CHC process in England. The correspondents raised a range of concerns covering how well the assessments are carried out, whether CCGs are complying with the national framework and the equity of the decisions, delays in the assessment and appeals processes, and poor communication with patients and their families. Appendix Two summarises the most common concerns raised by correspondents.

Figure 1

Examples of people that may be assessed as eligible for CHC

People near the end of their lives

For example, they may have conditions like advanced cancer or heart disease, or be a frail elderly person with a rapidly deteriorating condition and entering a terminal phase of their life.

Typically people near the end of their lives will receive care for weeks or a few months.

Frail elderly people with complex physical or psychological needs

For example, this could include frail elderly people with a number of conditions, such as dementia, Alzheimer's or Parkinson's disease.

Care will often be provided for several years, although it can be over a shorter period.

People, aged 18 and over, with long-term healthcare needs

For example, this could include people that have had an accident that has left them with long-term healthcare needs, such as a spinal injury. It may also include people with long-term conditions such as multiple sclerosis.

People will often receive care over many years. They may move in and out of eligibility if their healthcare needs change over time.

Note

- 1 People with the above conditions may not necessarily be eligible for CHC funding as eligibility is based on someone's healthcare needs and not their condition.

Source: National Audit Office

6 This investigation sets out the facts relating to CHC and, in particular, access to CHC funding. It covers:

- who is eligible for CHC funding and what the assessment process is;
- how long the assessment and decision-making process takes;
- access to CHC funding;
- the cost of CHC to the NHS;
- variation in access to CHC funding; and
- the Department's and NHS England's arrangements for reviewing access to CHC funding.

Our investigation did not examine individual decisions on eligibility or the delivery of CHC-funded services.

Key findings

1 For most people the assessment process for NHS continuing healthcare (CHC) funding involves two stages (paragraphs 1.5, 1.6, and 3.5, and Figures 3 and 4).

- National data on the total number of people who started the process for CHC funding are not available. However, NHS England estimates that at least 207,000 people started the process for CHC funding in 2015-16.
- The national framework for CHC states that for most people the assessment process involves an initial screening stage. This uses a CHC checklist to identify people who might need a full assessment.
- The full assessment should usually be carried out by a group of professionals from across health and social care (known as a multidisciplinary team) who are familiar with the individual's care needs.
- There is also a fast-track process, which does not require a full assessment, for individuals with rapidly deteriorating conditions who may be nearing the end of their life. This uses the fast-track pathway tool to determine whether people are eligible.
- Health and social care professionals must use their professional judgement at both the screening and full assessment stages. They assess the person's combined healthcare needs across 11 domains in the checklist and 12 domains in the full assessment.

2 NHS England recognises that the current assessment process for CHC funding raises people's expectations about whether they will receive funding and does not make best use of assessment staff (paragraphs 3.5 and 3.6).¹

- NHS England estimates that at least 124,000 standard (non fast-track) screenings and 83,000 fast-track tools were completed in 2015-16.
- NHS England estimates that around 62% of people who were screened using the checklist went on to have a full assessment in 2015-16.
- Clinical commissioning groups (CCGs) reported that approximately 29% of people who were referred for a full assessment were assessed as eligible for CHC in 2015-16.
- Therefore, overall, NHS England estimates that only about 18% of screenings undertaken led to the person being assessed as eligible for CHC in 2015-16.

¹ NHS England estimates are based on a one-off data collection from CCGs.

3 In most cases eligibility decisions should be made within 28 days but many people are waiting longer (paragraphs 2.1 to 2.5).

- The national framework states that in most cases people should not wait more than 28 days for a decision about whether they are eligible for CHC, following the CCG receiving a completed checklist.
- In 2015-16, about one-third of full assessments (24,901 assessments) took longer than 28 days.
- Approximately 10% of CCGs reported that full assessments took more than 100 days on average between November 2015 and October 2016 (out of 115 CCGs that provided data requested by the Continuing Healthcare Alliance).
- Delays can cause considerable distress to patients and their families as they wait for funding decisions, and in some cases have resulted in delays in discharging patients from hospital.

4 Decisions on eligibility for CHC have a significant financial impact on the individual, clinical commissioning group and local authority (paragraphs 1.2, 1.3 and 3.7).

- During 2015-16, nearly 101,000 people were assessed as newly eligible for CHC, of which 79,000 were referred through the fast-track process.
- During 2015-16, approximately 59,000 people referred through the fast-track or standard CHC process were considered not eligible.
- If someone is assessed as eligible for CHC their health and social care costs are paid for by the CCG. But if they are assessed as not eligible, the local authority and/or the individual may have to pay their social care costs instead.
- If a person is assessed as eligible for CHC funding, the CCG must legally provide that funding, irrespective of the number of people that apply and are assessed as eligible.

