Monitor
Making the health sector work for patients

NHS England

# 2015/16 National Tariff Payment System: A consultation notice

# Annex 1a: Glossary

**26 November 2014**

**Monitor publication code IRCP 14/14**
**NHS England Publications Gateway Reference 02457**
**NHS England Document Classification: Official**

## Using this glossary

This glossary is designed to assist readers by explaining some of the terms commonly used in the '2015/16 National Tariff Payment System', associated annexes and supporting documents. It is not intended to have any particular legal effect or to be relied on to provide legal definitions. The glossary does not include explanations for medical conditions or clinical procedures.

Readers should always consider the meaning of an expression in its context in the '2015/16 National Tariff Payment System', associated annexes and supporting documents. In addition, where an expression explained here is also used in the Health and Social Care Act 2012 ('the 2012 Act'), this glossary does not modify or replace the meaning given in the 2012 Act. In such cases, the glossary should be read in conjunction with the 2012 Act and its Explanatory Notes.

## Contents

A ..... 4
B ..... 4
C ..... 5
D ..... 7
E ..... 8
F ..... 8
G ..... 9
H ..... 9
I ..... 10
J ..... 11
K ..... 11
L ..... 11
M ..... 13
N ..... 15
O ..... 16
P ..... 17
Q ..... 18
R ..... 18
S ..... 19
T ..... 20
U ..... 21
V ..... 21
W ..... 21
X ..... 21
Y ..... 21
Z ..... 21

## A

| Term | Description |
|---|---|
| **2012 Act** | Health and Social Care Act 2012 |
| **Acute care** | Medical treatment or nursing care, usually provided in a hospital, for patients with an acute illness or injury. |
| **Admitted Patient Care (APC)** | A hospital's activity (patient treatment) after a patient has been admitted to a hospital. |
| **Allied Health Professionals (AHP)** | A group of statutory-registered healthcare practitioners who deliver diagnostic, therapies and other types of care to patients. |
| **Average length of stay (AvLos)** | **Length of stay** refers to the number of days a patient is in hospital, from admission to discharge. **Average length of stay** describes the average stay for a group of patients at a provider or for all patients within an HRG. |

## B

| Term | Description |
|---|---|
| **Best practice tariffs (BPTs)** | Tariffs designed to encourage providers to deliver best practice care and to reduce variation in the quality of care. There are a range of different best practice tariffs, with different types of incentives, covering a range of different treatments and types of care. BPTs may involve an alternative currency, which includes best practice within the specification of a service with a national price. |
| **Block contract** | Contract that usually involves a fixed sum to purchase healthcare services during a given period. |
| **Bottom-up model** | In the context of estimating the efficiency factor, a bottom-up model is one which looks at the activities an individual provider could take to improve its efficiency. |
| **British Association of Day Surgery (BADS)** | An organisation that promotes the provision of quality care in day surgery and encourages providers to plan to manage the majority of their elective patients with stays of under 72 hours. |

## C

| Term | Description |
|---|---|
| **Capital expenditure (CAPEX)** | Expenditure made to acquire or upgrade fixed assets. Examples of physical capital assets include property, plant and equipment. |
| **Care clusters** | National currencies that group patients of mental health services according to common characteristics, such as level of need and similar resources being required to meet those needs. |
| **Care Quality Commission (CQC)** | A statutory body that monitors, inspects and regulates health and social care services provided by registered providers, to ensure they meet standards of quality, effectiveness and safety. |
| **Casemix** | A way of describing and classifying healthcare activity. Patients are grouped according to their diagnoses and the interventions that are carried out. |
| **Case study** | In the case of local payment design examples, case studies represent our review and lessons learned from innovative payment approaches already in use in the NHS. |
| **Catch-up efficiency** | The saving that could be gained from an averagely efficient provider becoming as efficient as a more efficient comparable provider (when accounting for differences in casemix, demographics, quality and input costs). |
| **Choose and Book** | The national electronic referral service which gives patients a choice of place, date and time for their first outpatient appointment in a hospital or clinic. |
| **Classification** | Clinical classification systems are used to describe information from patient records using standardised definitions and naming conventions. This is required for creating clinical data in a format suitable for statistical and other analytical purposes such as epidemiology, benchmarking and costing. |
| **Clinical commissioning groups (CCGs)** | CCGs are statutory bodies whose members are providers of primary medical services (eg GP practices). They are responsible for commissioning NHS healthcare services for their patients and the local population. They are overseen by NHS England at a national level. |

