

ADULTS SOCIAL CARE CONTRIBUTIONS IMPROVEMENT PLAN

To: Adults Committee

Meeting Date: 8 July 2014

From: Adrian Loades, Executive Director: Children, Families and Adults (CFA) Services

Electoral division(s): All

Forward Plan ref: Not applicable **Key decision:** No

Purpose: To inform the Committee of plans to improve the Adult Social Care Contributions Policy and its supporting income collection processes.

Recommendation: The Committee is asked to approve the proposed plans to improve the way in which the Adult Social Care (ASC) Contributions Policy operates.

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1.0 BACKGROUND

- 1.1 The introduction of personal budgets is an integral part of the transformation of adult social care systems. A personal budget is an upfront allocation of social care resources to a person who is eligible for support. Following an assessment of their need for non-residential social services (“needs assessment”), a person who the County Council considers as eligible for support will be allocated an amount of money necessary to meet their needs. Following the needs assessment and calculation of how much the personal budget might be, the County Council will undertake an assessment of the person’s financial circumstances in accordance with the guidance on Fairer Charging Policies for Home Care and other non-residential Social Services (the Fairer Charging Guidance). This assessment will determine the level of the contribution the person will make to their personal budget.
- 1.2 The County Council will work out what the person’s maximum contribution would be in accordance with the Fairer Contributions guidance. If the financial assessment shows that the person has enough income or savings to contribute to their personal budget, the County Council will tell them what the actual contribution will be.
- 1.3 In response to service user feedback, the Executive Director of CFA commissioned the Corporate Service Transformation Team to perform a ‘Complex Systems Review’ of the Adult Social Care (ASC) Contributions Policy and supporting systems. This was completed in May 2014. This was in response to a number of complaints and evidence that some aspects of how the policy is implemented remained unclear.
- 1.4 The key finding of this review was that the calculation and collection of a service user’s contribution is too complex for service users to understand and frontline professionals to implement. Whilst the system is theoretically sound and can work well in simple cases, it too often relies on an unrealistic level of understanding both on the part of the service user and practitioner. Invoice queries are time consuming and costly to resolve and the customer experience is poor and as a result confidence in the system is low.
- 1.5 At the outset it is important to acknowledge that the process and systems involved in calculating contributions are extremely complex. It involves:
 - Calculating the personal budget.
 - Establishing the service user contribution using a means-tested assessment process.
 - Collecting the service contribution.
 - Managing changes to their contribution as their needs change.
- 1.6 The priorities for the Project Board have been to:
 - Improve the service user experience by ensuring greater transparency.
 - Reduce the number of invoice queries and complaints.
 - Maximise income collection.
 - Ensure effective use of resource and staff time.
- 1.7 To achieve these objectives the Project Board has had to adopt a pragmatic approach given that more significant changes will be required as a result of the Care Act and the introduction of a cap on care costs.

2.0 MAIN ISSUES

2.1 Issue:

The policy was not clear on all aspects of ASC Contributions.

Action:

An in depth review of the policy was carried out by policy and legal experts to clarify areas of policy and address any gaps.

Outcome:

No significant changes have been made to the Contributions Policy (refer to Appendix 1). However, the policy has been improved to ensure it is transparent, consistent, more easily understood with any gaps addressed. The changes are summarised in a Practitioner Fact Sheet (refer to Appendix 2).

2.2 Issue:

When the contribution towards the cost of care services is calculated, an allowance to cover any extra expenses that a service user may have due to their disability is made, if these needs are not already covered by the Support Plan. The policy was not clear on the issue of Disability Related Expenditure (DRE) and the amounts used in the financial assessment process were not standardised. This made it difficult to follow a consistent approach when deciding what 'reasonable' amount could be deducted from a service user's total assessed income. It was time consuming to administer and may have led to a potential loss of income.

