

# The Integrated Support and Assurance Process (ISAP)

*Assuring novel and complex contracts*

March 2018

# Review of Uniting Care Contract

Cost information from legacy providers must be transparent.



Commercial skills and awareness will be needed.



Clarity on the role of external advisers is needed to ensure sufficient expertise is provided, there is appropriate synthesis and the proposal under consideration is consistent with the advice received.



Appropriate terms should be agreed at the start of the procurement process.



Contract award and implementation, and/or commencement of service delivery, should be delayed if issues are unresolved.



NHS Improvement and NHS England should scrutinise the arrangements for these novel and complex contracts through an integrated process.



The service design needs to be right from the outset.

## *7 Lessons from UCP*

# What is ISAP?

**I**

**Integrated:** NHS England and NHS Improvement (inc transaction review, where applicable).

**S**

**Support:** NHS England and NHS Improvement want to support commissioners and providers to identify, understand and manage the risks in developing such contracts eg access to subject matter experts.

**A**

**Assurance:** ISAP aims to support the work of local commissioners and providers in creating successful and safe schemes, and to provide a means of assurance that this has happened.

**P**

**Process:** At each ISAP checkpoint, the NHS England regional director will convene a panel to review and challenge the sources of evidence submitted. The panel membership is expected to include NHS England and NHS Improvement regional and regulatory representatives and relevant experts in clinical, finance, commissioning development

# Purpose of the ISAP

- The ISAP refers to a set of activities that **begin when a commissioner starts** to develop a strategy involving the procurement of a **complex contract**
- It also covers the subsequent **contract award and mobilisation of services** under the contract
- The intention is that NHS England and NHS Improvement provide a 'system view' of the proposals
- Applying the ISAP will help mitigate but not eliminate the risk that is inevitable if a complex contract is to be utilised
- It is not about creating barriers to implementation

## *The objectives of the ISAP are to:*

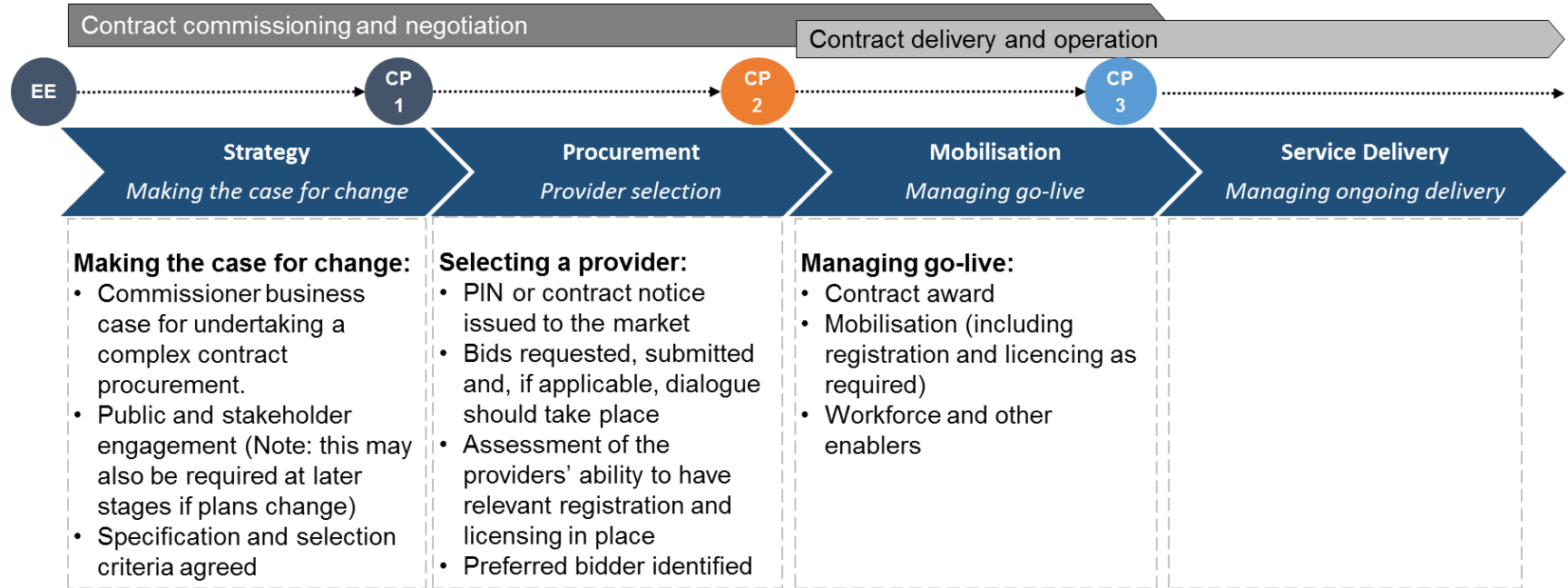
- Ensure the proposals **represent a good solution** in the interests of patients and the public
- Ensure a **system view** has been taken of the potential consequences of contract award
- Enable the **risks of the complex contract to be identified**, understood and mitigated as far as possible
- Deliver **efficiency and reduce duplication** in the work of NHS England and NHS Improvement, increasing the speed of the national assurance for complex contracts