| Term | Description |
|---|---|
| **CCG quarterly assurance process** | The CCG Assurance Framework sets out the way NHS England will assess the performance of CCGs (as required under 14Z16 of the National Health Service Act 2006). It provides assurance to NHS England, and other stakeholders, that CCGs are meeting their statutory duties. Assurance meetings are held quarterly between NHS England and CCGs. |
| **Clinical Negligence Scheme for Trusts (CNST)** | The scheme, administered by the NHS Litigation Authority, provides an indemnity to members and their employees in respect of clinical negligence claims. It is funded by contributions paid by members' trusts. In the tariff calculation, cost increases associated with CNST payments are targeted at certain prices to take account of cost pressures arising from these contributions. |
| **Commissioners** | The organisations that make arrangements for the provision of NHS healthcare services. This includes NHS England (and its teams), clinical commissioning groups (CCGs) (including where they act through commissioning support units), and local authorities exercising NHS commissioning functions under partnership arrangements. |
| **Commissioning data set (CDS)** | Information on care provided for all NHS patients by providers, including independent providers. |
| **Commissioning for Quality and Innovation (CQUIN)** | A national framework for locally agreed quality improvement schemes. It enables commissioners to reward excellence by linking a proportion of payment for services provided to the achievement of quality improvement goals. |
| **Commissioning support unit (CSU)** | An organisation providing a range of commissioning and business service support to one or more CCGs. |
| **Community services** | Locally based health or social care services provided in and around the home. |
| **Co-morbidities** | The presence of one or more disorders (or diseases) in addition to a primary disease or disorder (eg patient diagnosed with cancer and diabetes). |
| **Competition and Markets Authority (CMA)** | A non-ministerial department that works to promote competition for the benefit of consumers. It conducts in-depth investigations into mergers and markets, and also has certain functions with regard to the major regulated industries. |

| Term | Description |
|---|---|
| **Cost adjustments** | Additions to or subtractions from the base prices which are either produced by a model for calculating prices or rolled over prices from a previous year. They reflect expectations of increases or achievable reductions to the efficient costs of providing NHS services, which are not already captured in the base prices – for example because the model inputs relate only to earlier years. National prices are calculated by taking the base prices and applying the cost adjustments. |
| **Cost improvement plans (CIPs)** | CIPs are specific to each NHS provider and set out the savings that providers plans to achieve over a period of time. |
| **Cost uplift factor** | An adjustment to prices that reflects expectations of the cost pressures providers will face, on average, in a given year. |
| **Cross-subsidies** | This occurs when losses made by a business in one area are covered by profits made in another area, so that the overall financial position is somewhere in the middle. |
| **Currency** | A unit of healthcare activity such as spell, episode or attendance. A currency is the unit of measurement for which a price is paid. Under the 2012 Act, the national tariff must 'specify' the health services (currencies) which are subject to national prices. |

## D

| Term | Description |
|---|---|
| **Data cleaning** | The removal of data points that appear to be unreliable before they are inputted into a model. Data cleaning is a common feature of cost models, particularly those that are relying on data from a wide range of sources. |
| **Depreciation** | An accountancy principle in which the cost of an asset is allocated to the period over which the asset is used, rather than to the time of purchase. |
| **Directory of services** | A list and description of each provider's services – including any Service Specific Booking Guidance – compiled and made available to commissioners and patients to underpin the operation of patient choice and as required by Department of Health guidance. |

## E

| Term | Description |
|---|---|
| **Econometric techniques** | Statistical regressions that can be used to establish a relationship between a 'dependent variable' (eg a provider's total costs) and a set of 'explanatory variables' (eg casemix, input cost inflation, scale, etc). |
| **Efficient costs** | In the context of national prices, these are the costs that a reasonably efficient provider should expect to incur in supplying healthcare services to the level of quality expected by commissioners. |
| **Efficiency factor** | An adjustment to prices that reflects the expectation that providers should become more efficient over time. |
| **Elective care** | Planned specialist medical care or surgery, usually following referral from a primary or community health professional such as a GP. |
| **Emergency Readmission Rule**<br><br>**(also known as 'the 30 day rule')** | A national variation that requires commissioners to set a baseline for emergency readmissions that occur within 30 days of discharge for a prior admission, above which a provider would not be reimbursed. |
| **Excess bed day payment** | Additional reimbursement for patients who for clinical reasons remain in hospital beyond an expected length of stay: this is known as an excess bed day payment (it is also sometimes referred to as a long-stay payment). The payment applies at a daily rate to all HRGs where the length of stay of the spell exceeds a trim point specific to the HRG. |

