Integrated Impact Assessment Report for Service Specifications			
Service Specification Reference Number	1708		
Service Specification Title	Intestinal Failure (Adults) Proposal **for routine commission** (source A3.1)		
Lead Commissioner	Andy Hughes	**Clinical Lead**	Tim Bowling/Gordon Carlson
Finance Lead	Stanzillus Frank	**Analytical Lead**	Barry Thomas

Integrated Impact Assessment – Index		
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About this Impact Assessment: instructions for completion and explanatory notes
• Each section is divided into themes. • Each theme sets out a number of questions. • All questions are answered by selecting a drop down option or including free text. • Free text boxes are provided to enable succinct relevant commentary to be added which explains the rationale for response or assumption. Please limit responses to 3 sentences of explanatory text. • Data in this document is either drawn from one of the relevant service specification documents or a source for the information is provided. • Where assumptions are included where data is not available, this is specified.

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Section A - Activity Impact	
A1 Current Patient Population & Demography / Growth	
A1.1 Prevalence of the disease/condition.	The incidence of major IF surgical procedures is estimated at 16 procedures per million per annum and the prevalence of patients on Home Parenteral Nutrition in England is about 40 per million (for adults). *Source: Data collected through the Service Review process; needs assessment and Office for National Statistics: Population Estimates for regions in England and Wales by sex and age 2016*
A1.2 Number of patients currently eligible for the service according to the proposed service specification commissioning criteria.	There are 700 type 2 patients who would all be treated in integrated centres. There are 1656 type 3 patients on Home Parenteral Nutrition who would be managed by integrated centres or Home PN centres. Some of these Type 3 patients may have inpatient spells for complications or other comorbidities *Source:* Data collected for Service Review and Commercial Medicines Unit data Please specify .
A1.3 Age group for which the service is proposed according to the service specification commissioning criteria.	**Adults** Please specify over 18 years of age

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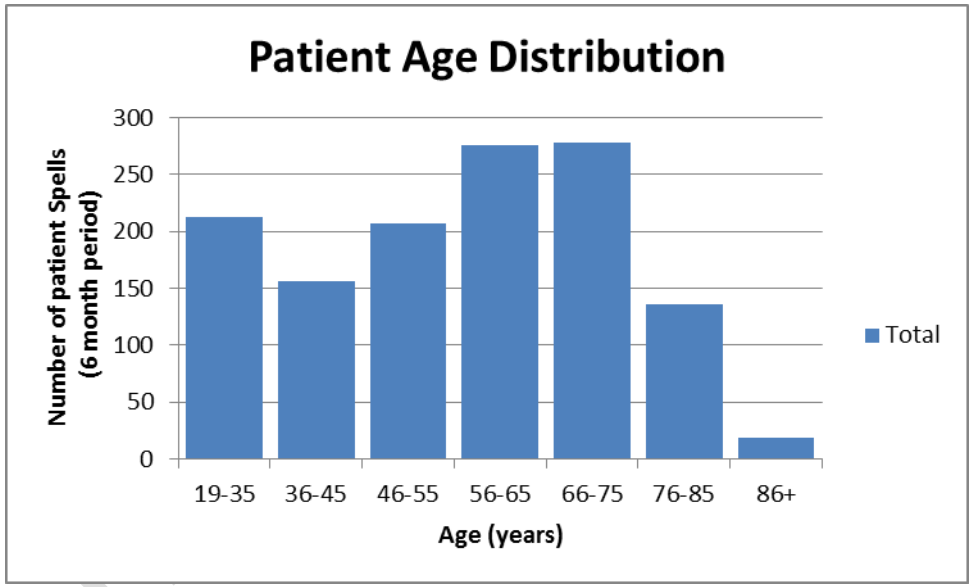
A1.4 Age distribution of the patient population eligible according to the proposed service specification commissioning criteria



Average Age (mean) = 56.5 years old

Average Age (Median) = 59 years old

A1.5 How is the population currently distributed geographically?