Action:

DRE amounts were reviewed; standardised and published. The fundamental principles in respect of the type of Disability Related Expenses considered for a person (in receipt of the appropriate Disability Benefits) within a financial assessment have not changed. The wording of the policy has slightly been amended to make it easier to understand. Within the text of the Policy document the narrative to support the list of allowable expenses has been reduced. However, for the first time the Contributions Policy has an Appendix which provides an overview of potential allowable expenses (although not an exhaustive list) with indicative amounts against each item as a starting point for discussion on the cost of an individual's additional expenditure. An individual can still elect to have the standard DRE amount of £26.00 per week allowed if they feel this is more beneficial than an individual DRE assessment.

Outcome:

The policy includes a clear position on DRE and standard amounts will be used in the financial assessment process. This will ensure an equitable and consistent approach will be followed across teams and services. In addition, these amounts will be included in the published policy to ensure transparency for the service user.

2.3 Issue:

The policy did not address the County Council's approach to the deprivation of capital issue. This occurs when a person has knowingly reduced their capital in

order to reduce their contribution (for example by excessive spending or gifting). This meant there was ambiguity over the County Council's response when there is evidence that it has occurred.

Action:

A reference to deprivation is now included in the policy.

Outcome:

This will be taken into account in the financial assessment. The contribution may be calculated as if the person still holds the capital that has been disposed of. Thus allowing the County Council to look more closely at this issue and ensure public funding is used appropriately.

2.4 Issue:

The consequence of the service user not providing the information required for the financial assessment was vague. This contributed to the potential risk that income could be lost.

Action:

The policy was reviewed and now stipulates that if information has not been provided within 28 days, the service user will pay the full amount of care received from the day the care started. Where the service user provides all the information for the financial assessment within 28 days, their contribution will be charged from the date on their 'notification of contribution letter'.

Outcome:

As a result, the policy is now clear about a service user's responsibility and explains what the consequences are for not providing the required information. It allows for tighter processes and procedures and the ability to prevent a potential loss of income. Again, this allows the County Council to clarify its position and look more closely at this issue and ensure public funding is used appropriately.

2.5 Issue:

The cancellation clause outlined a complex set of rules when a service user wanted to cancel their care. This led to misunderstanding amongst service users and ultimately queries and occasionally complaints. It is meant that a considerable amount of staff time was being spent dealing with queries.

Action:

The cancellation clause was reviewed. The contribution will not be adjusted until the cost of the care that week is less than the contribution. For example, if the personal budget is £100/ week and their contribution is £30/week, the contribution and the amount invoiced will not be adjusted until the cost of care falls below £30. This could mean that the contribution is not adjusted if the person has a short stay in hospital. They will make no contribution if they are in hospital for a week.

Outcome:

The service user will have better information on what to do if they want to cancel care. They will have a clearer understanding of how their contribution will be affected if their care is cancelled. This will lead to an improved understanding of their invoice and allow a service user and their family to have better financial control.

2.6 Issue:

Where a service user has their care organised by the County Council and pays for the full cost of their care, the arrangements are administered by the County Council. Every time this service user makes a short-term change to their care, there is an administrative consequence to the County Council.

Action:

We will, therefore, be encouraging people who pay the full cost of their care to make a direct arrangement with their provider where it is appropriate to so.

Outcome:

This will help reduce administrative costs to the County Council, and provide a better customer relationship between the service user and their care provider, which is the most important relationship.

2.7 Issue:

We were not clear on what contributions were being collected when a service user is discharged from hospital into an interim bed or when unplanned respite care is needed. This has led to a loss of income.

Action:

To resolve this, we have decided to restart the collection of an existing service user's contribution when the service user is discharged from hospital into an interim bed or when in unplanned respite care. The contribution will continue to be collected until the permanent arrangements are clarified and the financial assessment reviewed.

Outcome:

This will ensure there is no loss of income should this situation occur.

2.8 Issue:

There have been occasional problems with cases where a service user has both a direct payment and arranged care. An automated, complex technical solution to process the contribution was put in place making it difficult to explain invoices and resulting in a lack of choice for the service user on how the contribution was collected (as the system was set up to decide).

