Patient Level Information & Costing Systems (PLICS) Survey 2011

Summary of Results

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Document Purpose	For Information
Gateway Reference	16703
Title	Patient Level Information & Costing Systems (PLICS) Survey 2011
Author	DH Payment by Results team
Publication Date	30 Nov 2011
Target Audience	Directors of Finance, NHS Costing & Reference Cost Leads
Circulation List	
Description	This document summarises the results of the survey as to the utilisation of PLICS within the NHS, conducted alongside the 2010-11 Reference Cost collection
Cross Ref	Patient Level Information & Costing Systems (PLICS) Survey 2010
Superseded Docs	
Action Required	
Timing	
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For Recipient's Use	

Contents

Background

As part of the collection of 2010-11 reference costs in the summer of 2011, the Department of Health (DH) conducted a survey of all NHS provider organisations regarding the implementation of Patient Level Information & Costing Systems (PLICS) within the NHS.

This followed a similar survey conducted alongside the 2009-10 reference cost collection in summer 2010.

The purpose of the survey was to determine:

(i) the number of organisations using PLICS;
(ii) what stage they are at in implementing PLICS;
(iii) whether PLICS data is being used to underpin the reference cost collection, and if so, for which service areas;
(iv) how many organisations are using the Clinical Costing Standards.

The overall response rate is broadly consistent with the 2009-10 survey. Acute and mental health trusts had a response rate of over 90%. PCT providers and 'other providers' had response rates at just over half. This is a large change on the 2009-10 PCT response rate of 80%, but is probably accounted for by the divestment of PCT provider arms from April 2011. Table 1 below shows the response rate by organisation type for 2009-10 and 2010-11.

Table 1: PLICS survey response rate by organisation type

	2010-11			2009-10		
	No. of organisations	**Number of Responses**	**Response rate**	**No. of organisations**	**Number of Responses**	**Response rate**
Acute Providers	167	155	93%	167	143	86%
Mental Health Providers	55	52	95%	56	49	88%
Other Providers (PMS, Community, Ambulance, Care Trusts)	51	28	55%	46	19	41%
PCT Providers	119	62	52%	143	114	80%
All NHS Providers	**392**	**297**	**76%**	**412**	**325**	**79%**

NB. The organisation classifications used in the 2010 survey have been updated to ensure consistency with the 2010-11 data.

Department of Health and PLICS

PLICS are defined by the ability to identify the resources consumed directly by individual patients. Essentially a bottom up approach to costing rather than a traditional top down approach, by costing at a patient level, allows organisations to either aggregate up to a particular service or speciality or down to provide detail of how the costs have been derived.

The benefits of PLICS to an organisation are found from producing detailed good quality costing information at the patient level. PLICS data can be used to aid day-to-day management of an organisation. Understanding cost drivers helps to inform decision making enabling meaningful and evidence based discussions between finance professionals, clinicians and commissioners.

The DH has not mandated the implementation of PLICS for NHS organisations, but has continued to support the implementation of PLICS in the light of the benefits at organisation level as detailed above. The DH supports the view that a better understanding of costs at a local/organisation level will help produce better quality costed activity data and will ultimately improve reference costs and help support tariff development.

In 2010, the DH commissioned the Healthcare Financial Management Association (HFMA) to develop the Clinical Costing Standards[1], originally developed and published by DH in 2009. This reflected a shared belief, by both the DH and HFMA, that the finance profession should have the lead role in setting standards and promoting the highest quality in costing.

The Clinical Costing Standards provide recommended best practice for the production of patient level costs and build on the costing principles outlined in the NHS Costing Manual.[2] The number of organisations using the Costing Standards has increased since their first iteration, supporting the view that organisations should use a consistent methodology for their costing.

A PLICS reference cost best practice guide was produced alongside the 2010-11 reference cost guidance, to help organisations using PLICS to produce reference costs.[3]

[1] HFMA Clinical Costing Standards:
http://www.hfma.org.uk/costing/

[2] NHS Costing Manual:
http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_126450

[3] Patient Level Information and Costing System (PLICS), and Reference Cost Best Practice Guide:
http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_126616

Summary of Results

The survey was non-mandatory, however out of the 167 acute NHS provider organisations, 155 (93%) responded. Of the 392 NHS provider organisations surveyed 76% responded. This response rate broadly matches that in the previous year (79%).