Unevenly

If unevenly, estimate regional distribution by %:

	By Provider	By CCG
North	33	31
Midlands & East	20	30
London	31	15
South	16	24

Source: Service specification proposition section 6

Please specify

It is anticipated that the distribution will become more aligned to regional prevalence as the networks are developed and the Home PN centres are

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<table>
<tr><td></td><td>in place</td></tr>
<tr><td colspan="2">A2 Future Patient Population & Demography</td></tr>
<tr><td>A2.1 Projected changes in the disease/condition epidemiology, such as incidence or prevalence (prior to applying the new service specification) in 2, 5, and 10 years?</td><td><u>Increasing</u>

If other,
Source: Data collected as part of the service review, historical HPN data from the Commercial Medicines Unit</td></tr>
<tr><td>A2.2 Are there likely to be changes in demography of the patient population and would this impact on activity/outcomes?</td><td><u>Yes</u>
Please specify
It is expected that the demography will even out over time with the implementation of the service specification through designation of centres, improved outcomes and remote patient management
Source: Service specification proposition section 6/other</td></tr>
<tr><td>A2.3 Expected net increase or decrease in the number of patients who will be eligible for the service, according to the proposed service specification commissioning criteria, per year in years 2-5 and 10?

Are these numbers in line with ONS growth assumptions for the age specific population? If not please justify the growth assumptions made.</td><td><table><tr><td></td><td>Type 2</td><td>Type 3</td></tr><tr><td>YR2 +/-</td><td>26</td><td>216</td></tr><tr><td>YR3 +/-</td><td>27</td><td>239</td></tr><tr><td>YR4 +/-</td><td>28</td><td>264</td></tr><tr><td>YR5 +/-</td><td>29</td><td>293</td></tr><tr><td>YR10 +/-</td><td>35</td><td>485</td></tr></table>Source: Service specification proposition section 3.1

<u>No</u></td></tr>
</table>

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The incidence of intestinal failure is affected by the prevalence of the conditions that tend to lead to it, and the way in which they are managed. The five most common conditions for those with type 3 IF where short bowel from either surgical complications/resection/fistula (65%) or Crohn's/other Inflammatory Bowel Disease (46%), malabsorption (23%), obstruction (8%) and motility disorders (8%). In a review of type 3 IF cases at a national UK centre from 1978 to 2012, the following changes in IF aetiology were found (table 5) [Dibbs]

Table 5: IF aetiology	**1978-1998**	**1999-2005**	**2006-2012**
Crohn's disease	44.5%	25.5%	22.3%
Surgical complication	14.3%	20.7%	33.0%
Mesenteric Infarction/Ischaemia	13.2%	16.3%	14.0%
Malignancy	2.2%	4.9%	9.5%
Pseudo-obstruction	4.9%	8.7%	8.9%

A3 Activity

A3.1 What is the purpose of new service specification?

Revision to an existing published service specification

NHS England published a new service specification in 2013 to describe the change in IF services that had evolved following the 2008 Intestinal Failure strategy. It was recognised a new model required formal commissioning and this revised service specification is to support the

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	procurement intervention once agreed. *PSSAG (Prescribed Specialised Services Advisory Group) this change from 2 designated highly specilaised services to a more dispersed model is noted in the Manual for Specialised Services Please specify Creation of Integrated IF centres / Home PN centres, networking and quality metrics. Updates to IF classifications, requirements for centres and definition of a specialised IF surgical procedure.
A3.2 What is the annual activity associated with the existing pathway for the eligible population?	**Intestinal Failure Type II/III Admitted Patient Activity**. Using validated data to extrapolate for a full year, the activity derived for the patient cohort is as follows: IF Type 2: 387 Elective Spells; 761 Non Elective Spells; 96 Day Cases IF Type 3: 312 Elective Spells; 809 Non Elective Spells; 297 Day Cases **Intestinal Failure Type III Home Parenteral Nutrition Activity** At 31st March 2017 there were 1656 Type 3 patients all receiving Home Parenteral Nutrition *Source:* Data collected for Service review and Commercial Medicines Unit data Please specify In 2016/17 providers of Intestinal Failure Service were asked to submit 6 months of their IF activity for Admitted Patient Care to NHS England. There were several rounds of validation on the activity submitted – cross-referencing SUS, HPN data base and some samples of clinical notes.
A3.3 What is the estimated annual activity associated with the proposed service specification proposition pathway for the eligible population?	**Intestinal Failure Type II/III Admitted Patient Activity** It is expected the implementation of the proposed service specification will precipitate a change in the patient mix reducing the number of non-elective spells through improved quality outcomes and networking and improved management of patients on Home Parenteral Nutrition as follows: IF Type 2: 306 Elective Spells; 990 Non Elective Spells; 252 Day Case.

