

# Implementing the Comprehensive Spending Review in home care for older people

Steer Davies Gleave Prize – presentation to the UK Chapter of the System Dynamics Society Annual Conference

10<sup>th</sup> February 2011

# The Comprehensive Spending Review

- ◆ The implications of the financial crisis of 2008 are now hitting home in Councils up and down the country, local and national headlines abound...
  - HUNDREDS of people across North Yorkshire are expected to join in a national day of protests against plans to close many rural libraries. Under plans by North Yorkshire County Council, 23 of the authority's 42 libraries could be shut following a cut in Government funding, which will see North Yorkshire Library Service receiving £5.3million rather than £7.5million if it goes ahead. Yorkshire Gazette & Herald, 7<sup>th</sup> February 2011.
  - Enfield Council shelves care home plans in cost cutting drive (The Enfield Independent, November 2010).
  - "Virtually all" councils in England and Wales could be forced to end home help for elderly and disabled people, the Local Government Association has said. The LGA, which represents 422 authorities, has warned MPs budget cuts may result in services being restricted to those with "critical" needs. A £3bn funding shortfall could affect people with dementia, Parkinson's disease and diabetes, it said (BBC News, 31<sup>st</sup> October 2010).

# The care sector – a complex system if ever there was

## ◆ What makes it complex?

- Complex mix of socio-demographic changes;
- Add some local and emotive societal expectations;
- With a dose of political (local and national) ingredients;
- Deal with the inertia in a system created by desired timescales for impact being shorter than natural lags in the system;
- Disperse the implementation of changes to a large number of independent practitioners, sometimes with decades of inbuilt skills and behaviours patterns.

## ◆ Now pull a few levers and see what happens!!!

# North East Lincolnshire



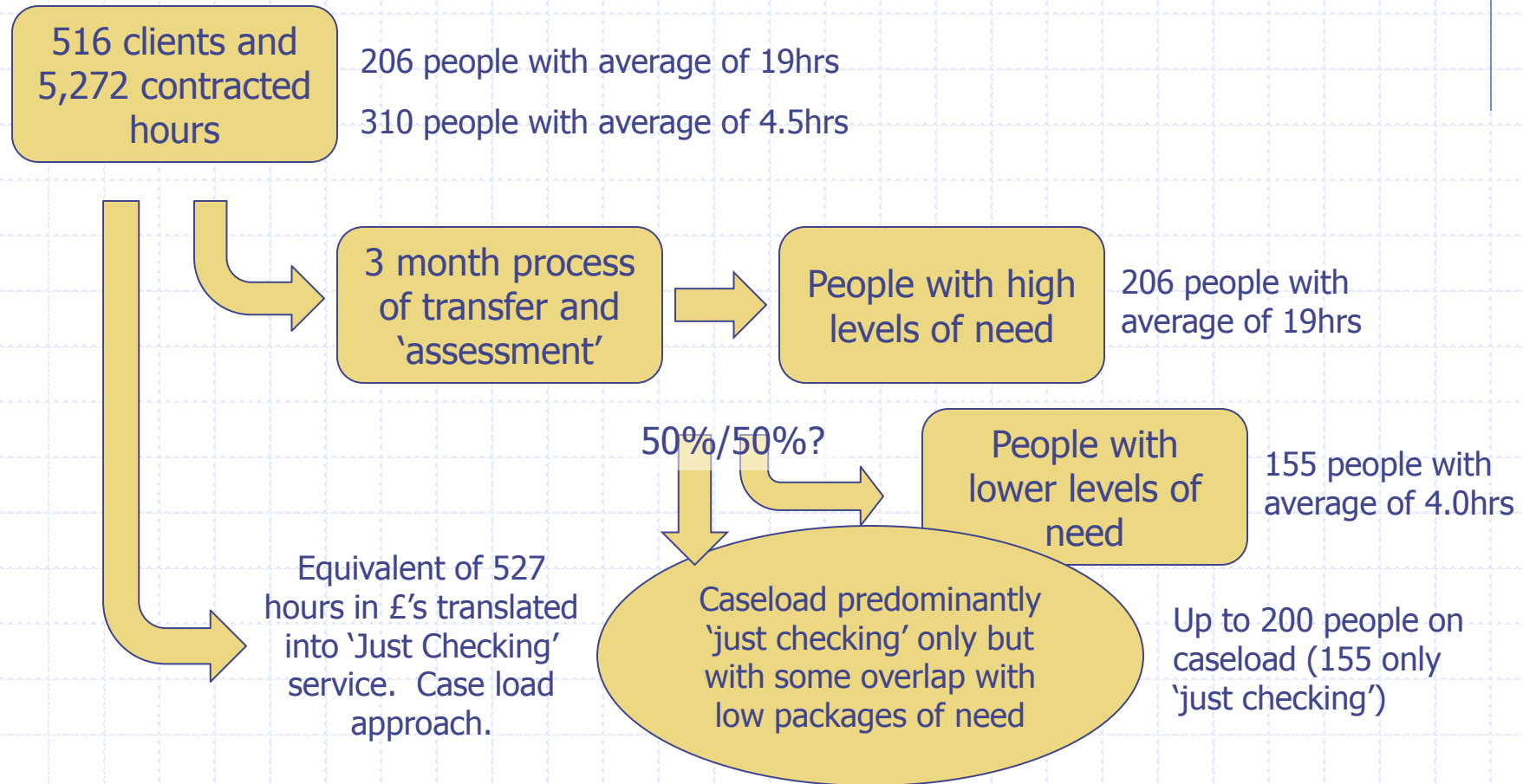
# At the forefront of integrated commissioning and delivery

