

Subject:	Pathology Transformation Project – Eastern Pathology Alliance (EPA) Contract and Service Implementation
Presented by:	Stephen Wells, Systems Sustainability Programme Lead
Submitted to:	NHS West Norfolk CCG Governing Body, 27 March 2014
Purpose of Paper:	This paper provides the Governing Body with an update on the Pathology Transformation project, including status of the contractual agreement and the operational changes for GP Practices in West Norfolk from April 2014.
Executive Summary:	
<p>The Strategic Projects Team of the East of England Strategic Health Authority began a procurement project in 2011 to transform pathology services across the region, informed by the recommendations in the Lord Carter Independent Review of Pathology Services in England in 2008.</p> <p>In December 2012 the successful provider was named as Eastern Pathology Alliance (EPA), a partnership between the Norfolk and Norwich University Hospital (NNUH), James Paget University Hospital (JPUH) and The Queen Elizabeth Hospital King’s Lynn (QEHL). Following preferred bidder status, which was approved by the then Primary Care Trust (PCT) cluster board, the new contractual arrangements and service changes have been implemented in a phased approach, with the blood sciences service changes for GP Practices in West Norfolk being the final service transformation step.</p> <p>The development of the EPA pathology contract presents a new approach to the delivery of a more efficient, high quality, pathology service underpinned by new information technology (IT) and a contractual performance framework, which will be reviewed quarterly by all Clinical Commissioning Groups (CCGs) in Norfolk with Great Yarmouth & Waveney CCG as the lead commissioner.</p>	
KEY RISKS	
<p>Clinical: Failure to implement the new pathology laboratory IT interface between NNUH (central laboratory) and GP practices in West Norfolk would lead to potential delays in analysing routine blood tests, in order to inform the diagnosis and treatment of patients.</p>	
Finance and Performance:	
<p>Financial – The EPA contract should represent an improvement in value for money for pathology services, with a fixed price agreed for the first 3 years and a subsequent review of activity and cost in Years 4 and 5.</p> <p>Performance – The original contract activity baseline for West Norfolk CCG was informed by the test activity (GP practices and by CCG), in 2011/12. There is a risk that activity levels are higher than indicated contract activity plans and the associated test thresholds (by CCG). This will become clearer as the contract progresses in Quarter 1 of 2014/15, as both GP practices and the CCG will receive activity reports to inform a projected activity plan set against actual GP test requested activity.</p>	
Impact Assessment (environmental and equalities): N/a	
<p>Reputation: Failure to maintain and develop pathology services in accordance with national standards including Clinical Pathology Accreditation (UK) Ltd laboratory standards and Care Quality Commission (CQC) requirements.</p>	

Legal: N/a

Patient focus (if appropriate): Failure to deliver a high quality service including transportation of patient samples from GP practices to the central laboratory at NNUH, within 4 hours, resulting in a deterioration of the sample integrity for analysis and the impact on test turnaround times and results reported to the referring GP, within the contractual Key Performance Indicators (KPIs).

Reference to relevant Governing Body Assurance Framework: 2.1; 2.5; 2.6; 2.7; 3.1; 6.3

RECOMMENDATION:

The Governing Body is asked to note the transformational changes for GP blood science pathology tests being provided from a central laboratory at NNUH and the requirement for the CCG to undertake a quarterly review of GP pathology activity against the CCG contractual activity thresholds.

1. Introduction

The Strategic Projects Team of the East of England Strategic Health Authority began a procurement project in 2011 to transform pathology services across the region informed by the recommendations in the Lord Carter Independent Review of Pathology Services in England in 2008.

In Norfolk the successful provider was named as Eastern Pathology Alliance (EPA), a partnership between the pathology services provided at Norfolk and Norwich University Hospital (NNUH), James Paget University Hospital (JPUH) and The Queen Elizabeth Hospital, King' s Lynn (QEHKL). This preferred bidder status was awarded in December 2012, and approved by the then Primary Care Trust (PCT) cluster board.

EPA have now centralised the majority of routine blood science pathology testing (biochemistry, haematology and immunology) at the NNUH, with spoke labs remaining at QEHKL and JPUH to process laboratory tests for hospital inpatients.

The pathology transformation project has been complex, involving a detailed pathology staff consultation at each of the three hospital sites to inform the TUPE transfer of staff to the central laboratory and the resultant workforce changes to ensure the appropriate skills and expertise continue to be available at each acute hospital site, as well as the increased capacity required on a single laboratory site at NNUH, with a resultant reduction in the workforce due to efficiencies and productivity gains provided by new and advanced laboratory analytical equipment. In addition, further improvements have been achieved by establishing a single laboratory IT interface with all service users (both hospital clinicians and GPs), in order to improve the quality, responsiveness and safety associated with undertaking modern pathology testing to meet national accreditation standards and regulatory requirements.