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	IF Type 3: 293 Elective Spells; 309 Non Elective Spells; 513 Day Case. The growth rate for this patient cohort is expected to be 3.6% p.a. **Intestinal Failure Type 3 Home Parenteral Nutrition Activity** A significant number of patient contacts have hitherto gone uncounted (and remunerated) for most providers of IF service. This is estimated at a minimum of one contact per month for each IF patient on parenteral nutrition at home: This Non face to face 'Hospital outreach' activity is 19,303 minimum. *Source:* Data collected for Service Review, reference costs and tariff Please specify See A3.2
A4 Patient Pathway	
A4.1 **Patient pathway** Describe the current patient pathway and service.	Patients are referred from secondary care to IF services and are either managed as a type 2 (unstable) or type 3 stable patient. Type 2 patients will normally have extended periods of inpatient care. The majority of Type 3 patients are discharged on home parenteral nutrition. Hospital services need to prescribe the HPN and manage the interface with the manufacturers and home care companies as patients are completely dependent on this service. Services have developed without a national footprint in place so vary in terms of patient numbers, teams and facilities. Many patients depend for support on centres far from their place of residence and support to patients on home parenteral nutrition is inconsistent and variable for out of hours provision. The service is characterised by a large number of providers treating small numbers of patients. *Source:* Service Specification Para 2.1

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A4.2. What are the current service access and stopping criteria?	Access criteria is: Referrals from secondary care clinicians normally either a gastroenterologist; a colorectal or an oncologist. In addition, patients who have been fed parenterally for 28 days should have their care transferred to an IF designated centre Stopping criteria: Discharge to home care *Source:* para 2.2 2013 Service Specification
A4.3 What percentage of the total eligible population are: a) Referred b) Meet any existing criteria for care c) Considered to meet any existing exclusion criteria	If not known, please specify Click here to enter text. a) 100% b) 100% c) enter % *Source: required*
A4.4 What percentage of the total eligible population is expected to: a) Be referred to the proposed service b) Be eligible for care according to the proposed criteria for the service c) Take up care according to the proposed criteria for the service d) Continue care according to the proposed criteria for the service?	If not known, please specify Click here to enter text. a) 100% b) 100% c) 100% d) 100% *Source: required*
A4.5 Specify the nature and duration of the proposed new service or intervention.	**Life long** For time limited services, specify frequency and/or duration. Click here to enter text. *Source: required*
A5 Service Setting	

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A5.1 How is this service delivered to the patient?

Select all that apply:

Emergency/Urgent care attendance	☒
Acute Trust: inpatient	☒
Acute Trust: day patient	☒
Acute Trust: outpatient	☒
Mental Health provider: inpatient	☐
Mental Health provider: outpatient	☐
Community setting	☐
Homecare	☒
Other	☐

Please specify:
Click here to enter text.

A5.2 What is the current number of contracted providers for the eligible population by region?

NORTH	12
MIDLANDS & EAST	8
LONDON	8
SOUTH	9

A5.3 Does the proposition require a change of delivery setting or capacity requirements?

yes

Please specify:

Future provision will be through 2 types of centre and Integrated Centre that treats both Type 2 and 3 patients and Home PN centres that will treat and manage patients who are on Home Parenteral Nutrition. There will be a requirement for less Integrated centres than Home PN

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<table>
<tr><td></td><td>centres

Source: Service Specification Proposal</td></tr>
<tr><td colspan="2">A6 Coding</td></tr>
<tr><td>A6.1 Specify the datasets used to record the new patient pathway activity.

