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Fair and transparent pricing for NHS services

*A consultation on proposals to formally object to
the pricing methodology*

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Background

The Department seeks stakeholder views and comments on the proposals as outlined in *Fair and transparent pricing for NHS services: A consultation on proposals to formally object to the pricing methodology*, with the view to lay final pricing regulations before Parliament. Depending on the outcome of this consultation, the current intention is to lay regulations in April 2013.

How to Respond

Please return your responses, no later than **21 December 2012**.

e-mail pricing.consultation@dh.gsi.gov.uk with the subject 'Pricing Consultation'

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

online An online response form is available on the DH website¹.

Many thanks for your response to this consultation. Please note that responses may be made public unless you state otherwise.

¹ <http://www.dh.gov.uk/health/category/publications/consultations/>

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Personal Details

Organisation(s) represented: Western Sussex Hospitals NHS Trust

Questions

Question 1: Do you agree that providers of services in the tariff in operation at the time at which Monitor consults on the next tariff should count towards the thresholds?

☒ **Yes, proceed to Question 2** ☐ **No**

Question 2: If yes, do you agree that this should include any such providers who are exempt from the requirement to hold a licence?

In the short term it has to as it would be inappropriate to exclude all of the NHS Trusts who are currently providing services who do not require a licence until 1st April 2014.

Questions 3: Do you agree that the data used to calculate an objection threshold should be based on total tariff income, as reported in financial accounts?

☐ **Yes** ☒ **No**

If no, please suggest an alternative source.

It depends if the objection is to the calculation of the whole tariff or the calculation of a part of the tariff.

If for example the objection is to a particular area the threshold should be based on the proportion of that particular area impacted for example just maternity services or just cystic fibrosis services. If there is no other national source of the information available then the Trust's last reference costs return could be used for this purpose (although that would give a extra year delay for new entrants). Programme budgeting may be able to be utilised to calculate commissioner shares.

If the objection is about something fundamental in the calculation of all of the tariffs then the total income would be an appropriate measure.

Question 4: Are there any other providers who should count towards the threshold?

☐ **Yes** ☒ **No**

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If yes, please give details and reasons.

Question 5: Do you agree that the objection percentage threshold should be set at 51% for commissioners?

☒ **Yes**

☐ **No**

If not, what figure would you propose, and why?

It must be the same for commissioners and providers

Question 6: Do you agree that the objection percentage threshold should be set at 51% for providers?

☒ **Yes**

☐ **No**

If not, what figure would you propose, and why?

It must be the same for commissioners and providers

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Question 7: Do you agree that a provider's share of supply should be calculated across all tariff?

☐ Yes

☒ No

If not, how should their share of supply be calculated?

It depends on the scope of the objection. If it is a fundamental part of the tariff then it would be reasonable. If only a limited aspect, the share should be based on just those specific areas.

Question 8: Do you agree that providers should be weighted based on income from tariff services delivered, as stated in the previous year's financial accounts and minus any local area adjustments?

☐ Yes

☒ No

If not, on what basis should they be weighted?

It is not clear to me what these local adjustments to income from PbR tariffs would be, it seems cleaner to use the number from the financial accounts directly without adjustments as long as the objection related to the entire tariff rather than specific areas.

Question 9: Do you agree that the share of supply percentage threshold should be set at the same figure as for the objection percentage thresholds, ie 51% of the total supply?

☒ Yes

☐ No

If not, what percentage should be set, and why?

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Question 10: Do you have any evidence that the proposals in this document will impact adversely or unfairly on any protected groups?

☐ **Yes**

☒ **No**

If so, please provide details of the evidence.

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

online An online response form is available on the DH website².

Many thanks for your response to this consultation. Please note that responses may be made public unless you state otherwise.

Comments on the consultation process itself

If you have concerns or comments which you would like to make relating specifically to the consultation process itself please

contact Consultations Coordinator
 Department of Health
 3E48, Quarry House
 Leeds
 LS2 7UE

e-mail consultations.co-ordinator@dh.gsi.gov.uk

Please do not send consultation responses to this address.

Confidentiality of information

We manage the information you provide in response to this consultation in accordance with the Department of Health's Information Charter.

² <http://www.dh.gov.uk/health/category/publications/consultations/>

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Information we receive, including personal information, may be published or disclosed in accordance with the access to information regimes (primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data in accordance with the DPA and, in most circumstances, this will mean that your personal data will not be disclosed to third parties.

Summary of the consultation

A summary of the response to this consultation will be made available before or alongside any further action, such as laying legislation before Parliament, and will be placed on the consultations website at

<http://www.dh.gov.uk/en/Consultations/Responsestoconsultations/index.htm>

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