

FEDERATION OF SPECIALIST HOSPITALS RESPONSE TO THE NHS CHIEF EXECUTIVE'S INNOVATION REVIEW

The Federation of Specialist Hospitals (FSH) has been formed to provide a voice for specialist hospitals in the UK. 24 specialist hospitals carry out 250,000 procedures and 2.5 million outpatient appointments each year, mainly for patients with rare and complex conditions.

Specialist hospitals

Specialist hospitals have an important role to play in each of the three stages of innovation identified in the review from invention through adoption to diffusion. The clinical leaders attracted to work at specialist hospitals tend to have a greater interest in the development and early adoption of new therapies and techniques, while the training provided by specialist hospitals plays a significant part in diffusing such advances across the NHS as a whole. Specialist hospitals therefore need to be integrated within any successful model for innovation stemming from the review.

Role of the NHS Commissioning Board

The call for evidence rightly identifies the mismatch between tight management of local resources in-year and the wider, longer-term interests of the NHS as a major impediment to the adoption of innovation. Historically, the leadership of the NHS has been able to do little more than exhort local trusts to look more favourably on innovations which have the potential to improve patient care and improve performance. For the future, the NHS Commissioning Board will have extensive commissioning responsibilities of its own, especially in the field of specialised services. This will provide an excellent opportunity to lead by example in commissioning promising new specialised services, products and technologies while de-commissioning others in what frequently proves to be the crucible for NHS innovation.

Innovation fund

Hospitals often have innovation funds enabling them to explore promising new clinical concepts. The purchaser/provider split makes it essential that commissioners should have funds of their own. The NHSCB should lead the way by establishing a substantial fund as part of its responsibility for specialised commissioning. This should enable suitable patients to have early access to innovative treatments in a way which ensures the collection and dissemination of data for wider use. The FSH would welcome the opportunity to work with the NHSCB in elaborating the principles to be used in operating the fund. A fund of comparable size to the cancer drugs fund (£200 million per year) would seem appropriate and represent less than two per cent of the anticipated budget for specialised services.

Specialised commissioning

The ad hoc and patchy availability of funds for innovation presently militates against the development of expertise. The evidence shows that hospitals and clinicians with higher volumes are likely to produce better results. Commissioners are in a strong position to ensure that innovative techniques are trialled in a suitable number of specialist centres to support an adequate volume of patients and procedures. This will also be consistent with the collection of evidence in a way which meets the needs of both clinicians and commissioners and supports subsequent diffusion. The need to promote innovation should also be reflected in guidance to commissioners on issues such as the:

- ethical framework for priority setting and resource allocation;

- NHS Commissioning Board's approach to treatments not yet assessed and prioritised;
- individual funding requests;
- experimental and unproven treatments;
- ongoing access to treatment following completion of trials.

National tariff

Innovation often develops from the treatment of more complex patients for whom standard techniques are inappropriate. The tariff has often proved a blunt instrument in accommodating such treatment, either focusing on average costs or including an element of specialist uplift which seeks to avoid overcompensating some trusts and ends up undercompensating others. These difficulties are exacerbated by the highly opaque way in which the tariff is developed and set from year to year, and by ad hoc, mid or late year adjustments not subjected to road testing. As the scope of the national tariff is extended, it is therefore crucially important that more robust arrangements are put in place, sensitive to case mix and underpinned by strong, transparent clinical governance. Again, the FSH would welcome the opportunity to work with the Department, NHSCB and Monitor, as appropriate, in drawing up arrangements which complement the need to support a measurable increase in the diffusion of innovation.

Training

Training is vital as a means of encouraging the adoption of innovation and ensuring its successful, safe diffusion. This function is a natural corollary of the proposed innovation fund and commissioning initially focused on a smaller number of trial centres. It is also consistent with the hub and spokes model widely seen as providing the best way to provide optimal access to specialised expertise alongside the delivery of most care at a local level.

Conclusion and recommendations

The NHS reforms provide an excellent opportunity to move the debate about innovation from the rhetoric of recent years to reality, with the NHSCB leading the way through its responsibility for commissioning specialised services. Specialist hospitals occupy an important position as the test-bed for considerable amounts of innovation with strong links up and downstream. The Federation therefore makes the following recommendations:

1. any strategy for innovation stemming from the review should recognise and incorporate the role of specialist hospitals;
2. this should be driven by a substantial innovation fund taking the pressure off day-to-day resources but with a clear appreciation of what matters to patients, clinicians and commissioners;
3. the fund would in turn put commissioners in a position to manage the introduction of innovation in the right number of trusts treating the right number of patients;
4. the adoption and diffusion of innovation needs to be supported by a transparent, robust approach to the development of national tariff, with strong clinical involvement;
5. in return for the support given to them, early adopters should provide training to speed the diffusion of successful innovation and remain available for ongoing advice.

The Federation would appreciate the opportunity to discuss these ideas in greater detail with the review team.

Specialist hospitals

Alder Hey Children's NHS Foundation Trust
Birmingham Children's Hospital NHS Foundation Trust
Birmingham Women's NHS Foundation Trust
Clatterbridge Centre for Oncology NHS Foundation Trust
Great Ormond Street Hospital for Children NHS Trust
Liverpool Heart & Chest Hospital NHS Trust
Liverpool Women's NHS Foundation Trust
Moorfields Eye Hospital NHS Foundation Trust
National Hospital for Neurology & Neurosurgery
Nuffield Orthopaedic Centre NHS Trust
Papworth Hospital NHS Foundation Trust
Queen Victoria NHS Foundation Trust
Royal Brompton & Harefield NHS Foundation Trust
Robert Jones and Agnes Hunt Orthopaedic & District Hospital NHS Trust
Royal Marsden NHS Foundation Trust
Royal National Orthopaedic Hospital NHS Trust
Royal National Hospital for Rheumatic Diseases NHS Foundation Trust
Royal Orthopaedic Hospital NHS Foundation Trust
Royal National Throat, Nose & Ear Hospital (part of Royal Free Hampstead NHS Trust)
Sheffield Children's NHS Foundation Trust
St Mark's Hospital (part of North West London Hospitals NHS Trust)
The Christie NHS Foundation Trust
The Walton Centre NHS Foundation Trust, Liverpool
Wrightington Hospital (part of Wrightington, Wigan & Leigh NHS Foundation Trust)