*expected to be populated for all commissioned activity</td><td>Select all that apply:
<table><tr><td>Aggregate Contract Monitoring *</td><td>☒</td></tr><tr><td>Patient level contract monitoring</td><td>☒</td></tr><tr><td>Patient level drugs dataset</td><td>☒</td></tr><tr><td>Patient level devices dataset</td><td>☐</td></tr><tr><td>Devices supply chain reconciliation dataset</td><td>☐</td></tr><tr><td>Secondary Usage Service (SUS+)</td><td>☒</td></tr><tr><td>Mental Health Services DataSet (MHSDS)</td><td>☐</td></tr><tr><td>National Return**</td><td>☐</td></tr><tr><td>Clinical Database**</td><td>☒</td></tr><tr><td>Other**</td><td>☐</td></tr></table>**If National Return, Clinical database or other selected, please specify: eBANs completion is mandated in the current service specification</td></tr>
<tr><td>A6.2 Specify how the activity related to the new patient pathway will be identified.</td><td>Select all that apply:
The coding options for intestinal failure are being</td></tr>
</table>

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<table>
<tr>
<td></td>
<td>considered as part of the wider service review. This will include the use of SNOMED codes from 2020 when they become available for Intestinal Failure.
<table>
<tr><td>OPCS v4.8</td><td>☒</td></tr>
<tr><td>ICD10</td><td>☒</td></tr>
<tr><td>Service function code</td><td>☐</td></tr>
<tr><td>Main Speciality code</td><td>☐</td></tr>
<tr><td>HRG</td><td>☒</td></tr>
<tr><td>SNOMED</td><td>☐</td></tr>
<tr><td>Clinical coding / terming methodology used by clinical profession</td><td>☐</td></tr>
</table>
</td>
</tr>
<tr>
<td>A6.3 Identification Rules for Drugs:
How are any drug costs captured?</td>
<td><u>Already specified in current NHS England Drugs List document</u>
If already specified in the current NHS England Drug / Devices List, please specify drug name and indication for all that apply:

Parenteral Nutrition (Home Use) – Intestinal Failure

If drug(s) NOT already been specified in the current NHS England Drug List please give details of action required and confirm that this has been discussed with the pharmacy lead:
Not applicable</td>
</tr>
<tr>
<td>A6.4 Identification Rules for Devices:
How are device costs captured?</td>
<td><u>Not applicable</u>
If device(s) covered by an existing category of HCTED please specify the Device Category (as per the National Tariff Payment System Guidance) for all that apply:</td>
</tr>
</table>

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	Not applicable If device(s) not excluded from Tariff **nor** covered within existing National or Local prices please specify details of action required and confirm that this has been discussed with the HCTED team. Not applicable
A6.5 **Identification Rules for Activity:** How are activity costs captured?	**Already captured by an existing specialised service line (NCBPS code) outside of the PSS Tool but needs amendment** If activity costs are already captured please specify the specialised service code and description (e.g. NCBPS01C Chemotherapy). NCBPS12Z Intestinal Failure If activity costs are already captured please specify whether this service needs a separate code. **No** If the activity is captured but the service line needs amendment please specify whether the proposed amendments have been documented and agreed with the Identification Rules team. Whilst the service line exists, the activity has been difficult to identify as an identification rule does not exist and thus some activity is being charged to other service lines and CCGs. Work is currently ongoing to develop an Identification Rule to capture the data going forward. If the activity is not captured please specify whether the proposed identification rules have been documented and agreed with the Identification Rules team. **No but Information leads supporting development of the options.**
A7 Monitoring	

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A7.1 **Contracts** Specify any new or revised data flow or data collection requirements, needed for inclusion in the NHS Standard Contract Information Schedule. Please identify any excluded drugs or devices relevant to the service and their current status with regard to NHS England specialised services commissioning.	**None** Please specify The requirement for providers to contribute to the National Intestinal failure registry and to the British Artificial Nutrition Survey is already included in Schedule 6 of the NHS Standard Contract, APPENDIX D - National Audits, registries and datasets. The excluded drugs are: Home parenteral nutrition which is routinely commissioned for intestinal failure. The provision of the drug is through Homecare companies sub contracted by providers.
A7.2 **Business intelligence** Is there potential for duplicate reporting?	**Yes** If yes, please specify mitigation: The routine data validation process by the Commissioning Support Units will identify any duplication. In addition, the routine management of contracts and close liaison with CCGs in the regional hubs also mitigates against any duplication of activity.
A7.3 **Contract monitoring** Is this part of routine contract monitoring?	**Yes** If no, please specify contract monitoring requirement: Click here to enter text.
A7.4 **Dashboard reporting** Specify whether a dashboard exists for the proposed service?	**No** If yes, specify how routine performance monitoring data will be used for dashboard reporting. Click here to enter text. If no, will one be developed? Yes a dashboard will be developed with designated networks
A7.5 **NICE reporting** Are there any directly applicable NICE or equivalent quality	**No** If yes, specify how performance monitoring data will be used for this