- ◆ A trail-blazing Care Trust working at integration across health and social care, with a senior team who are not unfamiliar to a systems approach:
  - *An integrating, systems approach has been adopted across a range of functions and care groups..... In summary, the balancing of the ability to undertake whole systems analysis, improve one's understanding of the impact of interaction, redesign to take account of a range of factors, and implement to plan has been very successful. Without the underpinning of systems modelling the Care Trust Plus achievement of significant redesign, projected improving outcomes and delivery efficiencies would not have been achieved.*

# Home care

- ◆ Home care represents one strand of this whole system change and has directly impacted on local policy to maintain an overall balance of financial prudence whilst continuing to deliver high quality care to the most vulnerable in their area;
- ◆ Local savings target of £5.2M by 2012/13, partly through savings in home care, whilst re-investing £1.5M in preventative services;
- ◆ Questions – how will this impact on different groups of people and is it sustainable?

# Model conceptualisation



# Model logic

- ◆ To see an initial 'stock' of people transferred to a new provider at the start of the new contractual arrangements (the top left of the diagram);
- ◆ The 'top-slicing' of 10% of the value of currently contracted hours to invest in prevention;
- ◆ To recognise a transitional period during which people with high levels of need would be reviewed but would largely retain their current levels of support;
- ◆ The development of a new mix of support for people with lower levels of need.

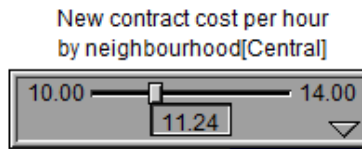
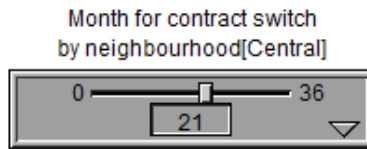


# Process adopted

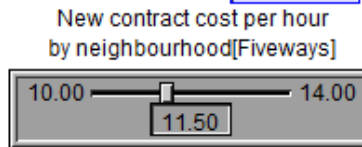
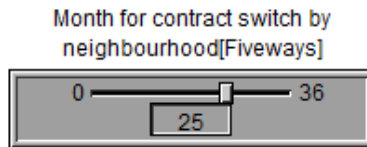
- ◆ Preliminary analysis and base lining;
- ◆ Understanding trends and calibrating the model;
- ◆ Engaging throughout with the local teams to validate the approach and build learning;
- ◆ Sharing the model outputs;
- ◆ Engaging in and informing the final policy option.

# Baseline assumptions – new contracts

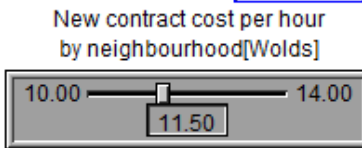
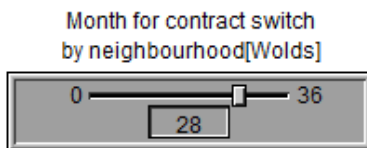
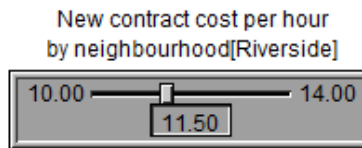
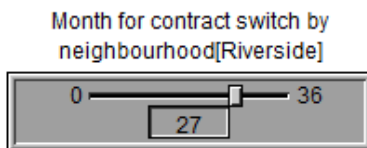
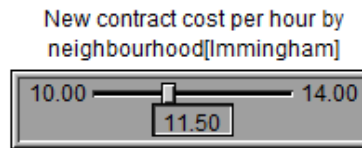
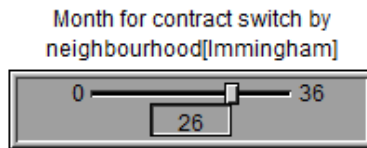
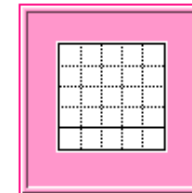
## Assumptions for timing of contract change and hourly cost of new contract:



