



Looking Ahead

A guide to working effectively with the NHS for suppliers in 2023 and beyond

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FOR HEALTHCARE LEADERS
HSJ

Wilmington
Healthcare

Introduction

As we move into 2023, the NHS faces growing challenges, in funding and performance. The Life Science Industries face significant challenges in the UK sales environment.

- The NHS continues to be in a constant response mode to the crisis, caused by issues in capacity, financing, workforce and lack of integration.
- The accepted rules of engagement are changing, with digital first contact as an assumption, face to face meetings rare, and issues with finding the right HCP decision makers, who are in general time-poor, experiencing unprecedented work stress levels.
- The new NHS landscape – with 42 recently established Integrated Care Systems - has thrown up barriers to access and a variety of local market access barriers to navigate.



The NHS is continuously changing and hence this presents new challenges to suppliers to meaningfully and effectively partner with the system.

Changes in these three major areas of the NHS will impact Industry engagement with the NHS moving forward:



Policy Changes and New Stakeholders

Some major policy changes will be rolled out as ICSs take their first full year of statutory responsibility for finances:

- Planning guidance setting out the priorities for the year
- A Long Term Plan (LTP) refresh is much awaited
- The Hewitt Review challenges the short term nature of targets and pushes for more accountability to local systems
- A changing complex landscape of stakeholders with new roles



Changes to Finances and Commissioning

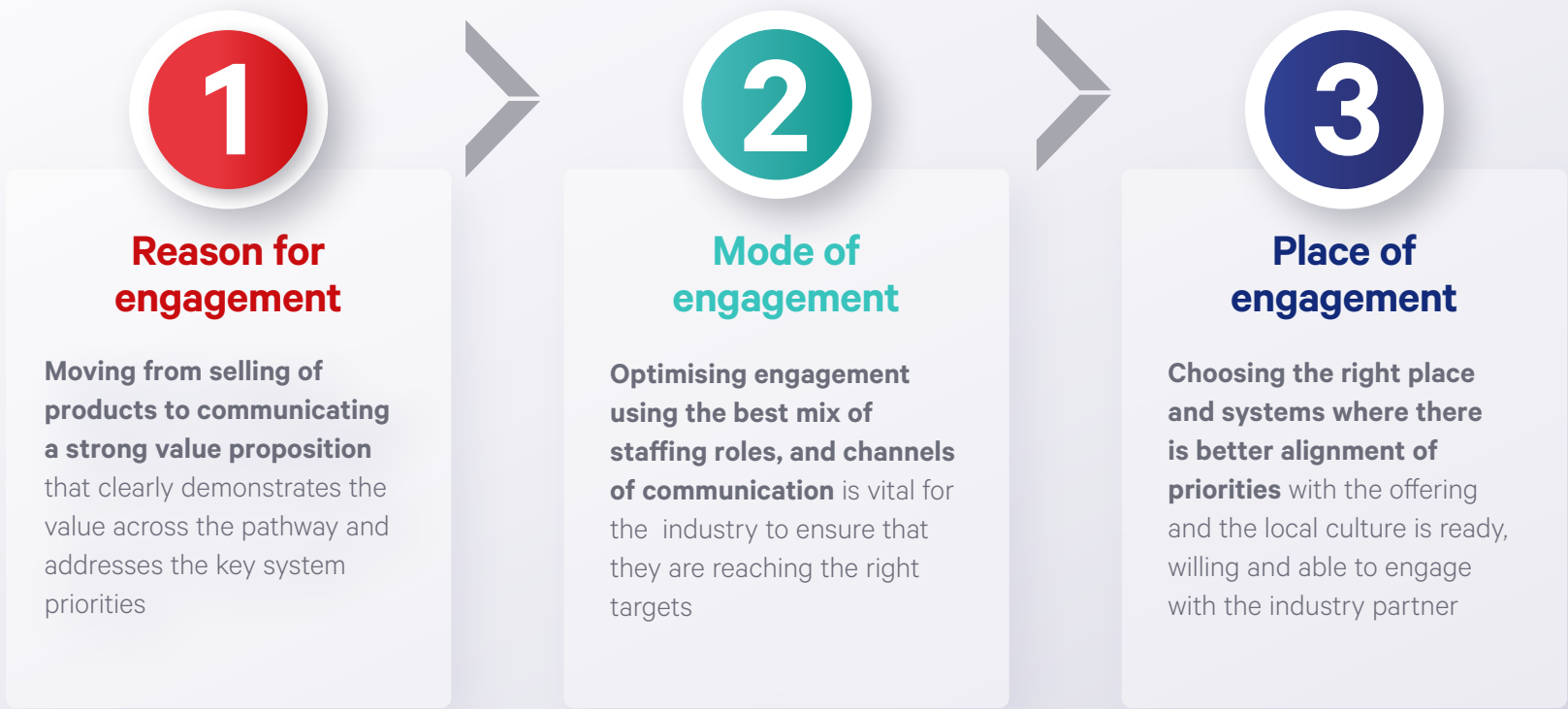
- The changes to system structure and responsibilities include full devolution of responsibility for budgets including specialised services
- This year will see some financial constraints in commissioning budgets with a push for driving cost saving across a number of areas
- Industry will see the impact of these cost pressures in the form of VPAS, reductions in NHSE technology budget and limited investment in innovation