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standards which need to be monitored in association with the new service specification?	purpose. Click here to enter text.
Section B - Service Impact	
B1 Service Organisation	
B1.1 Describe how the service is currently organised? (i.e. tertiary centres, networked provision etc.)	In 1994 two Highly Specialised Services centres were created to treat intestinal failure. In 2008, due to increased incidence of patients surviving it was recognised a new model of care was needed. . However, the new model was not formally commissioned and services have developed in an uncoordinated way and there are no formal networks in place. *Source: Strategic Framework for Severe Intestinal Failure and Home Parenteral Nutrition published in 2008*
B1.2 Will the specification change the way the commissioned service is organised?	**Yes** Please specify: Currently nearly all providers provide both surgical and medical services for patients with both Type 2 and Type 3. In future there will be different types of centre: An integrated Centre that will look after type 2 and 3 patients both for surgery and medicine. Home PN Centres will look after Type 3 patients medically with the majority of patients being on Home Parenteral Nutrition. There will be more Home PN Centres than Integrated Centres *Source:* Data submitted for the service review and Service Specification Proposal para 2.1
B1.3 Will the specification require a new approach to the organisation of care?	**Implement a new model of care** Please specify: A network will be implemented to improve patient care. This may be

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<table>
<tr><td></td><td>through the Lead Provider Model or through a collaborative network model</td></tr>
<tr><td colspan="2">B2 Geography & Access</td></tr>
<tr><td>B2.1 Where do current referrals come from?</td><td>Select all that apply:
<table><tr><td>GP</td><td>☐</td></tr><tr><td>Secondary care</td><td>☒</td></tr><tr><td>Tertiary care</td><td>☒</td></tr><tr><td>Other</td><td>☐</td></tr></table>Please specify:
Click here to enter text.</td></tr>
<tr><td>B2.2 What impact will the new service specification have on the sources of referral?</td><td><u>No impact</u>
Please specify:
Click here to enter text.</td></tr>
<tr><td>B2.3 Is the new service specification likely to improve equity of access?</td><td><u>Increase</u>
Please specify:
The introduction and implementation of networks will increase best practice and standards of IF specialised services and DGHs. In addition, patients on Home Parenteral Nutrition will be able to access care closer to home.
Source: Equalities Impact Assessment</td></tr>
<tr><td>B2.4 Is the new service specification likely to improve equality of access and/or outcomes?</td><td><u>Increase</u>
Please specify:</td></tr>
</table>

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	Quality metrics have been included in the service specification and will be incorporated into the Quality Assurance process *Source: Equalities Impact Assessment*
B3 Implementation	
B3.1 Will commissioning or provider action be required before implementation of the proposition can occur?	**Procurement action** Please specify: A procurement intervention will be developed to commission a national model with the appropriate number of Integrated and Home PN centres
B3.2 **Time to implementation:** Is a lead-in time required prior to implementation?	**Yes - go to B3.3** If yes, specify the likely time to implementation: 12 months
B3.3 **Time to implementation:** If lead-in time is required prior to implementation, will an interim plan for implementation be required?	**Yes** If yes, outline the plan Once the new services are identified each network will need to develop an implementation plan to support development of the new services and repatriation of patients where appropriate: Click here to enter text.
B3.4 Is a change in provider physical infrastructure required?	**No** Please specify: Click here to enter text.
B3.5 Is a change in provider staffing required?	**Yes** Please specify: There may be a requirement to change provider staffing depending on whether a provider delivers an Integrated or Home PN Centre

