



Pricing Consultation
Department of Health
Room 229
Richmond House
79 Whitehall
London
SW1A 2NS

21 December 2012

Pricing consultation

We welcome the opportunity to comment on the proposals contained within the Department of Health's consultation on 'Fair and Transparent Pricing for NHS Services'.

Together for Short Lives is the leading UK charity for all children with life-threatening and life-limiting conditions and all those who support, love and care for them. We support families, professionals and services, including children's hospices. Our work helps to ensure that children can get the best possible care, wherever and whenever they need it.

We broadly support the creation of an additional objection mechanism to the pricing methodology engagement processes. However, we are concerned about the proposals' lack of integration with other parts of the NHS. In particular, we would encourage the mechanism to be developed in line with Monitor's Fair Playing Field Review.

Well commissioned children's palliative and hospice care delivers significant benefits. As well as ensuring that children and families get the help and support they need, it significantly reduces costs to the NHS, by reducing acute hospital stays and admissions to Accident and Emergency.

However, commissioning of the children's palliative care and statutory funding varies in fairness and consistency across England. Commissioning approaches differ across communities, in terms of both the level and source of funding. The Department of Health is currently developing a new palliative care funding tariff. Ministers have indicated an intention to implement the tariff from 2015. As a result, it is difficult for Together for Short Lives to comment on raising objections to tariff pricing at present.

When the palliative care tariff is implemented, voluntary sector providers of children's palliative care, including children's hospices are likely to continue spending more on meeting the needs of children, young people and families with palliative care needs than comparable providers. This is because of their very significant charitable contribution which accounts for around 80% of their overall care costs. The proposals suggest that the share of supply threshold will be determined only by the tariff income, which means that a children's hospice will not be weighted in line with the full range of services that it provides. We encourage the

Department of Health objection mechanism team and palliative care funding review team to work closely together as the palliative care funding tariff is developed. We advocate the alternative option set out in the consultation document to take a range of share of supply calculations into account.

We look forward to working with the Department of Health further on this issue.