Pathways and Service Redesign

- Cost and workforce constraints as well as the growing demand for services is driving the need for service redesign
- Technology advances are driving adoption models like remote monitoring and virtual wards
- New drugs and advanced diagnostics techniques including the use of AI as well as advanced equipment are leading changes to treatment pathways
- Investment in genomics is starting to show some impact on pathways

To respond to the NHS changes and challenges in 2023 and beyond, Industry will need to effectively engage with the right partners in the system using the right mode and, including:



Wilmington Healthcare can help the Industry accelerate your access and engagement with the NHS.

NHS Policy updates across 2023 are expected to set-off some major changes through the year



Industry impact

- Industry partners will need to balance the focus of their conversations with the NHS between short term firefighting/recovery and a continued focus on longer term outcomes and transformation of services
- Industry offers needs to align to the refreshed priority areas
- More devolution calls for a changed stakeholder landscape and hence a modified engagement strategy for Industry to engage with the new NHS and talk about their whole system value proposition
- Phased devolution of specialised commissioning could create confusion both within the NHS as well as the Industry partners that engage heavily with this part of the NHS
- Industry messaging on their offering should already focus on the NHS Long Term Plan objectives; Hence refreshed priorities need to become the basis of future brand planning, value and innovation
- Areas like health inequalities and sustainability need to be core to the Industry offer, not an afterthought

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NHS Policy and what it means for you

There are three policy area to bear in mind as move through 2023 and beyond

1. NHS Planning Guidance

The beginning of the year sees the implementation of the **NHS Planning Guidance**, which gives systems their priorities and target to meet for the year 2023/24.

This year's guidance has some interesting features. There are only **35 targets instead of 130** as in the previous year, reflecting a wish by NHSE to reduce the amount of central control.

The guidance states three central aims: To improve activity levels, driving down the backlog and waiting times; to continue to implement the NHS Long Term Plan; and to continue to drive forward service transformation.



Industry impact

- These aims should be borne in mind by Industry when engaging with the NHS. Although the service has some immediate aims in activity which are taking up a lot of customers' bandwidth, the longer term drive for enhanced services, better value healthcare, better equity of access and better outcomes has not gone away, and should be leveraged.
- Our next diagram shows the 12 priority areas for the NHS – what decision makers should be focusing on. Which areas can your company align on?

The 12 NHS priority areas for 2023/2024



2. The Hewitt Review

The Government has also commissioned former Health Secretary Patricia Hewitt to undertake a **review of integration and what happens next**, perhaps mindful of difficulties associated with previous reorganisations.

In her comments so far Ms Hewitt has talked of a need for “**earned autonomy**” for systems. Some are ready for independence; some “**need an awful lot of central control**”.



Industry impact

- If Ms Hewitt is right, we could see power and budgets – including **specialised commissioning budgets** – devolving at different speeds for different systems, meaning money for high-cost drugs and devices goes to system level in some areas (with their own priorities and local needs) while in others, NHS England continues to hold it and remains an important stakeholder.
- However, don't assume this will all go to plan. Even with more straightforward delegations to ICBs, such as pharmacy, dentistry and optometry services, **some will get these responsibilities on 1 April 2023 as planned, while others will only take this on from July 2023**.

3. The Long Term Plan refresh

Over the coming months, NHS England and the Department of Health and Social Care will be refreshing the NHS Long Term Plan, which in 2019 set out a ten-year vision for the health service.

HSJ has seen documents which give the main strategic areas, as pictured overleaf.



Industry impact

These of these strategic themes should be core to pharma and medtech strategic brand plans. Each value proposition should dovetail with these aims, such as improvement to care quality, working with more collaborative system-based pathways, supporting cost efficiencies, and enhancing health equity and population health.

