Northumberland, North Tyneside, Newcastle North and East,
Newcastle West, Gateshead, South Tyneside, Sunderland,
North Durham, Durham Dales, Easington and Sedgefield,
Darlington, Hartlepool and Stockton on Tees and
South Tees Clinical Commissioning Groups

Standard Operating Procedure	CCG SOP02 Commissioning for Quality and Innovation (CQUIN) Procedure

Version	**1**
Implementation Date	**01/04/2013**
Review Date	**30/04/2014**
Approved By	**CCGs**
Approval Date	**01/04/2013**

Revisions

Version	Date	Section	Reason for Change	Approved by

Procedure Obsolete

Date	Reason	Approved by

Commissioning for Quality and Innovation (CQUIN) Procedure

1 Purpose

The purpose of this procedure is to describe the process for identifying development, consultation, negotiation, monitoring and approval of individual CQUIN indicators and the CQUIN scheme in its totality. The procedure will inform those providers with whom the CCGs have CQUIN schemes with, of the internal processes that are followed during the key stages of CQUIN development and approval and it will also inform providers of the expectations of the CCGs relating to CQUIN.

2 Who Will Be Affected By This Procedure?

This procedure applies to all staff working within the CCGs.

3 Responsibility

The CCG Accountable Officer is responsible for the dissemination and implementation of this procedure.

4 Content/Abbreviation Definitions

For the purposes of this procedure, Northumberland, North Tyneside, Newcastle North and East, Newcastle West, Gateshead, South Tyneside, Sunderland, North Durham, Durham Dales, Easington and Sedgefield, Darlington, Hartlepool and Stockton on Tees and South Tees Clinical Commissioning Groups will be referred to as “the CCGs”.

5 CQUIN Details

5.1 General Principles

5.1.1 Contract schedules

For acute providers and community providers, details of the CQUIN scheme are outlined in Schedule 18, Part 2 of the contract.

For mental health and learning disability contracts details of the CQUIN scheme are outlined in schedule 4, part 2 of the contract.

5.1.2 CQUIN financial value

In 2009/10, the CQUIN payment framework covered 0.5% of a provider’s annual contract income (total of provider’s anticipated tariff income, including the Market Forces Factor, and their non-tariff income). In

2010/11, this percentage was raised so that CQUIN covered 1.5% of the Actual Outturn Value of the provider's contract. In 2011/12, CQUIN income remains at 1.5% - this is non-recurrent monies which are additional to the Actual Outturn Value of the contract.

National guidance suggests that 50% of the allocated CQUIN money is paid in monthly intervals alongside payment of regular income, on the assumption that the provider will achieve the majority of its goals. This guidance has been adopted within the CCGs. At quarterly intervals and at year-end there are reconciliation points to adjust payments as needed. Adjustments are required to reflect variation in activity levels and/or progress towards achieving agreed goals, depending on the availability of data.

5.1.3 Factors that need to be considered in determining whether professional legal advice may be required include:

- Actual or risk of potential litigation.
- Assistance on interpretation and implications of relevant new and/or existing legal precedent or legislation.
- Lack of clarity around statutory position, powers or responsibilities.
- Lack of clarity relating to statutory duty of legislative compliance.

5.2 CQUIN Scheme Development

5.2.1 CQUIN schemes, goals, indicators and weightings

Each CQUIN scheme contains a number of goals and each goal has a percentage weighting attached to it – the weighting reflects the maximum percentage of the scheme of which will result in payment upon achievement of the goal. For instance, a goal which has 10% weighting attached to it will attract 10% of the overall financial value of the scheme upon achievement.

The percentage weighting is attributed by the lead commissioner and is expected to reflect the amount of work required to be undertaken by the provider to achieve the goal. Each goal contains one or more indicators which detail the measurement methods, the target achievements and payment thresholds assigned to each individual indicator within the goal.

The overall scheme should link to national, regional and local priorities for quality improvement, with 20% of the overall scheme being allocated to 'productivity and innovation' targets. Priorities set out in the NHS Outcomes Framework, NICE Quality Standards, Patient Reported Outcome Measures (PROMs) and Quality Accounts are all elements which should be considered in the scheme development stage.

The draft CQUIN scheme is developed to include nationally mandated indicators, regionally mandated or suggested indicators and any local indicators that have been developed.

5.2.2 Internal decisions for scheme proposal

Once all national, regional and local goals and indicators have been drafted, the quality governance working group will recommend approval and monitoring systems for each scheme.

5.2.3 Negotiation with providers

Once a draft scheme has been developed for each provider, the Nurse advisor will send an electronic, version-controlled copy of the scheme for the following financial year to the provider for consideration. This should be undertaken by the third week in January (preceding scheme implementation). A series of fortnightly meetings will then be set-up by the Lead Nurse, involving internal and provider colleagues (and any personnel instrumental in developing individual goals/indicators) to discuss the goals and indicators set within the scheme. Meetings will have a formal agenda and minutes taken until agreement is reached for each goal. Each scheme must be finalised by the second week in March (in-line with contract negotiations) for each provider and the scheme will be formally approved and signed-off at an extra-ordinary meeting of the relevant quality group to be held during the last week in March. For those providers whereby a quality group meeting is not held, the scheme will be formally approved at the contract negotiation meeting between the respective provider and NHSCDD in conjunction with the Lead Nurse.

5.3 CQUIN Scheme Monitoring

5.3.1 Provider reporting schedule

As CQUIN scheme overall lead, the Lead Nurse is responsible for ensuring the CQUIN scheme is monitored in accordance to the schedules agreed within the scheme - to aid this process a full reporting schedule for each provider is developed by the Nurse advisor and linked to the agenda for the appropriate quality group.

The quality committee is responsible for receiving all reports pertaining to CQUIN in accordance with the schedule and the commissioning members of the group are responsible for setting any in-year targets at the group pre-meetings – these targets will be subsequently discussed and approved formally by the group in accordance with the schedule.

5.3.2 Non-compliance with schedule

Any report or required performance figures which are not submitted by the provider to the quality committee meetings by the allocated schedules will lead to an automatic notice being issued to the Contract Management Group and, consequently, commencement of the breach notice procedures

5.3.3 In-year target setting

At times during the year whereby a series of targets need to be agreed, extra-ordinary quality committee meetings will be held so that the general business of the group is not overtaken by CQUIN target setting.

5.3.4 Individual commissioning lead

Each CQUIN goal is assigned an individual commissioning lead who is the provider's link for each goal and its associated indicators. The individual commissioning lead is accountable to the Nurse advisor for the CQUIN goal and is expected to provide advice to the quality committee regarding any in-year targets and to submit a final report detailing achievement if the goal/indicator

5.4 CQUIN Scheme Sign-off

The individual commissioning lead for the CQUIN goal is required to submit a final report for their respective CQUIN goals to the pertinent quality committee. The report is expected to cover the following elements;

- performance and achievement against the indicator
- an indication as to whether or not the indicator should continue into the next CQUIN scheme
- recommendations for further quality improvement
- if the indicator should become a contractual penalty any lessons learnt from the goal and indicator in the current year.

6 References

DH, (2011), '*The NHS standard contracts for acute hospital, mental health, community and ambulance services and supporting guidance 2011-12 (effective from 1 April 2011),* London

DH, 2010, **'***NHS Outcomes Framework',* London

DH, 2011, '*The Operating Framework for the NHS in England 2011/12*', London

7 Consultation

Policy and Corporate Governance Lead (NHSCDD)
Senior Manager, Corporate Affairs (NoTW)
Information Governance Advisor (Tees)
Governance Lead (SoTW)