

Capitation & Integrated Care: Expertise at every level of the negotiating and reporting process

Capitated budgets and payment systems can facilitate innovations in patient-centred, co-ordinated care.

What is Capitation?

In line with the NHS Long Term Plan, there is a general move away from payment mechanisms reflective of historic activity levels and throughput, towards alternative models of commissioning and contracting based on "outcomes", in support of more patient-centered care.

Why do we need a new Approach?

Capitated payment systems enable commissioners to financially incentivise providers to improve the health of the target population, rather than encourage growth in activity volume. They also support financial sustainability and promote service change through reduced contract volatility.

What are the Benefits?

For the patients:

- A more streamlined and efficient care pathway;
- A bigger focus on prevention and keeping the population healthy.
- Income stability through reduced contract volatility;
- Financial incentives are aligned to the needs of the patients.

For the providers:

- Money saved as a result of efficiencies achieved can be reinvested to improve service quality;

For the commissioners:

- Reduced contract volatility enables further investment in driving change, rather than as mitigation for contract over-performance;
- Improved opportunity to incentivise the transformational changes required;
- A simplified approach to commissioning, potentially with a direct relationship with just one lead provider.

UHY Consultancy helps organisations develop and negotiate capitated payment systems with a focus on outcomes.

