These are challenging times. Seven years since the onset of the Great Recession, there is no sign of an ease in the pressure; witness the recent Monitor/Trust Development Authority letters to healthcare providers urging organisations to find greater savings. During the Great Depression in the 1930s, Lord Keynes, listed the skills needed to respond to the challenges of his own time:

“(We) must possess a rare combination of gifts... must be mathematician, historian, statesman, philosopher – in some degree. Understand symbols and speak in words... contemplate the particular in terms of the general, and touch abstract and concrete in the same flight of thought. (We) must study the present in light of the past for the purposes of the future...”

While few of us will ever achieve the full mastery described, modern healthcare intelligence tools can help to close part of the gap between attainment and aspiration.

Mathematician and historian...
Healthcare intelligence tools provide me with a vast repository for patient level data, to which I can apply a broad range of evidence from academic sources, think tanks and case studies. They give me the tools needed to blend these ingredients to develop robust plans and strategies.

There are standard input sheets for my CIP / QIPP schemes, which allow me to draw together a range of evidence and assumptions - in a consistent way. I can input “historic” evidence - case material from similar schemes elsewhere. I can blend this with “mathematical” / statistical analysis.

As an example, the recent CHSEO report on emergency admissions for older people provides a basis for partitioning supply and demand trends for age, cohort (year of birth) and period (year of admission). We now know that ‘period effects’ are major factors driving up activity in each period. These cover changes in patient and staff expectations including rising risk aversion and supply factors, such as a bigger range of more accessible services and new technologies. Period effects can overshadow pure demographic pressure. Richer and more subtle evidence like this provides more accurate forecasts and better targeting of interventions. In this case giving more emphasis to co-ordination between sectors and introducing tighter admission criteria.

Statesman and philosopher...
CCG leaders should establish the vision for their health economies. However, achieving buy-in and winning whole system support is undermined when there are doubts about the robustness of the analysis and/or accuracy of the underlying data supporting a strategy. Without this there is little chance of bridging the chasm between service philosophy and practical change. Healthcare providers and commissioners need robust platforms that:

- hold complete provider patient data sets over multiple years
- offer a means of checking and verifying coding accuracy
- provide clear audit trails linking data to assumption and thence planning output

Furthermore, leaders need the ability to look at local data from a commissioner, provider or social care perspective. This fosters common understanding and lays the foundation for a more mature and collaborative responses, including genuine risk sharing.

Responding to challenges in the NHS requires extraordinary skill. But we don’t have to be super human; with the right tools we can raise our game.
Abstract and concrete in the same flight of thought

When we are working with partners and energised we throw up new ideas and scenarios. What if we did this or changed that? In the past these flights of thought would be interrupted, while an accountant went off to crunch more numbers. We would reconvene in days or weeks. With the right tools we can respond to a new idea and produce concrete analyses during the course of a meeting or workshop. It can take less than 10 minutes to assess the impact of a new idea or change of assumptions, across the totality of a health economy’s patient data, catering for most conceivable changes in assumptions.

“When my information changes, I alter my conclusions. What do you do, sir?”
– Lord Keynes

Study the present in light of the past for the purposes of the future

Understanding how things have changed or learning from mistakes is easier than ever. For example, we once invested significant resource in identifying and managing ‘frequent flyers’ but these now seem to be marginal in many areas. This is possibly a reflection of those earlier policies. National evidence shows that the growth in emergency admissions is predominantly linked to new single cases rather than individuals receiving an increasing number of admissions each year.

Modern healthcare intelligence tools enable us to be more fleet of foot and responsive to changes in the environment by following the evidence, testing hypotheses and acting quickly if the evidence shows that our working assumptions are wrong, or that trends have changed.

As Keynes said: “The difficulty lies not so much in developing new ideas as in escaping from old ones.”

Healthcare planning with Horizon

Horizon is Capita’s new online solution that provides healthcare providers and commissioners with five year forward view of demand, capacity and finances. It harnesses the power and experience of the Capita ACI planning model, which has been used by over 60 NHS organisations, and helps organisations understand, develop and manage:

- Current and future demand pressures
- New models of care
- Investment business cases
- Introductions of lead or prime provider and outcomes based commissioning
- Cross border patient flows
- The annual contracting cycle
- Cost and quality improvement effectiveness
- Evidence based two and five year plans
- Hospital mergers
- Major clinical and estates transformation programmes
- Integrated care models

About the author

Mike is Director of Economics in Capita’s Health Advisory practice. He works with commissioners and providers at board level to deliver quality and productivity programmes, market analysis, financial turnaround and business strategy. Before joining Capita, he was a director at the Treasury Joint Venture Company Partnerships for Health. Prior to that Mike held the role of Deputy Director of Operations and Head of Market Regulation at NHS Executive North West. Mike has taught at the Open University Business School on the MBA programme since 2001, and brings a blend of experience in coaching, change management, finance and economics. He is a qualified accountant, with over 20 years experience at board level.

Capita Health Partners

We work with healthcare organisations to transform services and processes, delivering change that supports high quality care and a positive patient experience while simultaneously achieving efficiency savings across all aspects of the organisation.

To discuss any of the issues mentioned in this article or how we can help you address the challenges raised, please contact Mike Thorogood on 07557 801291 or mike.thorogood@capita.co.uk. You can also download more articles from our website: www.capitahealthpartners.co.uk.