The results are summarised below and in more detail within the accompanying excel document, 'PLICS survey summary results 2011.'

The headline results (excluding PCTs) show that:

- 126 organisations have either implemented a PLICS system (81), or are in the process of implementing a PLICS system (45), compared to 103 last year[4]
- 41 organisations are planning to implement PLICS, the majority of which are planning to implement in the next 1 to 3 years
- Of the 81 organisations that have implemented PLICS, 71 (88%) report using PLICS data to underpin some, or all, of their 2010-11 reference cost return
- The service areas where PLICS data is being most used in the production of reference costs are day case, inpatient and outpatient
- Almost 90% of those organisations that have implemented a PLICS system, or are in the process of implementing a PLICS system, report that they are using the Clinical Costing Standards
- An increasing number of mental health providers report use of a PLICS system - 10 mental health providers report either having a PLICS system or are in the process of implementing, with an additional 17 planning on implementing over the coming years
- 83% of organisations that have implemented PLICS and 80% of those implementing PLICS report clinical engagement. This reflects the advice given in the guide to implementing PLICS.

[4] Excluding PCTs

Detailed Survey Findings

Status of PLICS implementation

Implemented PLICS

As shown in Table 2 below, around one third of NHS provider organisations (excluding PCTs) have implemented PLICS, with a similar proportion of organisations either implementing PLICS or planning to implement. The table also shows that the majority of organisations with PLICS are acute or mental health providers.

Table 2: Proportion, and number, of organisations with PLICS

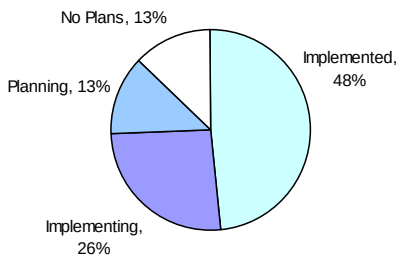
Organisation type	Implemented	Implementing	Planning	No Plans	Total
Acute Providers	48% (75)	26% (40)	13% (20)	13% (20)	100% (155)
Mental Health Providers	10% (5)	10% (5)	33%(17)	48% (25)	100% (52)
Other Providers (Community, Ambulance, Care Trusts, PMS)	4% (1)	0% (0)	14% (4)	82% (23)	100% (28)
All NHS Providers (excl PCT)	**34% (81)**	**19% (45)**	**17% (41)**	**29% (68)**	**100% (235)**

NB. PCT organisations have been excluded from this summary, following the divestment in PCT provider arms from 1st April 2011.

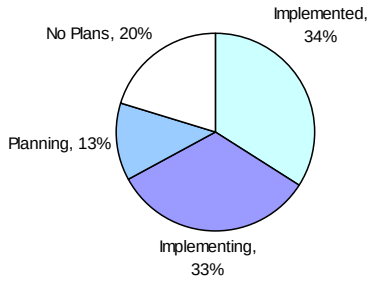
Figures 1 and 2 provide a graphical representation of the data contained in Table 2 with a comparison to the 2009-10 PLICS survey, highlighting the move to PLICS in the acute and mental health sectors.

