

Housing & Social Care Scrutiny Panel.
Review of Personal Health Budgets (PHBs).

The Housing & Social Care Scrutiny Panel commenced a stage 1 review of PHBs on 1 February 2011 to assist the Health Overview and Scrutiny Panel. The Panel received evidence from the Senior Programme Manager, Integrated Commissioning Unit. Some members also attended a workshop for stakeholders in March on PHBs which explored the lessons learnt so far and explored issues and risks of the draft operational processes.

Objectives of the inquiry.

1. What are PHBs?

The PHB programme was established by the Department Of Health to provide better outcomes and satisfaction for patients, by providing increased levels of choice and control of NHS Care. This is supported by the NHS White Paper "Equity and Excellence: Liberating the NHS".

2. When were they introduced?

A pilot programme involving approximately half the Primary Care Trusts in England is underway to test out PHBs in the NHS. An in-depth study with twenty of these sites is part of a wider evaluation exploring how best to implement PHBs and who would benefit most from them. The three-year pilot programme will run until 2012.

37 sites have been awarded full pilot status: 20 in-depth evaluated sites and 17 from the wider cohort. 24 of those sites are piloting direct payments for health care.

NHS Portsmouth was awarded informal pilot status in 2009. This has allowed access to Strategic Health Authority resources to support the planning phases looking at the practicalities of how a personal health budget would work. It has concentrated around the impacts of PHBs in Adult Mental Health, Continuing Care and End of Life. On a national level, work has been undertaken in other services such as Maternity, Dementia pathways and Long Term Conditions.

In summary work has proceeded in five key areas:

1. Operational Delivery and Clinical Standards
2. Market Management and Risk Governance
3. Finance and Information Process
4. Workforce Development and Culture Change
5. Stakeholder Engagement

The group has sought to establish a draft business process and consider a range of operational questions to propose solutions and identify potential challenges for future implementation.

3. Who are they available to?

The intention is to encourage all service users who could potentially benefit from them to consider PHBs. This would be part of the ongoing conversation between the health professional and the service user. The carers could be involved in the discussions if appropriate.

There is a potential for greater integration of health and social care at an individual level, with many people who receive services from both health and social care benefiting from a single budget that brings together both funding streams and offers a holistic and personal response to their needs.

4. How do they work?

The draft flowchart which is attached to this report shows the proposed route which patients would follow. The simplified pathway is outlined below:

1. The patient and health professional discuss whether a PHB would be appropriate.
2. If the patient chooses to have a PHB, a holistic assessment of their needs is carried out by the health professional and then the patient is informed how much money is available for care and what health outcomes they are expected to meet.
3. The patient chooses whether to operate the PHB, what method to use to plan, initiate and manage the arrangements i.e. whether they do it themselves or they authorise the NHS to design it on their behalf.
4. If the patient decides to design the plan they are given a list of recommended providers, information on where they can obtain independent advice and a deadline for submission.
5. The plan is submitted to the Review Panel which assesses it for risk, appropriateness to outcomes and NHS principles.
6. If the plan is agreed, the money would be given directly to the individual or to an organisation (statutory or voluntary) to coordinate how it is spent.
7. A service user could choose to spend the money over an agreed period of time, which could be up to a 12 month period. A process for retrieving any unused money will be set up.

5. Who pays for them?

Personal Health Budgets will be funded in place of current NHS services. This will therefore change how NHS services are contracted and purchased in the long term.

6. What are the benefits?

The new PHB system offers many potential advantages for the patient provided that the system is in place to support it.

Giving individuals control over the money spent on their care significantly shifts the balance of power between clinicians, services and patients enforcing a move to personalised commissioning driven by the patients. This fits with the White Paper's aim to devolve decision making as closely as possible to the individual.

The divide between health and social care can be confusing for individuals accessing services. Through both the social care direct payments and personal health budget schemes there is the potential to expand partnership working and a seamless system from the patient's perspective can be achieved. This has the potential not only to increase an individual's service satisfaction but to also create efficiencies in back office functions compared to running two independent systems.

7. What are the limitations?

Portsmouth is at a very early stage in developing the process for PHBs. It is proving very challenging in terms of agreeing the business process which will support the personalised budgets.

There is a potential risk that NHS funding might be spent in the private sector, which could lead to a decrease in investment for NHS services. However, this is designed to hold services to a greater level of account and to improve the standards of patient care around the individual. PHBs could drive a huge change in the NHS system.

There are some areas of concern as to appropriate use of funds once given to the patient. For example what would happen in the following circumstances

- Where the patient mispends the money
- Where the patient's condition improves or worsens

The Panel felt that the process itself is still very confusing both for carers and clinicians– even with the aid of the coloured diagram.

A debate is required to determine what treatments are appropriate for use in PHBs.

8. What are the future plans for expansion?

NHS Portsmouth set up a project governed by a steering group led by the Director of Commissioning to achieve formal pilot status, which is being applied for March 2011. This would allow Portsmouth to begin piloting individuals on a personal health budget, provided that this is managed by an organisation once the business process work is completed and robust.

As part of the next phases of work there are cultural issues of NHS provision to be tackled. This includes looking at the relationship between patients and clinician as well as the contractual and money flows within the health system.

The Department of Health requires that personal budget system implementation begins by October 2012. No Health without Mental Health (2011) clearly supports the extension to the use of PHBs.

A workshop will be held in London on 11 May to review the lessons learnt from the mental health pilots.

The Panel noted that there had been a pause at national level to reconsider aspects of the proposed changes to the NHS.

9. Recommendations.

The Panel recommended that:

- (1) The implementation of the Personal Health Budget System in Portsmouth continues to be monitored by the Health Overview and Scrutiny Panel (HOSP).
- (2) If the HOSP decides that further scrutiny of PHBs is required, that it should consider referring the matter back to this Panel when appropriate.