The final phase in the service transformation for GP pathology tests is the implementation of the new pathology IT interface (ICE) between NNUH and GP practices in West Norfolk to ensure both the electronic ordering of tests and electronic reporting of test results is as seamless as possible, in accordance with the agreed contractual service specification and KPIs. The "go-live" date has been confirmed as 14 April 2014.

2. Eastern Pathology Alliance Contract 2014/15

The CCGs' contract with EPA is a three year contract, with a two year option to extend, providing the pathology quality standards continue to be met. The five Norfolk and Waveney CCGs are party to the contract, with NHS Great Yarmouth and Waveney taking the lead commissioner role for 2014/15.

The contract commenced on 1 March 2014 and there is a 2-step financial approach to the contract; a payment of service transformation (informed by the service transformation plan which includes reviewing the laboratory skill-mix in accordance with the national direction and associated service transition costs, to establish a single core laboratory (at NNUH), and the CCG payments for testing activity, informed by the indicative thresholds, informed by actual GP practice activity undertaken. The service transitional costs are non-recurrent which has enabled the service to be transformed giving a lower recurrent contractual price than previously incurred with the individual Trust contracts.

The EPA contract is a cost and volume agreement and so actual activity levels may vary and require additional financial resources, subject to the CCG quarterly review. It is anticipated that there will be an increase in GP activity levels as the data collection to inform the contract baseline was based on data collected in 2011/12.

Quality requirements described in the EPA contract include:

- GP sample collection times (informed by the historic transport arrangements provided by the pathology department QEHKL);
- Transportation from QEHKL to NNUH laboratory within 4 hours to ensure GP practice samples are received in the core laboratory to support the contractual test turnaround times;
- Monthly information of tests ordered by GP practice/CCG will be received, enabling a level of comparison of tests requested that has not been possible before.

3. Operational changes in West Norfolk CCG

GP pathology testing has already been centralised at the NNUH for GP practices in the other Norfolk CCGs. Microbiology work moved from QEHL to NNUH in November 2013. The final phase is to move GP requests for blood sciences from 14 April 2014. This service change will require GP Practices in West Norfolk to move from the existing QEHL ICE configuration to the NNUH ICE configuration for test requesting, although the ICE system is the current IT solution, it is only the screen configuration that is changing in GP practices in West Norfolk. Overall, this will result in EPA establishing a single IT (ICE) solution across all service users in Norfolk which will improve the efficiency, safety and effectiveness of the EPA pathology service, in order to conform to both national laboratory standards and regulatory requirements.

Other benefits from the service transformation will include:

- Central co-ordination between the Laboratory and GP practices for consumables and supplies;
- Existing sample collection times to be maintained with the procurement of a future logistical service (in the next 6 to 12 months) to support a continued improvement in services provided including refrigerated and tracked vehicles;
- Central point of contact for all GP queries including test results/advice;
- GP access to clinical advice to be co-ordinated with lead pathologists at NNUH with local access provided at QEHL (biochemistry and haematology);
- Andrology requests will continue via QEHL with a future improvement in laboratory tests provided from NNUH in the first year;
- Improved information provided to inform both GP access by practice and CCG directly with the pathology service;
- Provision of Point of Care Testing will be co-ordinated via QEHL including informing the future use of this technology in primary care.

3.1 Opportunities to inform future service developments

The development of the EPA contract will enable the CCG to engage directly with the service provider through the quarterly contract review/ performance management arrangements. Key areas for further discussion should include:

- Informing the development of Seven Day services at QEHL and the resultant impact on general practice and wider primary care;
- Involvement in developing demand management protocols and improved use of tests profiles through electronic ordering of tests;
- Inform the development of quality assurance processes and refinement of contractual KPIs and test turnaround times, informed by improvements in analytical technology;
- Continual improvement in quality and improving the patient experience and better value for money through future service efficiencies, ie improved sample logistics;
- Developing GP educational sessions to inform the introduction of new laboratory tests with laboratory clinical leads;
- Developing information management and technology (IM&T) interface to enable GPs to review patients across the whole patient pathway, ie reviewing test results undertaken in both primary and secondary care in order to reduce duplication of tests/clinical follow-up, ie patients with long term conditions.

4. Recommendation

The Governing Body is asked to note:

1. The new pathology provider consortium arrangements and contract commencement from 1 March 2014 and transition of GP pathology testing (blood sciences) from 14 April 2014.
2. The requirement for the CCG and GP practices to review the quarterly activity information to inform the contractual activity thresholds.