Six strategic developments expected in the LTP refresh

1

Better joined-up community based and preventative care

2

Transform access to urgent, emergency and planned care

3

Continuously improve care quality and operations

4

Reduce workforce vacancies and enable our staff to thrive

5

Tackle health inequalities, improve population health and develop a sustainable health service through greater collaboration

6

Use every pound ever more wisely

4. Devolution of Specialised Commissioning

A few weeks ago we saw NHS England publish a paper 'Next steps on the delegation of specialised services commissioning' which sets out the direction of travel for the commissioning of 154 specialised services across the country with an overall budget of £23bn. This will be a phased transition with:

- 59 services including some cancer and cardiac services (worth £13bn) deemed **suitable and ready for delegation to ICS leadership**
- 29 services including renal transplant, sickle cell anemia, gender dysphoria and secure MH services have been deemed as **services suitable but not yet ready for greater ICS leadership (£1.5bn)**

- A further 89 services (worth £1.3bn) will **remain nationally commissioned**, including all 78 highly specialised services
- High-cost drugs, devices, and "other national programmes", which account for the remainder of NHSE's total £23bn specialised budget, will also **"continue to be held centrally"**.

However, this will be a slow transition with 2023-24 being a joint decision-making year with NHSE retaining the control of finances, liability, contracting and staff. [HSJ's article](#) on this provides the detail on the nine ICB grouped regions that will form these joint decision making committees.



Industry impact

For industry partners working with these services, there will be new stakeholders influencing the spending decisions and there are bound to be some challenges during the transition process. However, existing well established structures like cancer alliances and clinical networks will have a major role to play in the decision making for these services.

Look out a for a future exclusive WHC webinar and whitepaper focusing in detail on these changes and industry impact.



Wilmington Healthcare Insight

- The Policy background affects everything Industry experiences in its engagement with the NHS.
- In this constantly changing environment where a single government decision can change your business model, why not stay on top of the changes with a corporate subscription to HSJ.
- The UK's leading specialist health publication, HSJ and its accompanying Events, RoundTables and Solutions can give you everything you need to understand about the NHS.

Stakeholders in the NHS Landscape

The Health and Care Bill has established a new stakeholder map in the English NHS

In primary care, GPs and other staff have grouped together in primary care networks. Each of these have their own protocols and ways of working, although with prescribing they will be heavily influenced by their local ICS prescribing committee.

Primary care and hospital trusts, mental health trusts and care trusts will work together as place-based partnerships, beginning to dissolve the boundaries between care sectors.

And trusts will work with other trusts at system level in **provider collaboratives**.

For more insight on emerging NHS Stakeholders, please see Wilmington Healthcare's previous white paper **The NHS in crisis**.

New NHS Structure Links

As of 1 July 2022

The ICB produces a forward plan setting out how they propose to exercise their functions in the next five years. This must be sent to the ICPC, NHSE and HWGs.

The ICP Committee produces the integrated Care Strategy which sets out how the assessed needs in relation to its area are to be met. This strategy must be sent to the ICB, the LAs and NHSE.

NHS ENGLAND Regional Offices

Integrated Care System
All organisations within the white collectively make up the footprint of the Integrated Care System

Delegate Power

ICP Committee
creates the integrated care strategy that the ICS works towards

Integrated Care Board
overarching management of the ICS

Commission Services

Advise on the Local Health Needs

ICB Sub Locations (CCG)

Commission Services

Commission Services

Local Councils

Place Based Partnerships
works at Place Level

Provider Collaboratives
can work at Place System, Regional and National Levels

Health & Wellbeing Boards

The ICB produces a forward plan setting out how they propose to exercise their functions in the next five years. This must be sent to the ICPC, NHSE and HWGs.

HWGs can give their opinion on the plan and even go straight to NHSE if they feel it is not meeting the requirements.

Membership can include
Trusts, PCNs, GP Feds, Charities, LG, HCGS, Healthwatch

Membership can include:
NHS Trusts, Alliances, Networks, Care Providers, Nursing/Care Homes

We have a range of data and insight tools and solutions to help you define, plan and engage with ICSs. For more information email: marketing@wilmingtonhealthcare.com

Five ICS System Level roles to be aware of

1. Clinical Network Leads

The latest reforms hang on the principle of collaborative decision-making led by clinicians – and almost by definition, therefore, clinical networks are becoming an increasingly powerful force for change. **ICSs will often give clinical committees and networks a formal role in their governance structures, offering them top-of-the-table influence over decisions** such as managing pathway redesign, tackling health inequalities and supporting innovation.

