

August 2009

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Dear

Thank you for your Freedom of Information (FOI) request we received on 31 July 2009.

You requested information relating to Clinicenta and InHealth contracts.

I shall respond to each of your queries in turn:

Was there an open tender process where Clinicenta was the winning bidder?

Yes. This tender was published in the Official Journal of the European Union (OJEU) as legally required with an open invitation to bid for the contract.

We request under the FOI Act the specifications of what this contract is to deliver and how?

We understand that the Department of Health (DH) has already written to you to advise that they will be disclosing a copy of the contract on 04 September 2009. A copy of the contract specifications are enclosed with this letter.

My understanding is that this is a £144m, five-year contract, to provide routine day care health services in North London, and some 50,000 patient contacts in patients' homes, on PCT premises or at Clinicenta locations. Routine day case surgery is to be provided at Clinicenta Advanced Surgery Centre in Colindale and Hospital of St John and St Elizabeth, in St John's Wood. Is this correct? Is the 50,000 patient contact figure per year or over full five years?

The contract will provide care to around 30,000 patients in the first year and upwards of 50,000 patients in the following years. Day care elective surgery from three sites initially, community care services and sexual health and family planning services will be provided as part of the contract. The Primary Care Trusts (PCTs) have the opportunity to flex their requirements to meet the needs of the local health economy and can easily switch from one service to another to respond to local needs such as 18 week pressures and service gaps.

Has there been an impact assessment of the effect this will have on surrounding hospitals?

No.

Can you provide a breakdown, of the overall financial commitment per year, for each PCT involved? Are there target numbers of procedures that will be delivered for this price? Do the terms of the contract include a "take or pay" element, similar to the ISTC programme, in which Clinicenta is paid regardless of whether the procedures actually take place?

There is a target for each PCT that is based on value not numbers of procedures. The PCT can vary the mix of procedures according to local need and thus avoid the need to implement a take or pay mechanism.

Is it the case that the "top-slice" from PBC budgets are funding the entire contract price, or is it a contribution? If it is a contribution, what is the percentage or cost breakdown for PBC groups?

A portion of PBC budgets have been pooled to fund contracts with Clinicenta and InHealth to improve access to services in North London. PCTs have jointly been involved in this process and have all approved the amount topsliced based on the requirements of their local population.

London Strategic Health Authority

Chair: Sir Richard Sykes

Chief Executive: Ruth Carnall CBE

Lastly, we also request details of the contract with InHealth diagnostics. I understand NHS London has revised the contract terms, or is in the process of doing so, and would like details as to what has changed. For example, our GP PBC source says in the first year Islington PCT spent only £80,000 but the contract value paid was in fact £140,000; then the next year contract value doubled to £350,000 and there has been an issued of patients waiting up to six weeks for diagnostics, when the purpose was to get waiting times bellow this. Can you please tell us whether NHS London is satisfied with the contract and what it had done to revise?

NHS London is in the process of re-negotiating elements of the London NHS Diagnostics contract, for which InHealth is the selected provider. The rationale for the changes are to ensure the contract service delivery model meets the requirements of the London Health Economy, thus ensuring maximisation of the contract and delivering value for money. The details of the changes are subject to further approval and remain commercially confidential. These changes, NHS London believes, will address the example outlined in your request. In regard to the issue of waiting times, whilst the contract has already helped to reduce waiting times, NHS London is working closely with InHealth on their delivery model, many improvements have been made and there are further changes that will improve the current position. The changes will come into effect in the coming months. NHS London would like to point out that the contract has a rigorous contract management regime including the issuance of penalties where appropriate.

I hope this information is helpful, however I should advise that you have the right to complain about this response by reference to this Authority's complaints procedures, in which case you should write to the Chief Executive, Ruth Carnall, NHS London, Southside, 105 Victoria Street, London SW1E 6QT requesting an internal review.

If you remain dissatisfied with the Authority's decision following your complaint, you may write to the Information Commissioner for a decision under Section 50 of the Freedom of Information Act. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF

Telephone: 01625 545700
www.informationcommissioner.gov.uk

For your information we are considering publishing all FOI requests and responses on the NHS London website www.london.nhs.uk and so this response might be published at a later date.

Yours sincerely

Directorate of Communications and Public Affairs