## F

| Term | Description |
|---|---|
| **Financial Information Management System (FIMS)** | This system is used to capture reported financial data from NHS trusts. |
| **Finished consultant episode (FCE)** | An FCE or consultant episode is a completed period of care for a patient requiring a hospital bed, under the care of one consultant within one healthcare provider. If a patient is transferred from one consultant to another, even if this is within the same provider, the episode ends and another begins. |

| Term | Description |
|---|---|
| **NHS foundation trust**<br><br>**(also known as just 'foundation trust')** | An NHS trust that has been authorised as an NHS foundation trust by Monitor. They have unique governance arrangements and are accountable to local people, who can become members and governors. They have a greater degree of freedom than NHS trusts. |
| **Frontier shift efficiency** | The savings that could be gained from all providers by adopting technological advances and optimising service delivery. |

## G

| Term | Description |
|---|---|
| **Grouper** | Software, created by the Health and Social Care Information Centre (HSCIC), which takes diagnosis and procedure information from patient records to classify it into clinically meaningful groups. The outputs from the grouper are used as activity currencies for costing and pricing. |
| **Grubbs method** | A method for removing extreme values from a dataset by comparing the difference between the value and the dataset's mean value with the standard deviation of the dataset. |

## H

| Term | Description |
|---|---|
| **Health and Social Care Information Centre (HSCIC)** | A statutory body, provided for in the 2012 Act, which acts as a data, information and technology resource for the health and social care system. It supports the delivery of information technology infrastructure, information systems and standards to ensure information flows efficiently and securely across the health and social care system to improve patient outcomes. |
| **Healthcare Resource Groups (HRGs)** | Groupings of clinically similar treatments that use similar levels of healthcare resource. HRG4 is the current version of the system in use for payment. HRGs are used as the basis for many of the currencies in the National Tariff Payment System |

| Term | Description |
|---|---|
| **High cost drugs and devices** | A number of high cost drugs and devices are named in the national tariff for separate reimbursement – ie their costs are not included in the national prices for the relevant services, and their reimbursement is subject to the rules for local prices. These items have a particularly high cost relative to the national price of the service they are used for, and their use is concentrated among a relatively small number of providers. |
| **Hospital Episode Statistics (HES)** | HES is a data warehouse containing details of all admissions, outpatient appointments and A&E attendances at NHS hospitals in England. This data is collected during a patient's treatment at a hospital and is submitted to enable hospitals to be paid for the care they deliver. HES data is designed to enable secondary use, that is, use for non-clinical purposes, of this administrative data. |

## I

| Term | Description |
|---|---|
| **Impact assessment** | A qualitative review or quantitative analysis of the likely consequences of a proposal. An impact assessment will typically set out to identify benefits, costs, risks and unintended consequences of the proposal in question. Monitor is required by law to undertake impact assessments for any proposals that would be likely to have significant impacts on patients, commissioners and providers of NHS services, or the general public in England. |
| **Improved Access to Psychological Therapies (IAPT)** | The IAPT programme supports the frontline NHS in implementing National Institute for Health and Clinical Excellence (NICE) guidelines for people suffering from depression and anxiety disorders. |
| **Independent sector providers** | All providers other than NHS trusts, NHS foundation trusts and other statutory bodies providing NHS-funded services. |
| **Indexation** | In the context of setting national prices using a model which is based on Reference Costs, indexation refers to adjustments made to modelled prices to reflect increases or achievable reductions in efficient costs of providing NHS healthcare services for the years between when the relevant Reference Costs were collected and the tariff year. |
| **Inlier** | Admitted patient care activity where the patient's length of stay does not go beyond the excess bed day trim point. |

| Term | Description |
|---|---|
| **Inpatient** | Informal term for admitted patient care (APC). |
| **Integrated care** | Defined by the World Health Organization (WHO) as bringing together inputs, delivery, management and organisation of services related to diagnosis, treatment, care, rehabilitation and health promotion. Integration is a means to improve services in relation to access, quality, user satisfaction and efficiency.<br><br>See also 'A narrative for Person-Centred Coordinated Care'. |
| **International Classification of Disease (ICD10)** | The ICD is a medical classification list produced by the WHO. It codes for diseases, signs and symptoms and is regularly updated. |

