Foundation Trust Network
NHS CONFEDERATION

briefing
June 2010

FTN Benchmarking

Driving performance improvement in **ophthalmology services**

Key points

- 24 trusts took part in FTN's first ophthalmology project between January and May 2009.
- The key drivers of costs and efficiency were theatre use, staffing, procurement and outpatient clinics.
- On average, 24 per cent of outpatient slots were lost due to cancellations/non-attendance.
- Around 19 per cent of time in theatre was lost to late starts and 18 per cent due to early finishes.
- There was over a four-fold difference in pay cost per hospital stay/treatment period (spell) between participants, which appeared to be mainly driven by differences in number of spells per consultant/ associate specialist.

A group of 24 Foundation Trust Network (FTN) member trusts took part in a benchmarking project, delivered with support from McKinsey & Company, to identify how they could improve their ophthalmology services by analysing costs and comparing performance.

Background

Ophthalmology is the sixth specialty covered by FTN Benchmarking. The other specialties are orthopaedics, maternity, cardiology, cardiac surgery and psychological therapies.

FTN Benchmarking brings together clinicians, services managers and data leads to define and agree a template of metrics that can be collected consistently across trusts to compare performance. The process helps them to build a bottom-up understanding of the actual costs of individual procedures. By comparing cost and performance data, set against clinical outcomes and patient satisfaction, the benchmarking process identifies the underlying reasons for performance differences and improvement opportunities for each trust.

The benchmarking process

Each participant trust established a project team with a clinical, data and service manager lead, and a board-level sponsor to oversee the project.

Following an initial scoping phase, trusts attended a workshop where the template for collecting data was discussed in detail. It was agreed that the healthcare resource group (HRG) for phakoemulsification cataract extraction and insertion of lens (B13) and outpatient departments would be the focus for detailed study.

During the data collection period and subsequent data validation stage, support was provided by the FTN Benchmarking team, with regular contact to ensure trusts were collecting comparable data.

Participants collected activity, cost, staffing and quality metrics from April to December 2008. Detailed theatre and pathway diaries from a sample of between 30 to 50 cataract patients were collected.

A findings workshop provided an opportunity to discuss data findings as a group, share learnings resulting from different practices and identify improvement opportunities. Trusts presented on aspects of their services that the benchmarking study identified as high performing. Over three quarters of findings workshop participants stated that the study had prompted them to instigate changes in the way they work. A more focused review of services and better planning were the two most frequently cited areas of change.

Individual trusts developed their own six-month action plans during the findings workshop. These were revisited at the six-month review workshop where trusts presented on the progress made on the implementation of their action plan, challenges faced and lessons learned during the process. This opportunity to network, discuss individual experience and share concrete learning was highly valued by all participants.

The findings

The final analyses of the benchmarking data were conducted at department, outpatient clinic and HRG level and focused on staffing and productivity, general ophthalmology outpatient clinics and theatres. Bottom-up costs versus tariff income for phakoemulsification cataract extraction and insertion of lens (B13) calculated that some trusts reported costs above tariff income.

After theatre and indirect costs, drugs and consumables were the largest expense. Trusts purchasing high volumes obtained price reductions, suggesting that changes in procurement practices offered potential savings.

Staffing and productivity

Differences in pay cost per spell, which ranged from £356 to £1,710, appear to be driven by differences in the number of spells per consultant or associate specialist (ranging from 1,084 to 234 spells per clinician).

Productivity (number of spells per consultant or associate specialist) was on average 448 per year per Whole Time Equivalent (WTE) for all trusts and depends on:

- case mix/complexity of treatments
- efficient use of theatres (booking and cancellations)
- proportion of time dedicated to surgery – on average, 19 per cent of consultant programmed activities are devoted to theatre.

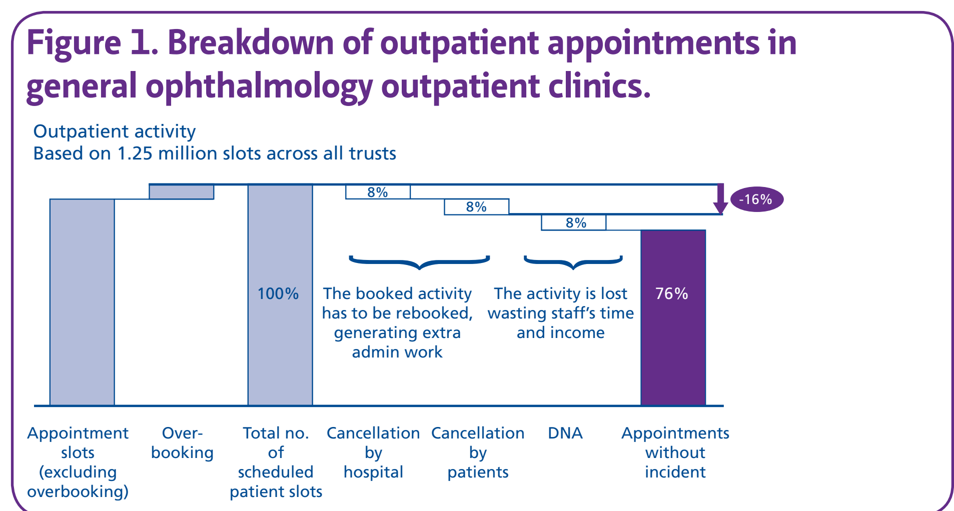
There was great variability in the levels and skill mix of staffing across trusts. On average, the ratio of all staff to consultants or associate specialists is 6:4. However, this varied from 3:3 to 11:6 among participants.