2. ICS Programme Leads

All ICSs are working to a five-year service plan comprising a number of broad programmes of work (typical examples might include cancer, mental health, urgent care, medicines optimisation and so on), each supporting the ICS's overall strategic objectives. **The ICS Programme Lead is the Senior Responsible Officer for these programmes.**

3. Service Leads

If the Programme Leads are the 'heads', then the **Service Leads are the 'hands' in terms of the delivery of service plans. Working within Trusts, they are responsible for the operational budget and play a pivotal role in terms of workforce planning and resourcing** across the system to ensure services operate effectively.

4. ICS Transformation Leads

ICSs are appointing designated 'Transformation Leads', whose role is focused on 'the mobilisation and co-ordination of change' across the system – in other words, **they are responsible for fast-tracking, facilitating and mainstreaming innovative practice within the NHS.**

5. ICS Chief Pharmacists

Systems are also starting to bolster their medicines management capability. Key to this is the emerging role of the ICS Chief Pharmacist – which NHSE has described as 'crucial' for delivering the government's medicines optimisation programme.



Wilmington Healthcare Insight

- The continuously changing stakeholder landscape within the NHS presents a challenge for the suppliers to meaningfully engage and partner with the system.
- Our **expert consulting team** will be happy to help you gain insights about the NHS, navigate these changes and understand this new customer base.
- **Wilmington Healthcare holds extensive data on stakeholders in the NHS.** Please contact us if you would like granular organisational and staff data, including primary care networks, place-based partnerships and provider collaboratives, as well as members of medicines optimisation, area prescribing committees and other important local bodies.
- And our **commercial optimisation service** featuring intelligent resourcing will help you contextualise these stakeholders and groups and allow you to more optimally target the most influential groups and individuals across the country.

Changes to NHS Finance and Commissioning

The NHS is facing multiple financial challenges

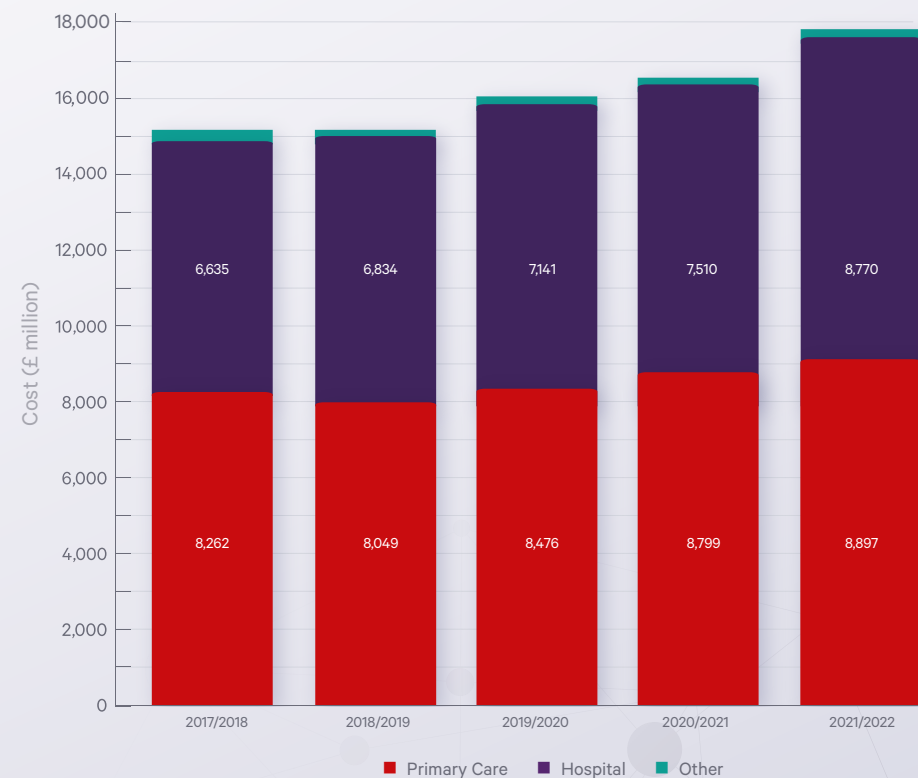
Two out of three trusts are **in the red**; its total deficit this year is set to be around **£2bn**; inflation has made staff, running and procurement costs spiral and led to the **government offering extra cash** so systems could cope.

Additionally, drug spend has gone up by some £2bn itself in the past year – leading the government to set higher rebate levels for pharma in its pricing agreement, **VPAS**.

It's difficult for the NHS to make 'cuts' without damaging services and creating **greater costs for itself further down the line**, as what happened with previous efficiency "challenges".

This diagram shows some of the reason behind the new VPAS rebate arrangements: a big spike in secondary care prescribing costs, off the back of a new range of biosimilars, oncology and immunology drugs in particular.