# Accountability in ISAP

- The decision about whether to procure and award a contract, and then to allow service delivery to begin, must be one for local commissioners
  - ISAP will not transfer this decision to the national bodies
  - The view of the national bodies should be a key consideration for local commissioners
  - NHS England will expect commissioners to carry out any extra activities indicated in the checkpoint outcome before they move onto the next stage
  - NHS Improvement will expect NHS foundation trusts and NHS trusts to pause and adapt their involvement in a transaction if its Provider Regulation Committee issues a red transaction risk rating, in accordance with NHS Improvement's transaction guidance
- ISAP is a regionally-led assurance process with support from national bodies

**Accountability remains with the commissioning body**

# ISAP Checkpoints



EE

**An Early Engagement (EE)** meeting takes place, while a commissioner is developing a strategy which involves the commissioning of a complex contract.

CP 1

**Checkpoint 1 (CP1)** takes place just before formal competitive procurement or other selection process begins.





CP 2

**Checkpoint 2 (CP2)** takes place when a preferred bidder has been identified, but before the contract is signed. (NHS Improvement will be responsible for performing the transaction review on NHS foundation trusts and NHS trusts where the thresholds for transaction reviews are met, and NHS England will be responsible for assuring the procurement aspect of that checkpoint).

CP 3

**Checkpoint 3 (CP3)** takes place just before service commencement.

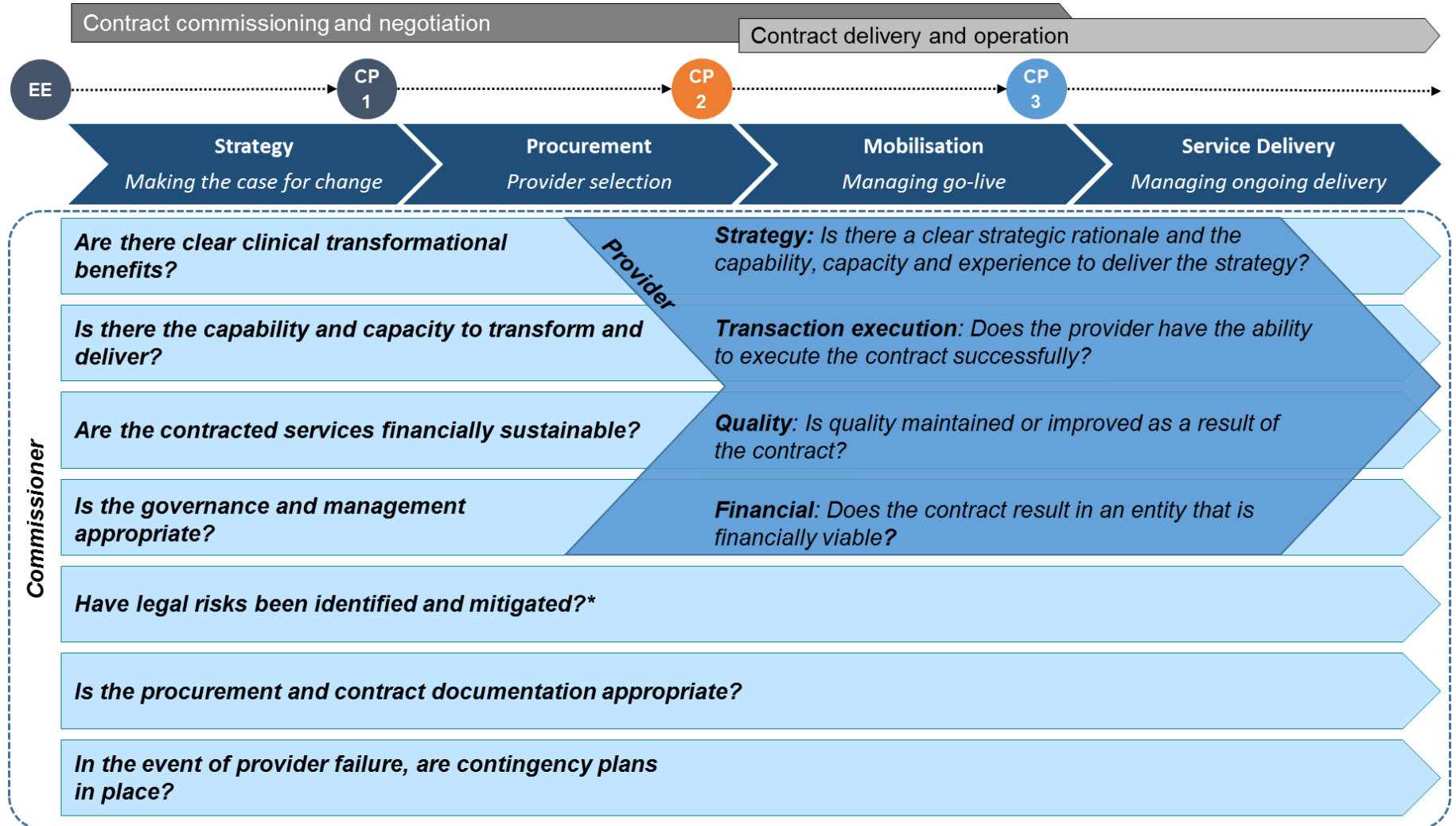
# ISAP Checkpoint Duration and Outcomes

Check-point	 Early Engagement	 Checkpoint 1	 Checkpoint 2	 Checkpoint 3
Duration	1 week	1 month	3 months	1 month
Outcome	Outcome letter which confirms: <ul style="list-style-type: none"> <li>whether the ISAP applies, and if applicable</li> <li>timelines for checkpoints.</li> </ul>	Outcome letters, which outline: <ul style="list-style-type: none"> <li>rating</li> <li>proposed outcome</li> <li>areas of good practice <i>and / or</i></li> <li>areas that should be addressed before the next stage.</li> </ul>		

**Checkpoints 1 and 3** will take about one month.

**Checkpoint 2** will take up to three months. This reflects the usual timescales for an NHS Improvement transaction review and may be shorter when this is not required

# ISAP Key Lines of Enquiry (KLOE)



\*NHS Improvement will not be reaching a view on compliance with the National Health Service (Procurement, Patient Choice and Competition) (No. 2) Regulations 2013



# Application of the ISAP

## Factors that influence whether the ISAP will be applied

	The ISAP is more likely to apply	The judgement is balanced	The ISAP is less likely to apply
<b>Relative contract value</b>	Over 40% of one or more of the commissioners' allocations is committed to the new contract	Between 10-40% of one or more of the commissioners' allocations is committed to the new contract	Less than 10% of each of the commissioners' allocations is committed to the new contract