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<table>
<tr><td>B3.6 Are there new clinical dependency and/or adjacency requirements that would need to be in place?</td><td><u>No</u>
Please specify:
Click here to enter text.</td></tr>
<tr><td>B3.7 Are there changes in the support services that need to be in place?</td><td><u>No</u>
Please specify:
Click here to enter text.</td></tr>
<tr><td>B3.8 Is there a change in provider and/or inter-provider governance required? (e.g. ODN arrangements / prime contractor)</td><td><u>Yes</u>
Please specify:
Introduction of networks</td></tr>
<tr><td>B3.9 Is there likely to be either an increase or decrease in the number of commissioned providers? If yes, specify the current and estimated number of providers required in each region</td><td>Choose an item.
Please complete the table:
<table>
<tr><td>Region</td><td>Current no. of providers</td><td colspan="2">Future Provisional</td><td></td></tr>
<tr><td></td><td>IF</td><td>Integrated Centre</td><td>Home PN Centre</td><td>Total</td></tr>
<tr><td>North</td><td>12</td><td colspan="3" rowspan="5">To be determined through market intervention as part of the pre-procurement work.</td></tr>
<tr><td>Midlands & East</td><td>8</td></tr>
<tr><td>London</td><td>8</td></tr>
<tr><td>South</td><td>9</td></tr>
<tr><td>Total</td><td>37</td></tr>
</table>
Please specify:
Future provision will be determined through a market intervention as part</td></tr>
</table>

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<table>
<tr><td></td><td>of the service review. There will be a requirement for less Integrated centres than Home PN centres.</td></tr>
<tr><td>B3.10 Specify how revised provision will be secured by NHS England as the responsible commissioner.</td><td>Select all that apply:<table><tr><td>Publication and notification of new service specification</td><td>☒</td></tr><tr><td>Market intervention required</td><td>☒</td></tr><tr><td>Competitive selection process to secure increase or decrease provider configuration</td><td>☒</td></tr><tr><td>Price-based selection process to maximise cost effectiveness</td><td>☐</td></tr><tr><td>Any qualified provider</td><td>☐</td></tr><tr><td>National Commercial Agreements e.g. drugs, devices</td><td>☐</td></tr><tr><td>Procurement</td><td>☒</td></tr><tr><td>Other</td><td>☐</td></tr></table>Please specify:
The method of procurement intervention is still to be confirmed so the above reflects the possible options.</td></tr>
<tr><td colspan="2">B4 Place-based Commissioning</td></tr>
<tr><td>B4.1 Is this service currently subject to, or planned for, place-based commissioning arrangements? (e.g. future CCG lead, devolved commissioning arrangements, STPs)</td><td><u>No</u>
Please specify:
Click here to enter text.</td></tr>
<tr><td colspan="2">Section C - Finance Impact</td></tr>
</table>

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C1 Tariff/Pricing

C1.1 How is the service contracted and/or charged?
Only specify for the relevant section of the patient pathway

Select all that apply:

Drugs	Not separately charged – part of local or national tariffs	☐
	Excluded from tariff – pass through	☒
	Excluded from tariff - other	☐
Devices	Not separately charged – part of local or national tariffs	☐
	Excluded from tariff (excluding ZCM) – pass through	☐
	Excluded from tariff (excluding ZCM) – other	☐
	Via Zero Cost Model	☐
Activity	Paid entirely by National Tariffs	☐
	Paid entirely by Local Tariffs	☐
	Partially paid by National Tariffs	☒
	Partially paid by Local Tariffs	☒
	Part/fully paid under a Block arrangement	☒
	Part/fully paid under Pass-Through arrangements	☐
	Part/fully paid under Other arrangements	☐

C1.2 **Drug Costs**

Where not included in national or local tariffs, list each drug or combination, dosage, quantity, **list** price including VAT if applicable and any other key information e.g. Chemotherapy Regime.

NB discounted prices or local prices must not be included as these

Home Parenteral Nutrition. Regimes are covered by the NHS National Framework Agreement for the Supply of Home Parenteral Nutrition HPN. Annual adult spend is approximately £72m

The cost of in-hospital parenteral nutrition supplied to admitted patients is approximately £12m.

