



10th February 2011 – The Pride Park Stadium, Derby

a clinically-led process to determine the future shape of
pathology services in the region

designed by



For

NHS East Midlands

Progress

In the first phase of the *Path-Finder* project held on the 8th December 2010, over 80 clinicians, professionals and managers directly concerned with the future of pathology services across the East Midlands came together to consider how they might respond to current and future pressures in the operating environment for pathology services. They were helped in this by contributors who looked at the world from a number of perspectives. *Ian Barnes* (National Clinical Director for Pathology) gave a national overview in which he stressed the Department's determination to achieve around £500 million 'QIPP from Path' across England, *Malcolm Lowe-Lauri* (Chief Executive, UHL) talked about how his Trust was already contemplating integrating its pathology services with those in Nottingham, *Steve Clay* (local GP and Regional Lead on GP Commissioning) talked about how GP Commissioners would be looking for productivity gains as well as ensuring that their patients had the benefits of better local access to tests and much, much faster turn-around of results. In the afternoon we drew lessons about how it could be done from *Tony Gibson* (Coordinator North East Pathology Network) and *Peter Huntley*. (Director, Kent & Medway Pathology Network.)

The pathology community accepted that fact that no matter how efficient their individual services might be made the scale of productivity improvement required would necessitate a consolidation of the eight 'stand-alone' services pathology services to a smaller number. Although the disturbance was unwelcome, some saw this as an opportunity to transform the way that services were provided. The vision that emerged was that some services could be *centralised* to achieve economies of scale and improvements in production quality whilst others could be *localised* to provide near patient testing and real time reporting to Consultants and GPs customers.

In the afternoon participants worked on three questions:

- What improvements in the quality of our service should we seek and how can we ensure they are achieved?
- What are the key risks involved if provider consolidation goes ahead and how might they be mitigated?
- On what evidence should any consolidation of pathology services be based?

The output from those sessions has been made available on the *Towards Excellence* website (www.excellence.eastmidlands.nhs.uk) and was used to inform the development of the next phase of the *Path-Finder* Project. The design criteria for this were discussed briefly at the end of the session and are shown in Appendix 1.

Many other parts of the country had adopted a 'top down' approach where answers to the questions about 'QIPP in Path' were being remotely generated and then imposed on the system - often with commercial organizations taking a central role. In the East Midlands the participants committed to a more 'bottom up' approach in which pathologists and their departmental managers from all the organizations involved would be supported to develop their own workable solution to the provider consolidation issue. *Path-Finder 2* has been designed to support that 'bottom-up' process.

The Process

By the end of March a plan for QIPP savings across the region has to be submitted to the Department of Health. Following Carter 2, this QIPP requirement applies especially to pathology. The eight pathology services East Midlands will be expected to deliver *between them* £50 million of savings as part of the national pathology target of £500 million.

It was suggested back in December that even if there was no 'QIPP imperative' the pressure on Trust finances through reductions in tariff, more open cost competition between providers and the drive for much more accessible services from GP Commissioners would mean that every Trust Board will want to explore productivity gains in pathology services as a source of efficiencies. Phase 2 of *Path-Finder* has been designed to help providers come to an agreement about how - jointly or severally - they want to reduce costs to deliver the £50 million.

In the next few months each pathology provider will need to finalise its own plans for achieving the QIPP savings required in order to meet the DH deadline. Some of the eight stand-alone systems – such as the Leicester/Nottingham 'M1 Corridor' collaborative and the Lincoln *Path Links* arrangements - are already quite far advanced with this work. Others may be thinking about arrangements with other providers within or beyond the current East Midlands 'region' whilst others may feel they can create the productivity savings required without partnering with another system.

The Phase 2 process will bring together small teams of clinicians, pathology managers and a senior Trust Board level manager from each provider and a small group of specialist advisers. The advisers will be Ian Barnes for an overview of national policy and practice, Noor Kalsheker for an overview of current and imminent technology enablers, Steve Clay for Commissioners' intentions and with an expert adviser to provide a financial overview.