<b>Contract length</b>	The contract is longer than the current allocation period set by NHS England	The contract is longer than two years but no longer than the current allocation period set by NHS England	The contract is no longer than two years
<b>Commissioner quality</b>	There are well established and evidenced shortcomings regarding one or more of the commissioners' financial or operational performance	Financial or operational performance of one or more of the commissioners is subject to narrative description of some concerns	Financial and operational performance of all commissioners is strong
<b>Degree of performance based income</b>	Performance based income is greater than 4% of total contract value	Performance based income is between 2.5% and 4% of total contract value	Performance based income is less than 2.5% of total contract value.

Crucially, for the ISAP to apply, the commissioner must be **proposing a procurement** that would establish **new contracting arrangements for existing services**, or the **re-procuring of a complex contract**.

An alliance agreement or other arrangement aiming to integrate local health services, that does not require a procurement, does not need to go through the ISAP.

# Criteria for Application of the ISAP

## When will it apply

The ISAP is intended to support **all novel or complex procurements by commissioners**. Specifically if the approach is **previously unused** in the locality:

- **contract forms**
- **risk sharing arrangements**
- **calculations of the contract value**

Or, if potential providers are **creating legal entities**, involving new organisational forms.

This includes, but is not limited to, the commissioning of systemically significant new care models, such as multispecialty community providers (MCP), primary and acute care systems (PACS) and any Accountable Care Collaborations that result in significant change in whole health systems.

Examples of other complex contracts, beyond new care models, include:

- Contracts or arrangements aiming to **integrate a range of services**, along a care pathway, such as for elderly or cancer patients, or that include new delivery mechanisms for specialised services;
- Contracts with **population based budgets** or significant levels of **payment conditional on outcomes**.

It is not envisaged to apply to some other varieties of new care model, such as Enhanced health in Care Homes, due to their smaller scale.

# What if ISAP does not apply?

## Regionally-led assurance

NHS England and NHS Improvement regional teams may use the principles of ISAP in any regionally-led assurance process.

## Self-assessment

CCG governing bodies can use the principles of ISAP proportionally in order to assure themselves in relation to any procurement.

The key lines of enquiry in ISAP are 'sensible questions' for any governing body to ask themselves.

*How do you currently assure yourself any new contract arrangements have been robustly constructed according to defined good practice?*

# Questions

## Useful Links:

- <https://www.england.nhs.uk/publication/integrated-support-and-assurance-process/>
- <https://improvement.nhs.uk/resources/supporting-nhs-providers-considering-transactions-and-mergers/>