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are subject to commercial confidentiality and must not be disclosed.	
C1.3 **Device Costs** Where not included in national or local tariff, list each element of the excluded device, quantity, **list or expected** price including VAT if applicable and any other key information. NB: Discounted prices or local prices must not be included as these are subject to commercial confidentiality and must not be disclosed.	Not applicable
C1.4 **Activity Costs covered by National Tariff** List all the HRG codes, HRG descriptions, national tariffs (excluding MFF), volume and other key costs (e.g. specialist top up %)	There is inconsistency of coding for the patient cohort across providers. Consequently, activity paid for under national tariff occurs across >180 HRGs. The equivalent average rates for the treatment spells range between £220 - £248 per day depending on the HRG. Day cases are remunerated at £567 on average. Across the country there is a mixed economy in terms of how charges to CCGs and NHSE Specialised Commissioning occur depending on local contracting arrangements
C1.5 **Activity Costs covered by Local Tariff** List all the HRGs (if applicable), HRG or local description, estimated average tariff, volume and any other key costs. Also indicate whether the Local Tariff(s) is/are newly proposed or established and if newly proposed how is has been derived, validated and tested.	For some providers local payments are in place for Inpatient Intestinal Failure activity based on a Bed Day rate. 15% of the inpatient activity is paid for by this currency at an average price of £600 per bed day. Activity paid for under Local Tariff includes critical care spells. The HRGs are delineated by the number of organs supported XC07Z – 0 organs supported to XC01Z – 6 organs supported. On average, the patient cohort requires 3 organs supported in a Critical Care setting. Annual cost for critical care is £10.2m all of which passes through to NHS England for payment.

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<table>
<tr><td>C1.6 Other Activity Costs not covered by National or Local Tariff
Include descriptions and estimates of all key costs.</td><td>A small percentage (7%) of the national activity is paid for on block.</td></tr>
<tr><td>C1.7 Are there any prior approval mechanisms required either during implementation or permanently?</td><td><u>Yes</u>
Please specify: Prior notification for Home Parenteral Nutrition</td></tr>
<tr><td colspan="2">C2 Average Cost per Patient</td></tr>
<tr><td>C2.1 What is the estimated cost per patient to NHS England, in years 1-5, including follow-up where required?

Are there any changes expected in year 6-10 which would impact the model?</td><td>
<table>
<tr><th></th><th>In Hospital</th><th>At Home</th></tr>
<tr><td>YR1</td><td>£42.8k</td><td>£44.6k</td></tr>
<tr><td>YR2</td><td>£42.8k</td><td>£44.6k</td></tr>
<tr><td>YR3</td><td>£42.8k</td><td>£44.6k</td></tr>
<tr><td>YR4</td><td>£42.8k</td><td>£44.6k</td></tr>
<tr><td>YR5</td><td>£42.8k</td><td>£44.6k</td></tr>
</table>
If yes, please specify:
Improvements in access, standards and the implementation of networks are expected to result in reduced activity and cost</td></tr>
<tr><td colspan="2">C3 Overall Cost Impact of this Service specification to NHS England</td></tr>
<tr><td>C3.1 Specify the budget impact of the proposal on NHS England in relation to the relevant pathway.</td><td><u>Cost pressure</u>
Please specify:</td></tr>
</table>

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	The cost pressures to NHS England is as follows: There is a shortfall of service costs versus tariff payments that is being quantified through the Tariff review group. The remote management of home parenteral nutrition patients is an activity for which providers have historically not been paid for. There would therefore be a cost pressure introduced by funding this activity Other network specific cost pressures for network management, quality assurance, and infrastructure are expected.
C3.2 If the budget impact on NHS England cannot be identified set out the reasons why this cannot be measured.	Not applicable
C3.3 If the activity is subject to a change of commissioning responsibility, from CCG to NHS England, has a methodology for the transfer of funds been identified, and calculated?	75% of activity is currently funded by CCGs. Methods for transferring the funding are currently being explored.
C4 Overall cost impact of this service specification to the NHS as a whole	
C4.1 Specify the budget impact of the proposal on other parts of the NHS.	Budget impact for CCGs: **Cost pressure** Budget impact for providers: **Cost neutral** Please specify: There is an increasing requirement of Home Parenteral Nutrition for palliative patients which will be available to CCGs at cost. However, there will be savings to CCGs through a reduction of length of stay of potential IF patients currently are being assessed in DGHs that will be transferred earlier in the pathway.