Prescribing Costs by Setting, 2017/18 to 2021/22



Source: NHS Business Service Authority: Prescription Cost Analysis

Developments in NHS Finance

Each system will be asked to make further 'efficiencies' and NHS England has admitted that this will be the cost for introducing a new pay award. Indeed investment in diagnostics and new technology will be hit by the government's decision to increase NHS pay above the 3 per cent budgeted for 2022-23, NHS England has said.

Systems will be seeking to make more efficient use of workforce, as per the **planning guidance**. With a crisis in recruitment and retention, this will most probably include the use of non-medical staff, ARRS additional specialist staff, specialist nurses, community pharmacy and homecare.

A return to payment by results?

At the end of 2022, a partial return to activity-based payment for providers was trailed by NHSE. (Since 2020, and throughout the pandemic, providers have been paid on a block contract model).

The move has been controversial, with **NHS Providers saying** calling it a 'retrograde step' and many commentators saying it encouraged individual hospital activity at the expense of collaboration – one of the main drivers of the long-term plan.

NHS England published a **consultation** on the payment scheme for 2023-25 in January. This will shape the eventual scheme that goes live in April.

A look at CQUIN

CQUIN (Commissioning for quality and innovation) is effectively an incentive payment system for providers to carry out healthcare in certain ways.

Its terms can be a good indicator of what practices the NHS is seeking to develop over the course of a year, and what the direction of travel is in clinical management.

Some notable CQUINs this year include:

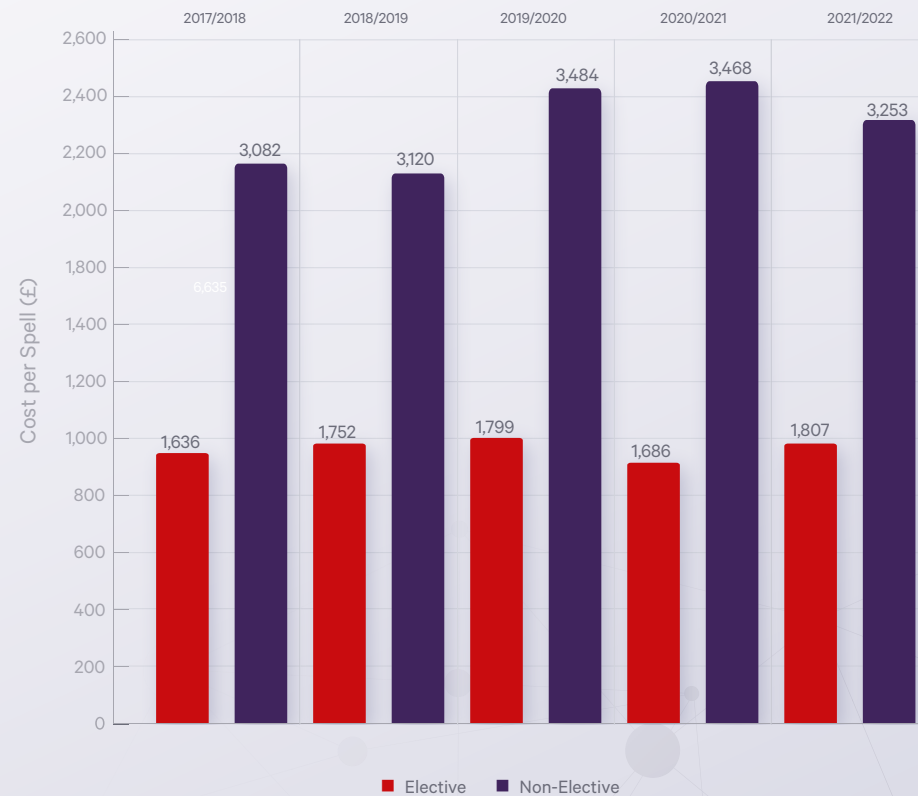
- Supporting patients to drink, eat and mobilise after surgery – this should be seen in the context of enhanced recovery for acute patients, and the urgent need to get them fit enough to discharge as soon as possible
- Prompt switching of intravenous (IV) antimicrobial treatment to oral – part of the drive to reduce unnecessary hospital procedures such as IV infusion drugs.
- Identification and response to frailty in emergency departments – again, in order to reduce risk of unwarranted complications (and further long stays)
- Timely communication of changes to medicines to community pharmacists via the Discharge Medicines Service – to prevent medication errors – and yet more unnecessary re-admissions.

Why reducing emergency admissions is crucial

Reducing emergency admissions is vital for the NHS. You can see how vital in the table opposite: Emergency attendances are over twice as costly as elective ones according to our data analysis.