Home



Percent of cost recovered through income

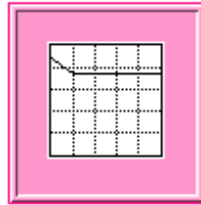


[Note: Month 1 = April 2009]

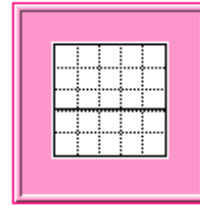
# Trends within the model

## Trends in referral rates and changes in allocation or hours:

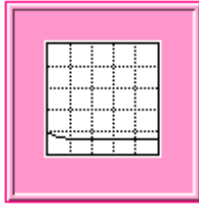
Profile for proceeding to service from a3



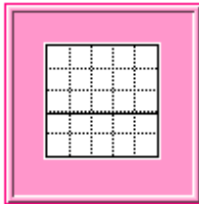
Percent to T3 without home care



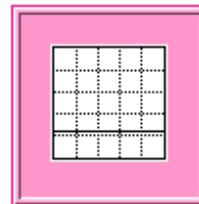
Percent to Tiers over time[T3a]



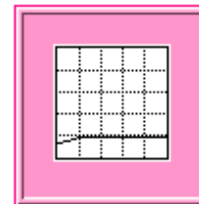
Percent to Tiers over time[T3b]



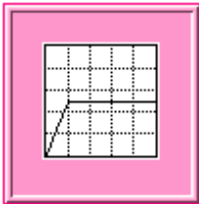
Percent to Tiers over time[T3c]



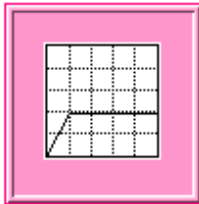
Percent to Tiers over time[T4]



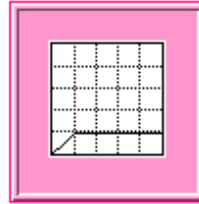
Increase in hours by tier[T3a]



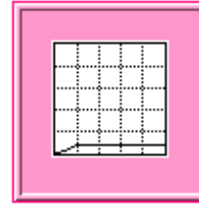
Increase in hours by tier[T3b]



Increase in hours by tier[T3c]



Increase in hours by tier[T4]



# Waiting list control panel

## Impact of introducing a waiting list for home care:

Month to introduce waiting list



Home

Waiting list switch

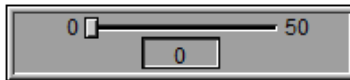


## Additional admissions to care homes following crisis:

Percent of crisis events that require care home admission[T3a]



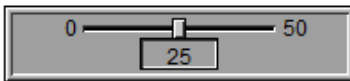
Percent of crisis events that require care home admission[T3b]



Percent of crisis events that require care home admission[T3c]

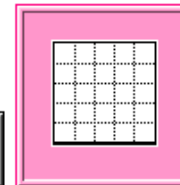
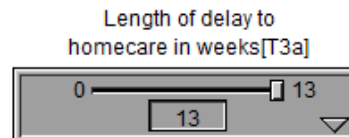


Percent of crisis events that require care home admission[T4]

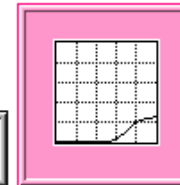
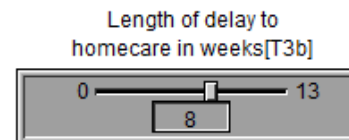


## Length of delay and rate of crisis by level of need:

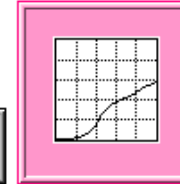
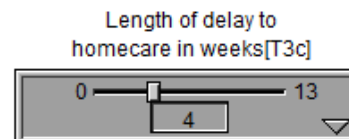
Percent pcm who have crisis while waiting[T3a]



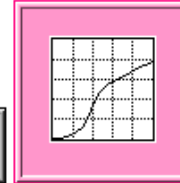
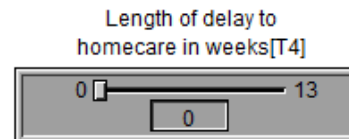
Percent pcm who have crisis while waiting[T3b]