Figure 1: Percentage of acute organisations with PLICS

2010-11

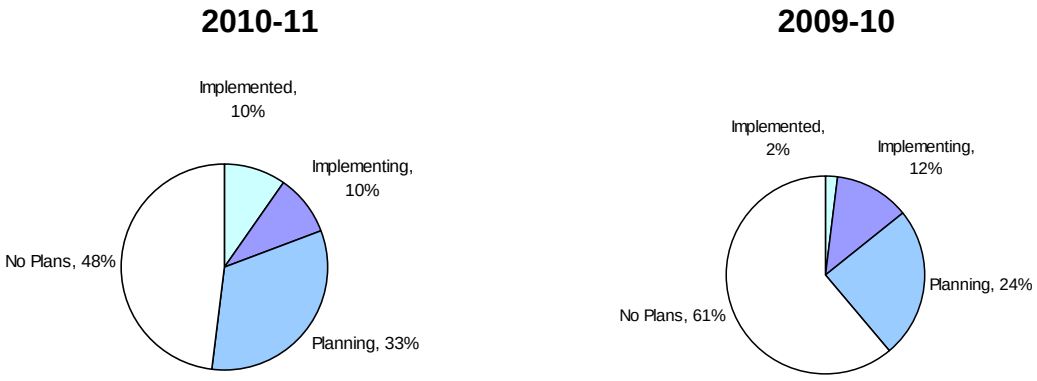


2009-10



There has been a significant increase in the number of acute organisations with PLICS from 2009-10 to 2010-11, increasing from around a third to almost a half. The proportion of organisations not planning to implement PLICS has reduced from 20% to 13%.

Figure 2: Percentage of mental health organisations with PLICS



As the charts above show, compared to 2009-10, a higher proportion of mental health organisations have PLICS. This reflects the detailed costed activity data needed to support the new mental health clusters.

Implementing and planning to implement PLICS

A large number of organisations are in the process of implementing, and planning to implement PLICS. Table 3 below shows the timescales for completion of PLICS implementation.

Table 3: Timescale for completion of PLICS implementation

	Within 1 year	1-2 years	2-3 years	3 years +	Unknown	All
Implementing	33	10	1	0	1	45
Planning	14	16	9	2	0	41

NB. PCT provider organisations have been excluded from this summary, following the divestment in PCT provider arms from 1st April 2011.

PLICS utilisation

Table 4 details how organisations have utilised PLICS (this excludes PCTs).

Of the 81 organisations that have implemented PLICS,

- 71 used PLICS data to inform their 2010-11 reference cost return.

Of the 71 organisations,

- 69 were acute organisations which means around 40 per cent of acute providers used PLICS to inform their reference cost returns.
- 2 organisations are mental health providers

Of the 81 organisations that have implemented PLICS

- 74 reported using the Clinical Costing Standards, as published on the HFMA's website,
- 57 reported using the PLICS Reference Cost Best Practice Guide

Of the 45 organisations who are implementing PLICS

- 39 reported using the Clinical Costing Standards.

Of the 126 organisations that have implemented or are implementing PLICS, over 80% report engaging with clinicians.

Almost one in four of those organisations that have implemented PLICS used the MAQS Scoring System[4]. Table 4 below provides a further breakdown of these figures.

Table 4: Uses of PLICS

	Percentage, and number, of organisations who reported using				
	PLICS to underpin 2010-11 reference cost return	**Clinical Costing Standards**	**Clinical Engagement**	**MAQS Scoring System**	**PLICS/Ref Cost Best Practice Guide**
Implemented PLICS (81)	88% (71)	91% (74)	83% (67)	23% (18)	72% (57)
Implementing PLICS (45)	n/a	87% (39)	80% (35)	n/a	n/a
Implemented or implementing PLICS (126)	**n/a**	**90% (113)**	**82% (102)**	**n/a**	**n/a**

NB. Details of the organisations in the table above can be found in the appendix, 'PLICS survey summary results 2011'.
The denominators used for the above percentages exclude organisations who did not respond to these questions.

[4] The Materiality and quality score (MAQS) is a score that indicates the accuracy or quality of the costing process. The calculation takes account of the actual level of financial resource within each cost pool, the quality of the allocation method and number of records matched to patient level. Further details on the HFMA website at: http://www.hfma.org.uk/costing (Clinical Costing Standards publications).
To view the PLICS /Ref Cost Best Practice Guide open the following link on the DH website:
http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_126616

PLICS used to underpin reference costs

Of the 69 acute trusts reporting that they used PLICS to underpin their reference cost return, 58 provided detail of the areas of the submission where PLICS data was used. The detail of this is included in Table 5 and Figure 3 below.