## J

| Term | Description |
|---|---|
| **Joint Advisory Group (JAG)** | A clinical organisation whose core objectives are: to agree and set acceptable standards for competence in endoscopic procedures; to quality assure endoscopy units; to quality assure endoscopy training; and to quality assure endoscopy services. |

## K

None

## L

| Term | Description |
|---|---|
| **Leakage**<br><br>**(also known as 'tariff leakage')** | Based on an observation that the efficiency gains achieved by providers have typically been lower than the efficiency assumptions in past national tariffs, leakage is defined as the 'additional actions' that providers (or providers and commissioners) take to protect or improve their financial position, other than improving their efficiency. |

| Term | Description |
|---|---|
| **Licensed providers** | Providers of healthcare services for the purposes of the NHS who have been granted a Monitor licence. Monitor's provider licence is the main tool with which it regulates providers of NHS services. The licence contains obligations for providers of NHS services that allow Monitor to fulfil its duties in relation to: setting prices for NHS-funded care in partnership with NHS England; enabling integrated care; preventing anti-competitive behaviour which is against the interests of patients; and supporting commissioners in maintaining service continuity. |
| **Local modifications** | A modification to the price for a service determined in accordance with the national tariff where provision of the service at the nationally determined price is uneconomic (as provided for in sections 124 to 126 of the 2012 Act). The modification is intended to ensure that healthcare services can be delivered where required by commissioners, even if the cost of providing them is higher than the nationally determined prices. Local modifications can be made two ways:<br>• by **agreement**: where a provider and one or more commissioners agree to increase nationally determined prices for specific services, and Monitor approve that agreement; or<br>• by **application**: where a provider is unable to agree an increase to nationally determined prices with one or more commissioners and applies to Monitor to determine whether the price should be increased.<br>Monitor is required to set out in the national tariff its method for deciding whether to approve local modification agreements and for determining local modification applications. |
| **Local payment arrangements** | See 'Locally determined prices' below |
| **Local payment design examples**<br>**(also known as 'payment examples')** | Case studies and proofs of concept that give providers and commissioners examples of potential local payment arrangements. |

| Term | Description |
|---|---|
| **Local prices** | For many NHS services, there are no national prices. Some of these services have nationally specified currencies, but others do not. In both instances commissioners and providers must work together to set prices for these services. The 2012 Act allows Monitor to set rules for local price setting where it believes this is appropriate. |
| **Local variations** | Local variations can be used by commissioners and providers to agree adjustments to national prices, or the currencies for national prices, particularly where it is in the best interests of patients to support a different mix of services or delivery model. This includes cases where services are bundled or where care is delivered in new settings or where there is use of innovative clinical practices or arrangements to change the allocation of financial risk. |
| **Locally determined prices**<br><br>**(also referred to as 'local payment arrangements')** | Many prices, or variations to prices, for NHS healthcare services are agreed locally (ie between commissioner(s) and the provider(s) of a service) rather than determined nationally by the national tariff. We refer to arrangements for agreeing prices and service designs locally as 'local payment arrangements'. There are three types of local payment arrangements: local modifications to a national price; local variations to a national price or a currency for a service with a national price; and local prices (sometimes based on nationally specified currencies). |

## M

| Term | Description |
|---|---|
| **(NHS England's) Mandate** | To make sure the taxpayer has a say in how NHS money is spent, the government provides direction and ambitions for the NHS through a document called the 'Mandate'. The Mandate is published every year to make sure it is up to date, but it also sets long-term ambitions to make sure the NHS is always there and always improving. The Mandate specified objectives for NHS England which it must seek to achieve and the Secretary of State for Health will hold them to account for improving care for people. |