This means more must be done to prevent unnecessary emergencies arising from manageable long-term conditions – an area where industry can surely align.

Cost per Spell by Admission Method, Inpatient, 2017/18 to 2021/22



Source: Hospital Episode Statistics (HES)



Industry impact

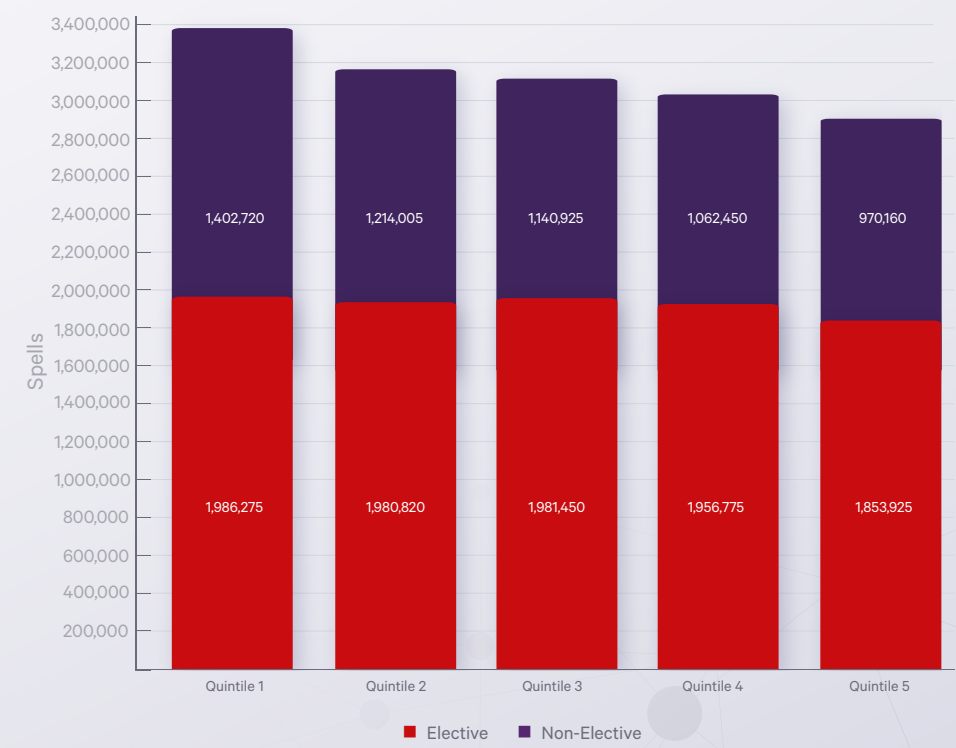
- The pharma industry is being challenged by V.P.A.S.; and the MedTech industry by procurement changes, with reforms at national level (more power to NHS Supply chain with insourced category management).
- Even without these, Industry will find the NHS struggling to innovate and make new investments. The value expressed to the service will be most optimal when it shows clear benefits to staff time and pressure, clear upstream and downstream cost benefits and system savings.
- Amanda Pritchard, NHSE CE, has used some colourful language to describe how bad NHS finances are at the moment, but was also clear that it was a “nightmare” which the NHSE leadership would try and deal with, and that local chiefs should not be distracted from seeking improvements because of it.

Why addressing health inequalities is crucial

In previous White Papers Wilmington Healthcare has discussed the importance of reducing health inequalities as a major policy driver of the local NHS.

This diagram in part shows why. As well as failing patients in terms of access and equity, healthcare in the most deprived areas is far more in demand, and therefore, a greater cost pressure.

Spells by Admission Method and IMD Quintile (where 1 = most deprived, and 5 = least deprived), Inpatient, 2021/22



Source: Hospital Episode Statistics (HES), Index of Multiple Deprivation (IMD).



Wilmington Healthcare Insight

- If you're interested in how your device or drug can make a difference to the NHS financial bottom line, Wilmington can help.
- Our data analysis teams can gather, assemble, and tabulate financial data to show NHS decision makers the case for change.
- Using RightCare principles and the full power of Wilmington data, our consultancy team can help you look at whole costed pathways, ideal versus actual scenario, and produce a complete costed integrated patient scenario (CIPS), showing overall cost benefits for change in the new landscape.
- Our CIPS and pathways are already having an impact in creating efficiencies and beneficial patient outcomes.