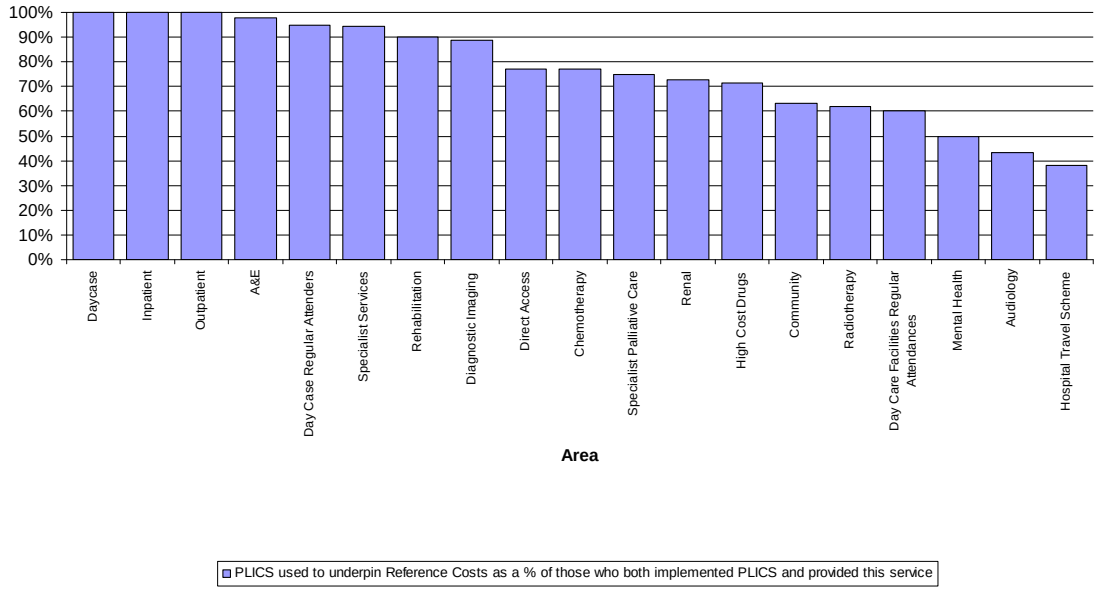
The areas where PLICS is being used to underpin reference costs the most is within established clinical areas with good data flows, such as inpatients, day case and outpatient, with community services reporting the lowest usage of PLICS data. This should however be considered in light of the fact that the vast majority of organisations who have implemented PLICS implemented are acute providers.

Table 5: Where PLICS has been used to underpin reference costs (acute trusts only)

	No. of organisations who provide this service	Of which used PLICS to underpin Reference Costs*	%
Daycase	58	58	100%
Inpatient	58	58	100%
Outpatient	58	58	100%
A&E	51	50	98%
Day Case Regular Attenders	20	19	95%
Specialist Services	54	51	94%
Rehabilitation	30	27	90%
Diagnostic Imaging	53	47	89%
Direct Access	44	34	77%
Chemotherapy	48	37	77%
Specialist Palliative Care	24	18	75%
Renal	22	16	73%
High Cost Drugs	49	35	71%
Community	46	29	63%
Radiotherapy	21	13	62%
Day Care Facilities Regular Attendances	15	9	60%
Mental Health	6	3	50%
Audiology	37	16	43%
Hospital Travel Scheme	29	11	38%

NB. Although 69 acute providers indicated they used PLICS data to inform reference costs, only 58 provided details of which service areas they had used PLICS for.
* Includes organisations who used PLICS to underpin some, or all, of their reference costs return.

Figure 3: PLICS has been used to underpin reference costs by area, (acute trusts only)



Coverage

Respondents were also asked about the extent of the coverage of their service areas. Of the 81 organisations that have implemented PLICS, 61% report that it covers all of the services that they provide.

Of the organisations where PLICS does not cover all of their services:

- almost 60% specifically mentioned community services as one of the areas not covered. Some organisations stated that this was due to the fact that they had recently taken over providing the services from their local PCT
- 10% report that their PLICS only covers certain areas – inpatients, outpatients and A&E.