| Term | Description |
|---|---|
| **Manual adjustments to modelled prices** | Adjustments to a number of modelled prices to correct for illogical or implausible prices. We have set out a transparent process for how Monitor will make manual adjustments as part of the method for determining 2015/16 national prices. |
| **Marginal cost** | The cost of delivering an additional unit of a good or service. For example, a consultant seeing an additional patient. |
| **Marginal Rate Rule for emergency admissions** | The rule is a national variation to national prices for the services covered by the rule. The rule requires that a provider receives payment at 50% of the tariff price for all emergency activity above the baseline in 2008/09. The marginal rate is calculated at a contract level using as a baseline the tariff income value calculated by applying the current tariff level to 2008/09 emergency admissions activity, although that baseline can be changed by agreement. Commissioners are required to invest the remaining 50% of the tariff income in demand management schemes which prevent inappropriate hospital admissions by improving patient care outside of hospital. |
| **Market Forces Factor (MFF)** | An index used in tariff payment and commissioner allocations to estimate the unavoidable regional cost differences of providing healthcare. Each NHS organisation receives an individual MFF value, used to establish the level of unavoidable regional costs they face relative to other NHS organisations. The variation of national prices by application of the MFF is one of the national variations provided in the national tariff. |
| **Mental Health and Learning Disability Data Set (MHLDDS)**<br><br>**(previously Mental Health Minimum Data Set (MHMDS))** | MHLDDS Information Standard is the specification of a patient-level data-extraction (output) standard intended for mental health, learning disabilities and autism spectrum disorder service providers in England. This includes both NHS and independent providers. |
| **Monitor** | Monitor is the sector regulator of NHS-funded healthcare services. Under the 2012 Act its main duty in exercising its functions is to protect and promote the interests of patients, by promoting provision of healthcare services which is economic, efficient and effective and which maintains or improves quality. The Act also gives Monitor and NHS England joint responsibility for the NHS payment system with NHS England taking the lead in specifying the services to be priced and Monitor taking the lead in designing and applying the method for pricing them. |

## N

| Term | Description |
|---|---|
| **National Clinical Audit and Patient Outcomes Programme (NCAPOP)** | A closely linked set of centrally-funded national clinical audit projects commissioned and managed by the Healthcare Quality Improvement Partnership. |
| **National Heart Failure Audit** | The National Heart Failure Audit was established in 2007 to monitor the care and treatment of patients in England and Wales with acute heart failure. The audit reports on all patients discharged from hospital with a primary diagnosis of heart failure, publishing analysis on patient outcomes and clinical practice. Audit findings can be used to measure the implementation of contemporary guidelines for the clinical management of heart failure from the National Institute for Health and Clinical Excellence (NICE). |
| **National Joint Registry (NJR)** | NJR collects information on all hip, knee, ankle, elbow and shoulder replacement operations and monitors the performance of joint replacement implants. |
| **National Prices Methodology Discussion paper ('the methodology paper')** | The first publication in the set of publications that lead up to the finalisation of the 2015/16 National Tariff Payment System. It set out the key issues for currency design and the method for determining national prices for 2015/16 and identified different options for addressing these. |
| **National variations** | Adjustment of national prices determined at a national level and specified in the national tariff, reflecting a range of factors such as complexity of treatment or regional cost differences. |
| **National Institute for Health and Care Excellence (NICE)** | A statutory body provided for in the 2012 Act. It provides independent and evidenced-based guidance on the most effective ways to prevent, diagnose and treat disease and ill health, reducing inequalities and variation. |
| **National Tariff Payment System ('the national tariff')** | The national tariff is provided for in the 2012 Act. It covers national prices, national variations, and rules, principles and methods for local payment arrangements. Monitor has a statutory duty to publish the national tariff, and NHS England and Monitor must agree the proposals for each national tariff. |
| **National Tariff Advisory Group (NTAG)** | An advisory body set up by Monitor and NHS England to offer views and recommendations on proposals for the National Tariff Payment System. |

| Term | Description |
|---|---|
| **NHS England** | Oversees the budget, planning, delivery and day-to-day operation of the NHS in England as set out in the 2012 Act. The body was established by the Act as the NHS Commissioning Board. |
| **NHS Litigation Authority (NHSLA)** | Administers the Clinical Negligence Scheme for Trusts (CNST). It is a Special Health Authority established under the National Health Service Act 2006. |
| **NHS Standard Contract** | The contract issued by NHS England for use when commissioning NHS healthcare services (other than those commissioned under primary care contracts). It is adaptable for use for a broad range of services and delivery models. |
| **NHS Trust Development Authority (NHS TDA)** | The organisation responsible for overseeing the performance management and governance of NHS trusts, including clinical quality, and managing their progress towards foundation trust status. It is a Special Health Authority established under the National Health Service Act 2006. |
| **NHS TDA's Accountability Framework for NHS trust boards** | A framework that supports NHS trusts in their progression towards achieving foundation trust status. It sets out how NHS TDA will work with NHS trusts on a day-to-day basis, how they will assess the progress NHS trusts are making and how they will provide the development support each organisation needs. |
| **Non-elective care** | Medical care or surgery that is unplanned (eg emergency hospital admission). |