5 The number of people receiving CHC funding is rising although the proportion assessed as eligible for standard (non fast-track) CHC has reduced since 2011 (paragraphs 3.1 to 3.3 and 3.7).

- The population of people receiving CHC funding changes during the year as some people are newly assessed as eligible, some are reassessed and considered no longer eligible, and many patients die, particularly those assessed through the fast-track process.
- Between 2011-12 and 2015-16, the total number of people that received, or were eligible to receive, CHC funding at some point during that year increased from 125,000 to 160,000.
- NHS England's snapshot data shows that on 31 March 2016, 59,000 were receiving, or assessed as eligible to receive, CHC funding, compared with 63,000 people on 31 March 2015.

- There are no data to track how long people receive CHC funding for, but the above trends indicate that since March 2015, people have received funding for shorter periods. The Department does not have data on the reasons for this changing trend. It may indicate that people tend to apply for, or be assessed as eligible for, CHC funding at a later stage of their illness, or that more people are found to no longer be eligible when they are reassessed.
- Between 2011-12 and 2015-16, the estimated proportion of people referred for a full assessment that resulted in that person being assessed as eligible for standard CHC during that year fell from 34% to 29%.

6 The funding of CHC is a significant cost pressure on CCGs' spending (paragraphs 3.3, 4.1, 4.2, 4.5 and 4.6).

- The costs of CHC are met by CCGs, from their overall funding allocation from NHS England. Between 2013-14 and 2015-16, spending on CHC increased by 16%.
- In 2015-16, CHC accounted for about 4% of CCGs' total spending.
- NHS England estimates that spending on CHC, NHS-funded nursing care and assessment costs will increase from £3,607 million in 2015-16 to £5,247 million in 2020-21, when historical growth and population demands are applied to previous CCG spending.
- Although the Department assures us that there is no quota or cap on access, NHS England's efficiency plan includes asking CCGs to make £855 million of savings on CHC and NHS-funded nursing care by 2020-21 against the above prediction of growth. Savings may be made by reducing the administrative assessment costs (total spend of £149 million in 2015-16) or by reducing the overall cost of care.
- NHS England has not yet set out a costed breakdown for how it will achieve the savings to the cost of care, but it intends to reduce variation in spending and ensure that CCGs interpret the eligibility criteria more consistently. NHS England assumes that increasing both consistency and the number of people assessed after being discharged from hospital will result in CCGs providing CHC funding to fewer patients overall compared with NHS England's predicted growth in eligibility. It assumes that it will also make savings through better commissioning of care packages.

7 It is not known how many people appeal against unsuccessful CHC funding decisions (paragraphs 1.11 and 3.8).

- If a patient is unhappy with the outcome of their assessment they can ask the CCG to review their case, but NHS England does not collect data on how many appeals are made to CCGs, how long they take or how many are successful.
- In 2015-16, 448 cases were reviewed by an independent review panel, because the patient was unhappy with the outcome of the CCG's own review. In 27% of cases, NHS England recommended a different eligibility decision for part or all of the period reviewed.
- In 2015-16, the Parliamentary and Health Service Ombudsman received 1,250 complaints about CHC funding decisions. It investigated 181 of them and partly or fully upheld 36 cases.

8 There is significant variation between CCGs in both the number and proportion of people assessed as eligible for CHC (paragraphs 5.1 and 5.2).

- In 2015-16, the number of people that received, or were assessed as eligible for, funding ranged from 28 to 356 people per 50,000 population.
- In 2015-16, the estimated proportion of people that were referred and subsequently assessed as eligible ranged from 41% to 86%, excluding the 5% of CCGs with the lowest and highest percentages.
- NHS England's analysis of population data at a CCG level shows that the variation cannot be fully explained by local demographics or other factors it has considered so far. This suggests that there may be differences in the way CCGs and local authorities are interpreting the national framework to assess whether people are eligible for CHC due to the complexity of this framework.

9 There are limited assurance processes in place to ensure that eligibility decisions are consistent, both between and within CCGs (paragraphs 6.1 to 6.6).

- NHS England's assurance mechanisms for CHC include quarterly reporting and self-assessment by CCGs, overseen by NHS England's Directorate of Operations and Information and regional assurance boards. However, there are limited mechanisms for ensuring that individual eligibility decisions are being made consistently across CCGs.
- There is a shortage of data on CHC, which makes it difficult to know whether eligibility decisions are being made fairly and consistently.
- NHS England and the Department have recently started work aimed at providing more consistent access to CHC funding and supporting CCGs to make efficiency savings. From April 2017, NHS England has expanded the data it publishes on CHC (see Appendix Three on CHC data).