Pathways and service redesign

The NHS is undergoing a thorough period of pathway change and service redesign

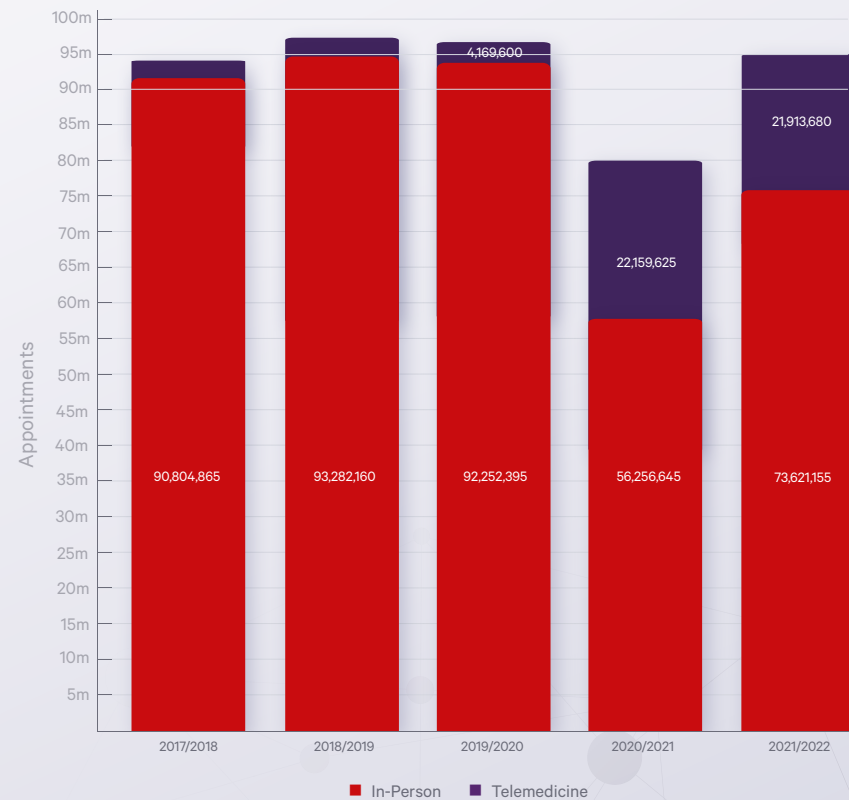
Both the Long Term Plan and the pandemic response urged change in how healthcare is delivered.

Some of the main drivers in pathway change include:

- Out-of-hospital care, new settings, new staff mixes, patient involvement and homecare
- Pathways that optimise the staffing need due to the ongoing workforce crisis
- Improved diagnostics and reducing unnecessary referrals
- Digital transformation and support services (remote consultation, remote monitoring and virtual wards)
- Use of AI in patient stratification, disease impact modelling and clinical decision making
- Pathways that improve patient access and health equity

Digital health is now far more mainstream, with outpatients appointments in particular seeing a far larger proportion of digital contact.

Appointments by Attendance Type, Outpatient, 2017/18 to 2021/22



Source: Hospital Episode Statistics (HES)



Wilmington Healthcare Insight

- Wilmington Healthcare specialises in advising companies how to get the best for their patients by influencing pathway change.
- To gain more insight into how Pathways are changing and services being redesigned, why not subscribe to HSJ solutions, a comprehensive repository of best practice ideas and innovations – which you can use to help awareness within the NHS of what's possible.
- Or speak to our consultancy team, who can advise on pathway proposition via an patient-centred, fully costed, evidence based Costed Integrated Patient Scenario.
- Our Quantis product and data analysts can help marshal the data necessary to compile a convincing case for pathway change.

How can Industry address these challenges?

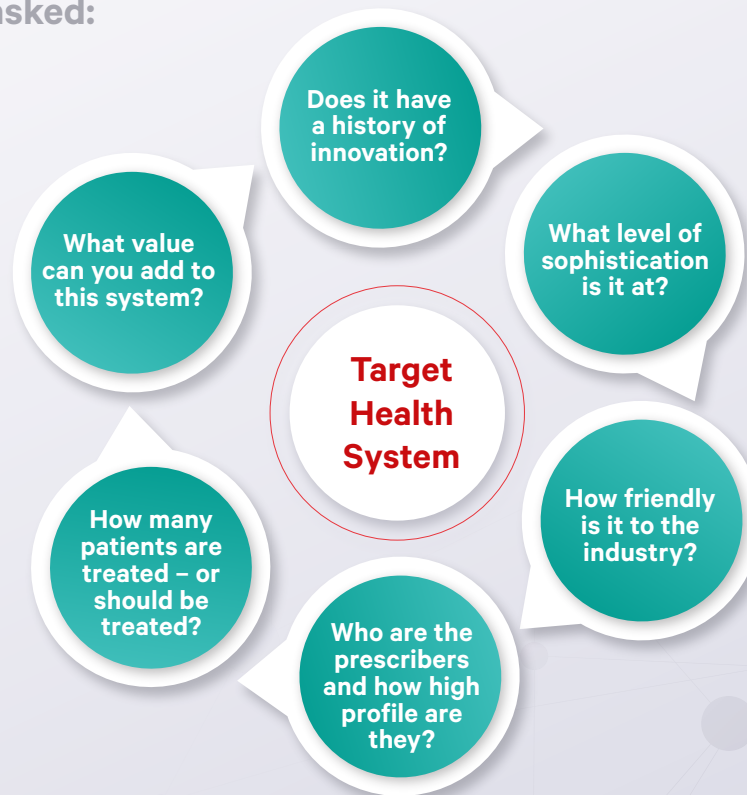
In 2023/24 Industry has NHS challenges that can be grouped into three key areas: **Insight, Access and Engagement.**