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C4.2 Taking into account responses to C3.1 and C4.1, specify the budget impact to the NHS as a whole.	The overall budget impact to the NHS will largely depend on outcome of market intervention and tariff reforms The impact of use of Home Parenteral Nutrition for palliative patients is unknown at this point Please specify:
C4.3 Where the budget impact is unknown set out the reasons why this cannot be measured	The use of Home Parenteral Nutrition for palliative patients is not currently widespread across the NHS but is expected to increase as more patients elect for end of life care outside of a hospital setting
C4.4 Are there likely to be any costs or savings for non-NHS commissioners and/or public sector funders?	**Unknown** Please specify: Click here to enter text.
C5 Funding	
C5.1 Where a cost pressure is indicated, state known source of funds for investment, where identified, e.g. decommissioning less clinically or cost-effective services.	Over time after implementation of the proposed service specification the following should result in savings: reduction in length of stay, cost effective services and improved outcomes
C6 Financial Risks Associated with Implementing this Service specification	
C6.1 What are the material financial risks to implementing this service specification?	Costing and coding risks exist for the payment model. Hospitals are currently not able to easily identify the patients as there is no standard ICD10 or OPCS coding for patients entering the service. There is a risk

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	therefore, that trusts may be remunerated twice for the patients if the activity is paid for outside of SUS. There is a 50% likelihood of this activity being miscoded. The future model also assumes a number of benefits translating into decreased patient conversions from Type II to Type III IF. There is a risk that these patient numbers may not be reduced.
C6.2 How can these risks be mitigated?	This risk is mitigated against by the introduction of monitoring procedures in collaboration with CCGs. The risk is also mitigated by enhanced discharge focus and coordinated patient triage systems being implemented
C6.3 What scenarios (differential assumptions) have been explicitly tested to generate best case, worst case and most likely total cost scenarios?	Do nothing and implementation of the proposed service specification
C6.4 What scenario has been approved and why?	Implementation of the new service specification is anticipated to reduce the increase in new IF patients in the long term through reduction in length of stay, cost effective services and improved outcomes and thus reduce costs in the long term. The do nothing scenario could also be a cost pressure to the NHS as there is a significant variation in the way that providers are currently paid and system inefficiencies. It is recognised the cohort of patients on HPN will continue to increase as patients are surviving longer once discharged home compared to when the service was initiated.
C7 Value for Money	
C7.1 What published evidence is available that the service is cost effective as evidenced in the evidence review?	Choose an item. Please specify: Click here to enter text.

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C7.2 Has other data been identified through the service specification development relevant to the assessment of value for money?

Select all that apply:

Available pricing data suggests the service specification is equivalent cost compared to current/comparator service specification	☐
Available pricing data suggests the service is lower cost compared to current/comparator treatment	☐
Available clinical practice data suggests the new service specification has the potential to improve value for money	☒
Other data has been identified	☐
No data has been identified	☐
The data supports a high level of certainty about the impact on value	☐
The data does not support a high level of certainty about the impact on value	☐

Please specify:

Problems exist in addressing the current variation in costs, payment and recompense methods. The proposed service specification should support comparison of costs, bring parity to commissioned providers whilst improving outcomes for patients resulting in reduced costs in the long term

C8 Non-Recurrent Costs

C8.1 Are there non-recurrent revenue costs associated with this service specification?

No

If yes, please specify and indicate whether these would be incurred or passed through to NHS England:

Click here to enter text.

If the costs are to be passed through to NHS England please indicate

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	whether this has been taken into account in the budgetary impact. **Yes**
C8.2 Are there any non-recurrent provider capital costs associated with the service specification?	**No** If yes, please specify and indicate with there is a separate source of funding identified (commissioners cannot reimburse capital costs)

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