## O

| Term | Description |
|---|---|
| **Office of Budget Responsibility (OBR)** | Provides independent and authoritative analysis of the UK's public finances. It produces five-year forecasts for the economy and public finances twice a year. |
| **Office of Population Censuses and Surveys Classification of Interventions and Procedures (OPCS)** | A classification for the coding of surgical procedures and interventions. |
| **Operating expenditure (OPEX)** | A category of expenditure that a provider incurs as result of performing its normal business operations (eg patient activity). |

## P

| Term | Description |
|---|---|
| **Pathway payments**<br><br>**(eg maternity pathway payment)** | Single payments that cover a bundle of services that may be provided by a number of providers covering a whole pathway of care for a patient. |
| **Patient Level Information and Costing Systems (PLICS)** | Systems that support the collection and recording of patient level costs. |
| **Patient Reported Outcome Measures (PROMS)** | These allow the NHS to measure and improve the quality of treatments and care that patients receive. Patients are asked about their health and quality of life before they have an operation, and about their health and effectiveness of the operation afterwards. |
| **Payment by Results (PbR)** | An approach to paying providers on the basis of activity undertaken, in accordance with national rules and a national tariff. The term is often used to refer to the tariff published by the Department of Health in the years before 2014/15. This term is no longer used as the 2012 Act national tariff provisions give Monitor and NHS England a broader set of responsibilities for the payment system. |
| **Payment examples** | See 'Local payment design examples ' above |
| **Personal health budget (PHB)** | An amount of money to support a person's identified health and wellbeing needs, planned and agreed between the person and their local NHS team. Key features of PHBs include access to independent advice and brokerage, person-centred planning and control over how money is used (including the option of a direct payment). |
| **Pharmaceutical Price Regulation Scheme (PPRS)** | This is the mechanism that ensures that the NHS has access to good quality branded medicines at reasonable prices. It involves a non-contractual agreement between the UK Department of Health and the Association of the British Pharmaceutical Industry (ABPI). The scheme applies to all branded, licensed medicines available on the NHS. The purpose of the scheme is to achieve a balance between reasonable prices for the NHS and a fair return for the pharmaceutical industry. |
| **Primary care** | Services provided by family doctors, dentists, pharmacists, optometrists and ophthalmic medical practitioners, together with district nurses and health visitors. |
| **Private Finance Initiative (PFI)** | An approach of funding public projects with private investment. |

| Term | Description |
|---|---|
| **Proof of concept** | Payment approaches that require further development and testing within the NHS. |

## Q

| Term | Description |
|---|---|
| **Quality, Innovation, Productivity and Prevention (QIPP)** | The QIPP programme is a large scale programme developed by the Department of Health to drive forward quality improvements in NHS care at the same time as making significant efficiency savings. |

## R

| Term | Description |
|---|---|
| **Reference Costs** | The detailed costs to the NHS of providing services in a given financial year which are collected in accordance with national guidance. NHS healthcare providers are required to submit Reference Costs data to the Department of Health. The costs are collected and published on an annual basis. |
| **Reference Cost design** | The currencies according to which Reference Costs are reported. |
| **Relevant providers** | Providers, as defined by the 2012 Act and regulations made under the Act, who are able to challenge the method Monitor proposes to use to calculate national prices, by means of a statutory consultation and objection process. Specifically they are: (a) licensed providers (including NHS foundation trusts) and (b) non-licensed providers (currently NHS trusts and some independent providers) who provide NHS services that are subject to national prices. |
| **Review of urgent and emergency care by Sir Bruce Keogh** | A comprehensive review by NHS England Medical Director Professor Sir Bruce Keogh of the NHS urgent and emergency care system in England. |
| **Rollover** | In the context of the 'National Tariff Payment System', a rollover is an approach to determining national prices by adjusting the national prices that apply in the previous year's 'National Tariff Payment System'. Monitor and NHS England applied a rollover for 2014/15 but are proposing to model national prices from updated costs for 2015/16. |