1. Insight

What we are dealing with here is 42 different NHSs – different in demographics, pain points, leadership and governance, finance, capacity, priorities and aims, local regulation. Some have a history of innovation, others do not. Some have worked closely to industry; some actively avoid working with life science companies.

Companies seeking NHS market access information often do not realise that since the latest reforms, effectively, 42 different launch strategies are needed to fully penetrate the English NHS. Sometimes this approach can be hindered by strategic templates from global offices, resulting in unchanging key messages to be delivered to all customers without a locally varied approach.

For all systems the following questions should be asked:



Customer Mix is Evolving

Traditional prescribers/
device users

Influential pharmacists

Procurement

Pathway
transformation leads

Finance

Clinical management

Medicines optimisation

2. Changing methods of Access

Traditional Industry models of call and contact are breaking down with HCPs unable to meet representatives with the same frequency. It's difficult to establish new relationships and find ways to build genuine engagement in this environment.

What do call rates mean? Some client companies are informing Wilmington that the average customer call rate has dwindled to something like two or three contacts a week. Much of this work is actually virtual in any case and does not require the rep to be in a particular place.

We talked to Leslie Galloway, head of the **Ethical Medicines Industry Group (EMIG)** who said "historically, in this industry, 60% of success has been turning up, 30% knowing your stuff and 10 per cent your personality and persuasiveness. Now the 60% has just 'gone' – there's nowhere to turn up to. So, the other elements need to be that much stronger."

Wilmington Healthcare Insight

- Allow our intelligent resourcing service to steer you to the right solutions regarding targeting and prioritization, key contacts, depth of influence and potential of areas to work with industry.
- Wilmington Healthcare Tools such as Investigator, 360 and Exact can help you assess aims and priorities of systems, and the precise DMUs you need to work with to gain access optimally.

3. Access and engagement

There are three things to bear in mind when trying to improve access:



The reason for engagement

At a certain level, HCPs – and certainly senior clinical decision makers - will not have the inclination to become involved in advocating for products without the company being able to provide a credible, significant case for change with significant patient, organisation, service and system benefits.



The mode of engagement

Are you sure you are using the best mix of staff and channel, eg, clinical specialists, market access, MSLs and digital marketing support, in the right ratio, and aimed at the right targets?



The place of engagement

Are you attempting to access places where the change assists the local aims and priorities, and the local NHS culture is ready, willing and able to engage?

Key Contributors



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Oli drives Wilmington Healthcare's expert thought leadership programme through sector articles, groundbreaking whitepapers and essential webinars that all keep Industry abreast of the continually evolving NHS and how to best engage to support improved patient outcomes. He has worked with the NHS and Industry on a host of training, access, collaboration and partnership projects and works closely with the consultancy team to support client objectives.



RAHUL PASUMARTHY
Head of Consulting,
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As Head of Consulting at Wilmington Healthcare, Rahul lends his extensive NHS expertise towards helping Industry to leverage the power of information to make better decisions and contribute to improvements in healthcare.

Drawing on Wilmington Healthcare's unparalleled and trusted NHS data and analytics capabilities, and HSJ's access to NHS stakeholders and insights into the changing NHS landscape, coupled with their own specialist insight and expertise, his team delivers bespoke and effective solutions to our customers.

Our solutions for Industry

With unparalleled NHS expertise, unrivalled NHS data and outstanding Industry knowledge, Wilmington Healthcare offers consultancy, data, data visualisation, insight and analysis on a variety of UK healthcare fields. We deliver sustainable outcomes for NHS suppliers and ultimately patients.

We hope you found this white paper useful. Much of the insight contained in this document is drawn from Wilmington Healthcare's portfolio of data and intelligence solutions, curated by our team of experts and consultants.

For further information, please get in touch with your account director or contact us in any of the following ways:

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