Each team will be asked to present their Trust's proposals - describing the future demand and activity, the service configuration, the organizational form and governance of any multi-Trust proposals, the benefits to GPs, consultants and patients and most importantly the scale and time scale for savings.

We will then provide space for the provider teams to talk with each other. We know that intricate plans involving a large number of interests - such as the QIPP target for pathology - require multi-lateral and focussed negotiations with everybody in the room at the same time if they are to be successful. The *Path-Finder 2* process provides the Trusts with a unique opportunity to do this. Technical support and facilitation will be available where required. At the end of this period we will review progress and rehearse the proposals for QIPP savings that will then go forward to the DH.

Outline Programme – February 10th 2011

8.30 Registration and Coffee

9.00 Introductory Remarks – Professor Noor Kalsheker

9.15 Outline Proposals for QIPP in Path – Trust Presentations

Each team will be allowed 10 minutes to present an outline of their Trust's plans with time allowed for questions for clarification. There will be seven presentations in all starting with the Leicester/Nottingham and the Lincoln intentions as they are the most advanced. During the presentations the other six teams will be recording issues and concerns they wish to raise in the plenary session after coffee.

11.00 Coffee

11.30 Outline Proposals for QIPP in Path – Plenary Discussion

This will be a facilitated discussion between the teams about the issues identified during the presentations. The focus will not be to seek resolution to differences but to identify and log issues that have to be resolved. The expert panel will provide commentary. If by the end of the session, there are no differences to be resolved and a clear and workable plan for 'QIPP in Path' has been developed we can complete the day's events early.

12.30 Lunch

1.15 Open Negotiations

Here teams will be able to talk with each other to try and find solutions to any outstanding and unresolved issues identified before lunch. The aim is to build as much consensus through bargaining as possible. The detailed negotiations will be private between Trust teams. We will provide facilitation and expert advice if required. At the end of the sessions there will need to be a declaration about what has been agreed.

00.00 Closing Remarks and Next Steps – Professor Noor Kalsheker

Here we will discuss how the output of the session will be processed and presented to Chief Executives and articulated in the Regional QIPP plan. There is no close time noted here because we do not know how long the conversations will have to run before full consensus is achieved. However we imagine there will be little to be gained after 4.00 pm.

Appendix 1 Path-Finder 2 – Design Criteria

The principles that should guide the design of *Path-Finder 2* were discussed briefly during and after the session and included the following:

- The service redesign of pathology services is best driven by the clinicians and professionals involved in providing and managing the pathology services of the East Midlands.
- It had to be an inclusive process that included all those with a stake in the redesign – particularly teams from the eight systems and also ‘users’ representatives such as GPs and consultants.
- The participant teams from the provider organizations had to have sufficient explicit authority to negotiate and make recommendations on their organizations’ behalf. The inclusion of a Trust’s Director of Finance or Operations in the team would provide such legitimacy.
- The local teams needed to be *supported* by outside experts to ensure that the very best advice was available. These people would be working to the clinicians and would *not* take any leadership role. It was noted that Ian Barnes, Tony Gibson and Peter Huntley had all offered to provide some of this external expertise.
- Any judgements about the best way of reshaping pathology services had to be evidence based. What that evidence might comprise was the subject of a discussion group in Phase 1. All the evidence had to be available to everybody.
- Such a complex evidence pack would inevitably be incomplete, contradictory and have omissions. It was important that stakeholders were able to comment on these and correct them where possible. However flaws in the data - once recognised and highlighted - would not be sufficient reason to halt the process.
- *Path-Finder 2* needed to structure, facilitate, intensify and quicken the normal process of negotiating and bargaining between stakeholders.
- *Path-Finder 2* needed to happen early in the new year but leaving sufficient lead time for key players to make themselves available and for Executives - and if necessary Boards - to be fully briefed.
- The output of *Path-Finder 2* would not constitute a policy decision but would be a set of ‘clinical recommendations’ to the East Midlands Chief Executives.
- If the recommendations were accepted by the Chief Executives they would be then subject to a full analytical ‘due diligence’ process before being formally adopted.