## S

| Term | Description |
|---|---|
| **Secondary care** | Hospital or specialist care to which a patient is referred by their GP. |
| **Secondary Uses Service (SUS)** | A single comprehensive repository for healthcare data in England which enables a range of reporting and analyses to support the delivery of NHS healthcare services. |
| **Service development** | One of the cost uplift factors, and reflects the additional costs to providers of meeting certain requirements set out in the NHS England Mandate. |
| **Service-specific booking guidance** | Guidance for use by commissioners and their agents in making referrals and bookings on behalf of patients. It gives details of any criteria to be used systematically by a provider to determine patients' eligibility for specific services. |
| **Short stay emergency tariff (SSEM)** | A mechanism for ensuring appropriate reimbursement for lengths of stay of less than two days, where the average HRG length of stay is longer. |
| **Specialised services (formerly NHS Specialised Services)** | Specialised services are those provided in relatively few hospitals, accessed by comparatively small numbers of patients but with catchment populations of more than one million. These services tend to be located in specialist hospital trusts that can recruit staff with the appropriate expertise and enable them to develop their skills. Responsibility for commissioning these services now lies with NHS England (see regulations under section 3B of the National Health Service Act 2006).<br><br>NB. "Specialised services" can also mean the wider category of specialist activity defined by the Specialised Services National Definition Set – for example, when the term is used in Section 6 for the specialised services top-up variation. |
| **Specialised services top-up** | Top-up that is applied to some specialist activity (defined by the Specialised Services National Definition Sets). Top-up payments are applied as a percentage increase to the tariff price. They are designed to recognise that patients who receive some types of specialised care may be more expensive than those allocated to the same HRG who do not require specialised care. Top-up payments are an example of a national variation. |
| **Spell** | The period from the date that a patient is admitted into hospital until the date they are discharged, which may contain one or more episodes of treatment. |

| Term | Description |
|---|---|
| **Staff index** | This index is part of the MFF. It estimates the unavoidable variation in staff costs arising from geographical differences in staff costs across the country. |
| **Stakeholders** | The term stakeholders covers all parties operating within the system, and groups within those stakeholders, including clinicians and managers. It also includes patients and members of the public. |
| **Strategic Commissioning Plans** | A document CCGs produce to set out how they plan to deliver their vision for their local health economies. |

## T

| Term | Description |
|---|---|
| **Tariff engagement documents** | The second in the set of publications that lead up to the finalisation of the '2015/16 National Tariff Payment System'. They set out the proposed changes relative to 2014/15. |
| **Terminology Reference-data Update Service (TRUD)** | A service hosted by the UK Terminology Centre, which provides a mechanism to license and distribute reference data to interested parties. |
| **Treatment Function Code (TFC)** | Outpatient attendance national prices are based on TFCs. Main Specialty codes represent the specialty within which a consultant is recognised or contracted to the organisation. Outpatient activity is generally organised around clinics based on TFC specialties and they are used to report outpatient activity. |
| **Treatment threshold** | A treatment threshold is the clinical threshold above which a specific treatment is judged appropriate for a specific condition. |
| **Trigger point** | A pre-agreed level of referrals and/or activity, indicating unplanned increases in demand. |
| **Trim point** | For each HRG, the trim point is calculated as the upper quartile length of stay for that HRG plus 1.5 times the inter-quartile range of length of stay. After the spell of treatment exceeds this number of days, a provider will receive a payment for each additional day that the patient remains in hospital. This is referred to as an excess bed day payment or a long stay payment. |

## U

| Term | Description |
|---|---|
| **UK specialist Rehabilitation Outcomes Collaborative (UKROC) database** | The UK specialist Rehabilitation Outcomes Collaborative (UKROC) was set up through a Department of Health National Institute for Health Research Programme Grant to develop a national database for collating case episodes for inpatient rehabilitation. |
| **Unavoidable costs** | Refers to the costs that providers are unable to significantly influence. |
| **Unbundling** | The separation of a sub-set of activity (or activities), treatment or service from the main activity (such as an admitted patient spell or an outpatient attendance) for the purposes of counting, costing or pricing separately. For example, unbundling diagnostic imaging activity from an outpatient attendance or unbundling a patient's care in critical care from the inpatient spell. |

## V

None

## W

None

## X

None

## Y

None

## Z

None