“Growing Your Imaging Business”
Innovating and seizing opportunity are the keys

3rd National Conference for Radiology Managers
Kings Place, London – Thursday 9th May 2013
Unbundling of Tariffs understanding how this will affect your business

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Unbundling of Tariffs - Objectives

• Outline what the new NHS means

• How PBR may/may not work

• Radiology Business Development

• Thinking the unthinkable
The New NHS Structure

- Department of Health
- NHS England
- 19 commissioning support units
- 4 NHS England regional commissioning offices
- 27 Local Area Teams (LATs)
- 211 clinical commissioning groups
- Health services: NHS trusts and primary care services

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Meeting the Financial and Quality Challenges

- **Efficiency Gains**
  - Take out “unnecessary” costs
  - Reduce procurement spend
  - Reduce pathway inefficiencies

- **Change operating Models**
  - Increase operating hours
  - “Use the user”
  - Exploit technology
  - Skill mix changes

- **Vertical and Horizontal Integration**
  - Consider vertical or horizontal integration across acute, community and primary care services
  - Begin operating networks across sites to improve quality of care
  - Skill mix changes

- **Rationalisation of Sites and Services**
  - Redesign patient pathways with clinical teams
  - Reconfigure services across multiple sites to significantly reduce the physical asset base
  - Not all services delivered on all sites
New NHS - Creation of Market Economy

Create the Market
- Foundation Trusts
- Choose & Book
- Unbundling Tariffs

Create the Competition
- AQP
- Clinical Commissioning Groups

NHS April 2013
- Mandate Choice
- Increase expectation
Radiology Market Economy

- **Competition**
  - AQP/PBR

- **Limited competition**
  - AQP/PBR

- **Competition for the market**
  - OUTSOURCING

- **Uncontested monopoly**

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- **Tertiary and specialist care**
- **On-call/IP complex hospital care**
- **Out-patient hospital care**
- **Out of hospital care (Simple; high vol)**

**INCREASING LEVELS OF COMPETITION**
Unbundling of Tariffs - PBR

- Designed to promote health policy objectives
- Effective in elective care where there is a desire to increase activity
- Allows aspects of care to be delivered by different providers
PBR for Outpatient Diagnostics

• “Sense Check” Exercise
• Potential Financial risks

• Need to be assured:
  • Clinical Benefit
  • Mindful of unexpected Side Effects
CCGs

• “Unbundling of diagnostic imaging major challenge”
  • Increase volume
  • Poor control/duplication requests
  • Delivery of diagnostics in a community setting
PBR

- Not fit for purpose
- Does not promote continuity of care

Monitor and NHSCB:
- need to promote local experimentation within a national framework of benchmark tariffs
- Approve and analyse deviations

- Develop to become part of blend payment systems
What to do?
Get Business Ready
“Standard” Radiology Business Development

• Need to take ownership
• Visible leaders
• Customer Engagement
  • Patients
  • Clinicians
  • Commissioners
  • CEOs
• “True” Gatekeepers
• Deliver enhanced patient pathways
“Standard” Radiology Business Development

• Optimal utilisation of existing resources
  • Scanners
  • Staff

• Segmentation of radiology work streams
  • Continue to deliver secondary care/specialist tertiary services
  • Improved access for primary care
    • Dedicated resources – “hot seat”
    • A community based team
Leap of Faith
Leap of Faith

Think the Unthinkable
Radiology Community/Partnerships

- Unification of radiology services around local groups
  - Remove imaging services from existing NHS providers – place in regional umbrella organisations
  - Acquire ALL NHS staff groups but with incentivised T&Cs
  - “Fee for service” structure based on unbundled National or Direct Access tariffs
  - Streamline management - services, financial and business development management team
Radiology Partnerships

Dare To Share!
IT Connected – Locally Owned

- Improved access and choice for primary and secondary care pts
- PACS, RIS and VNAs
- Establish 7-day working
- Promotion of super-specialisation and training

In-sourcing
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- Streamline management - SINGLE operating service, financial and business development team
“Quality” focused imaging business

• Customer buy-in/marketing
  • “Use the users”

• Information – Workflow/financial management
  • “RIS/PACS real-time dashboards”

• Contract and performance management
  • Adherence to and establishment of clear KPIs
Unbundling of Tariffs: Opportunity or Threat?
Grow an Imaging Business
Thank You