Outpatient clinics (general ophthalmology)

The analyses focused on how efficient the department was at managing the outpatient pathways:

- 16 per cent of patient slots had to be rebooked due to cancellations, resulting in a substantial administrative

Figure 1. Breakdown of outpatient appointments in general ophthalmology outpatient clinics.



burden. An additional 8 per cent of appointments were lost to patients who 'did not attend' (DNAs) (see Figure 1)

- the average ratio of first to follow-up appointment was 2:9. However, the range was from 2 to 5:9. A higher ratio could reflect a less efficient patient flow and reduced patient income due to primary care trust (PCT) caps on the number of follow-up appointments. A lower ratio may indicate insufficient resourcing for adequate patient attendance.

Examination of the cataract patient pathway highlighted that where one-stop cataract clinics are held the referral to treatment time per patient is lower by three weeks. One-stop clinics also improve patient experience, as they reduce the number of appointments for patients.

Data collection also focused on Lucentis treatment for age-related macular degeneration. The funding reported by participants for this treatment ranged from £1,087 to £2,415 per patient depending on the block contract negotiated with their PCT. The cost of the drug only, based on the British National Formulary (BNF) price with 17.5 per cent VAT, was calculated at £894, therefore additional costs are covered to various degrees in each trust. Renegotiation of PCT contracts could improve levels of reimbursement for this treatment.

Theatre use

Only 76 per cent of the available theatre sessions go ahead on average for all participants, with 15 per cent not booked and 8 per cent of sessions cancelled and not rebooked.

Participating trusts performed on average 4.6 ophthalmological procedures per list. On average, only around 41 per cent of theatre time is actual procedure time, with 19 per cent of theatre time being lost to late starts and 18 per cent to early finishes.

The total admission time for day case cataract patients was 3.7 hours on average across all participants. The largest proportion of time (2.5 hours) was waiting time between arrival and surgery.

Marked differences in anaesthesia practices for B13 cataract patients were seen across trusts. Topical anaesthesia (eye drops) was used by several trusts for the majority of these patients, while the majority of trusts used local anaesthesia (injection). A few trusts used general anaesthesia for between 25 per cent and 95 per cent of B13 patients.

Procurement

The total drug and consumable costs per B13 cataract procedure was on average £104 across all participating trusts (range between £75 and £195). There was a difference in trusts' approach to their procurement strategy, with some trusts reporting the use of Phako packs, while others sourced individual components.
There appeared to be a relationship between the price paid for lenses and the number of lenses purchased, with the price per lens decreasing with increased lens quantity. There were significant price variations between the prices paid by trusts for the same brands and models.

Actions

The trusts involved in the project are using the findings to explore improvement initiatives:

Theatre use

Trusts are investigating:

- more effective scheduling of lists
- potentially increasing the number of patients per list in line with good clinical practice
- reducing late starts and early finishes in theatre.

Procurement of lenses, drugs and consumables

Some trusts are conducting reviews to consider:

- potential for rationalisation (of models and/or suppliers) to reduce costs
- use of procurement networks and grouping types of items together to obtain discounts (for example, viscoelastic fluid with lenses)
- ensuring clinician involvement in the tendering processes to obtain commitment

Foundation Trust Network NHS CONFEDERATION

- renegotiating Lucentis reimbursement contract with PCTs.

Grade mix of staff

Trusts are investigating:

- the relationship between productivity and grade mix of staff
- ensuring appropriate staffing of clinics.

Feedback from six-month review workshop

The key service improvements achieved by trusts during the six months after the findings workshop included:

- improvement of theatre use by increasing the number of procedures per list
- significant reduction in outpatient DNAs by the introduction of appointment reminder services and reviewing the booking systems
- cost reductions due to renegotiation of procurement contracts for lenses and consumables
- review of coding to capture activity/revenue and development of business case to renegotiate Lucentis contracts with the PCT
- development and circulation of reports for key departmental metrics to improve information across the department and ownership for performance.

The Foundation Trust Network

The Foundation Trust Network (FTN) was established as part of the NHS Confederation to provide a distinct voice for NHS foundation trusts. We aim to improve the system for the public, patients and staff by raising the profile of the issues facing existing and aspirant foundation trusts and strengthening the influence of FTN members.

The FTN runs a series of benchmarking projects on different topics. For more information, visit **www.nhsconfed.org/FTNBenchmarking** or contact Liz Smith, Benchmarking Manager, at **liz.smith@nhsconfed.org**

The NHS Confederation
29 Bressenden Place London SW1E 5DD
Tel 020 7074 3200 Fax 0844 774 4319
Email enquiries@nhsconfed.org
www.nhsconfed.org

© The Foundation Trust Network 2010.
This document may not be reproduced in whole or in part without permission.
The NHS Confederation is a registered charity, no:1090329.

FTN01028