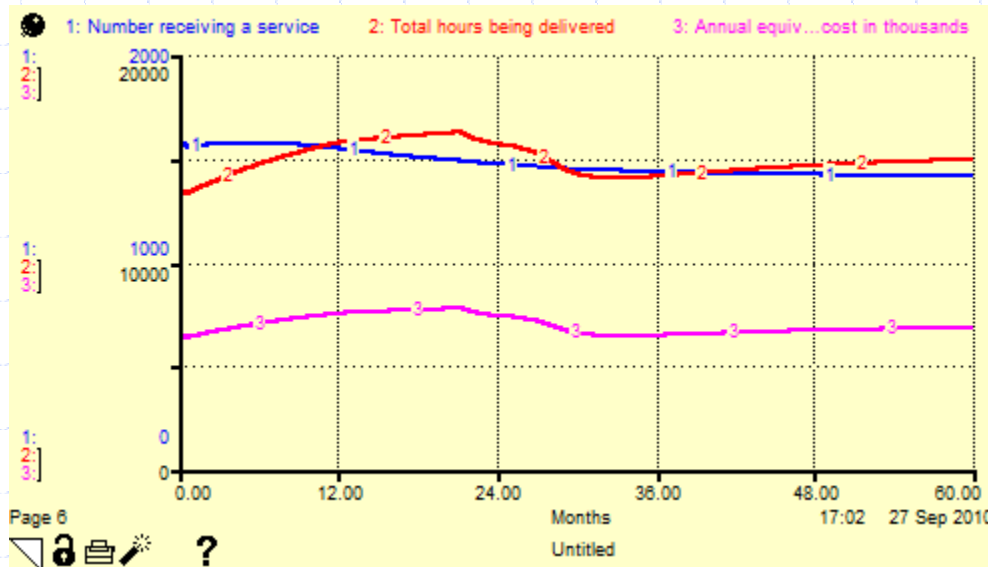
Percent pcm who have crisis while waiting[T3c]



Percent pcm who have crisis while waiting[T4]



# Initial model outputs



Whilst the number receiving home care reduces over time, total hours (and therefore costs) rose significantly during 2009/10, are stabilised and then reduce during 2010/11 and 2011/12 but then start to rise again. Cumulative additional cost from expected 2010/11 baseline is £930k over 4 years.

	2009/10	2010/11	2011/12	2012/13	2013/14
Forecast spend	£7,063k	£7,681k	£6,808k	£6,635k	£6,819k
Change in spend over 10/11		+£618k	-£215k	-£428k	-£244k
Cumulative		+£618k	+£363k	-£65k	-£309k

# Alternative scenarios and sensitivity – savings on baseline

	2009/10	2010/11	2011/12	2012/13	2013/14	4 yrs
Forecast spend	£7,063k	£7,681k	£6,808k	£6,635k	£6,819k	
Increase in sign-posting from 43% to 50% over 2 yrs from April '11			-£70k	-£226k	-£428k	= -£725k
Return to April '09 average hours per client			-£120k	-£212k	-£235k	= -£565k
Combined effect			-£190k	-£438k	-£663k	= -£1,266k

Combined cumulative benefit over 5 years from 2010/11 baseline of £1.3M, additional to baseline assumptions with cumulative savings of c.£0.3M (previous slide).

# Local learning from the model

- ◆ Current service uptake does not necessarily = needs;
- ◆ Gathering intelligence to inform ongoing refinement of policy and implementation is vital;
- ◆ You can't stop the world to undertake analysis;
- ◆ Some policies are short term and ineffective – exemplified here by the waiting list option;
- ◆ That there should be renewed focus and attention in an area that everybody thought had been fully implemented.

# Transferable learning

- ◆ The need to embed a System Dynamics approach within an Authority – this is not a luxury but a necessary part of a learning organisation at a time of significant change.
- ◆ Demonstrated the flexibility of a System Dynamics approach – keeping abreast of changes that emerge in a symbiotic way between the project and the organisation itself.
- ◆ The importance of strong relationships and trust between participants in the learning process – sharing assumptions and being willing to have them tested.



# Next steps

- ◆ Currently developing an integrated whole system model to link:
  - Home care;
  - Reablement and intermediate care services;
  - Care home capacity requirements;
  - Responding to local and national priorities in meeting the needs of people with dementia and people at the end of life.
- ◆ Modelling provides the evidence base that supports the delivery plan for 2011/12 & 2012/13 in delivering local savings for health and social care in a way that respects the challenges of managing a complex system and seeks to improve health whilst ensuring value for money.