

DERBYSHIRE COUNTY COUNCIL

MEETING WITH CABINET MEMBER, HEALTH AND COMMUNITIES

24 May 2016

Report of the Director of Public Health

**DCC CROSS-CHARGING PROTOCOL FOR CONTRACEPTION AND
(REPRODUCTIVE) SEXUAL HEALTH SERVICES**

1. Purpose of the report:

For the Cabinet Member to approve the protocol for payment by the Council for Contraception and Sexual Health Services (CaSH) in relation to the following:

- i) CaSH services provided by service providers to Derbyshire residents accessing 'out of area'¹ services, but only where the Council has established reciprocal arrangements with external commissioners; and
- ii) no payment for CaSH services provided by the Council's commissioned provider Derbyshire Community Health Services NHS Foundation Trust (DCHS) to non-Derbyshire residents where the resident's local authority has refused to pay DCHS for the service provided.

2. Information and analysis:

No national guidance exists for cross-charging for CaSH services. This has led to the development of local arrangements and considerable inconsistency across the country. Nationally reasons given for payment and non-payment are various with some councils making individual decisions bespoke to the council and some councils being subject to regional decisions to pay or not to pay.

In 2015/16 Derbyshire County Council paid for CaSH services provided to Derbyshire residents out of area where an invoice was presented with the appropriate backing data. The total value of this out of area CaSH activity in 15/16 was estimated to be £36,536.² In order to

¹ 'Out of area' services are those Sexual Health services provided to Derbyshire residents by non-Derbyshire service providers commissioned by a Local Authority other than DCC.

² This figure is the amount actually attributable to CaSH for 'bordering' out of area service provision. The figure is likely to be in excess but cannot be extrapolated from the invoices for the non-local out of area providers.

manage the out of area budget, terms, including projected activity and price, were agreed with five bordering service providers.

For 2016/17 discussions have taken place with eight 'bordering' local authority commissioners of sexual health services to establish:

1. the basis on which their service providers have been commissioned to provide CaSH services and related payment for those services;
2. the local authorities' intention (or not) to pay DCHS for delivering CaSH services to their residents out of area.

The Council's sexual health commissioning team are aiming to establish consistent reciprocal arrangements with bordering local authority commissioners for payment of CaSH to minimise financial risk to all providers, including the Council's current local provider, DCHS.

The Council has established that among the 8 **bordering** authorities there are different intentions regarding cross border charges for CaSH services:

- Four LAs have confirmed to the Council that they will pay DCHS for CaSH services provided to their residents and four have confirmed that they will not pay DCHS.
- The four LAs who propose to pay DCHS commission services for their local residents only, with their provider cross-charging where services have been provided to 'out of area' clients.
- Three of the LAs that intend not to pay DCHS, pay a 'block' payment to their provider which includes delivery of CaSH services to non-resident clients. These services do not cross charge DCC for 'out of area' activity, nor do they support any cross charging arrangements for CaSH.
- One local authority pays their commissioned provider for local residents only, but do not pay for CaSH services provided to their residents by out of area service providers.

DCHS identified an estimated initial financial risk of approximately £70,000 due to possible refusal of local authorities across England (not just neighbouring authorities) to pay for CaSH services provided to their residents. They highlighted this risk to the authority's commissioners who requested that DCHS provided a breakdown of invoices raised in relation to provision of CaSH services by DCHS to non-Derbyshire residents.

In summary DCHS has invoiced other authorities a total of £58,820 of which:

- £31,750 has been paid to DCHS

- £27,070 has not yet been paid to DCHS (some may still be pending, some may result in a refusal and some may be paid). This is unknown.
- £11,143 for Derby City is included in the non-payment figure and clarification is being sought in relation to this as the Derby City commissioner has confirmed that they are not aware of any refusal to pay DCHS.
- Five local authorities have confirmed their refusal to pay DCHS for the invoices presented, this amounts to £9,415. This leaves a total of £6,511 that has not yet been paid to DCHS, however it is unknown whether payments are pending, will be refused or will be paid.

Derbyshire County Council commissioners are supporting the provider through aiming to establish reciprocal arrangements with neighbouring authorities to minimise financial risk to provider organisations.

The Council has also been keen to reach a reasonable and fair position including considering the position of Derby City Council to ensure that the Council aligns its approach if possible. Derby City commissioners confirmed that they do not pay DCHS for residents of other Local Authority areas that refuse to pay cross-charges. The Derby city position is to pay for all CaSH services provided to their residents out of area.

Proposed resolution

Taking all the above into consideration, the following protocols are proposed:

- i. The Council pays service providers for Derbyshire residents accessing out of area (CaSH) services only where the Council has a reciprocal arrangement with an external commissioner ie commissioners confirm their intention to pay DCHS for out of area and the Council confirms its intention to pay their provider/s.
- ii. The Council does not pay DCHS for out of area charges for non-Derbyshire clients that they have been unable to recoup from the local authority of residence, as the financial risk to DCHS is low. This ensures consistency with the Derby City Council commissioner position.

3. Financial considerations

The cost of reciprocal cross charging arrangements will be met through the Public Health grant. There is no specific budget for out of area

contraception and sexual health cross charging, so this will be monitored closely.

4. Other considerations:

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality of opportunity, human resources, environmental, health, property and transport considerations.

5. Background papers:

None

6. Key Decision:

No

7. Call-in:

Is it required that call-in be waived for any decision on this report? No

8. Officer's Recommendation:

To approve the CaSH cross-charging protocol from July 16/17 as follows:

- a. the Council pays service providers for Derbyshire residents accessing OoA (CaSH) services only where the Council has established reciprocal arrangements with external commissioners;
- b. the Council does not pay DCHS for OoA charges for non-Derbyshire residents that they have been unable to recoup from the local authority of residence.

**Maureen Whittaker
Interim Director of Public Health**