Action:

This technical solution will be replaced.

Outcome:

This will provide the teams with the ability to control the collection of the service user contribution and the invoicing procedure. As a result the service user will have a much improved customer experience.

2.9 Issue:

There have been particular issues around collecting contributions for services users in Extra Care Housing as a result of tension between the care provider's contractual arrangements and the personalisation/self-directed support process. Under the current contract, a core amount of care hours are charged for personal care and the peace of mind charge. With the introduction of self-directed support and personal budgets, calculating a service user's contribution to these core hours is not straight forward. This is made more complex by the service user's ability to commission care from an alternative provider not the on-site provider.

Action:

The approach to collecting a service user's contribution for those in Extra Care Housing has been reviewed.

Outcome:

A more pragmatic approach to collecting service users' contributions to their personal care and the 'peace of mind charge' (a contribution to having access to carers on site 24 hours/day) has been decided on. All residents in future will be made aware that they will be required to pay the 'peace of mind charge' and that the charge is means tested. This charge will apply even if they are not eligible for services and when they decide not to use the on-site care provider.

2.10 Issue:

There has been an increase in the number of customer queries and complaints as a result of a service user receiving an invoice. One team receives approximately 80 to 150 queries over a period of a month.

Action:

This issue has been looked into and the processes for generating invoices and income collection have been reviewed end to end. Particular attention has been paid to address service user complaints and member concerns about invoice layout.

Outcome:

As a result, the invoice will have a new layout that will make it clearer for the service user to understand what they are being asked to contribute (refer to Appendix 3).

2.11 Issue:

The review also found that the teams did not completely understand the system and its supporting systems, and in some cases could not confidently explain how the invoice had been calculated to a service user.

Action:

A revised invoicing manual will be released for the teams to support them in their work and the invoicing process will be changed to allow for a new 'draft billing' process.

Outcome:

This will mean that the teams will be able to proactively manage the invoicing process and identify any issues prior to invoice release.

3.0 ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

3.1.1 There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives

3.2.1 Service users and their family will have an improved understanding of the County Council's policy on ASC contributions and its supporting collection processes. This will mean that they will have better control over their financial position. If a service user understands the policy and how a contribution is worked out, they will be able to understand how much and when they will contribute thus putting them in a better position to plan finances accordingly.

3.3 Supporting and protecting vulnerable people

3.3.1 The improvement plan ensures the service user and their family who are in a vulnerable position will have a full understanding of how their contribution is assessed, calculated and collected. The improvement plan will provide better communication, advice and information in order to facilitate this.

4.0 SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

4.1.1 The improvement plan will be delivered within current resources and budgets.

4.1.2 It is anticipated that time taken to manage high volumes of invoice queries and complaints will be reduced which will release administrative capacity to focus on other high priority tasks.

4.1.3 At present, we are currently forecasting service user contributions for the financial year 2014/15 to be approximately £18m. If we make these changes there is a potential to generate more in terms of the full contribution. We can only model this at this stage, please refer to the table below for a high-level estimates of the potential impact the changes could make to our income levels for the 2014/15 financial year. Column B estimates the potential additional amount of income that could be collected as a result of this improvement plan. Column C is, therefore, the total income we could potentially generate for the 2014/15 financial year:

A	B	C
% Increase	Additional income	Total income
1 %	£180k	£18,180k
2 %	£360k	£18,360k
5 %	£900k	£18,900K

4.2 Statutory, Risk and Legal Implications

4.2.1 The improvement plan actions will result in the County Council being better placed to deliver its statutory requirements with regard its Adult Social Care contributions policy.

4.2.2 Making it simpler for a service user and their family understand is constrained by the fact that government legislation on which ASC contributions are worked out and collected is fundamentally complex. To help with this, refresher training is being delivered to staff to support them in their work along with better communication for service users, such as information leaflets etc.

4.3 Equality and Diversity Implications

4.3.1 The improvement plan covers all Adult Social Care service areas.

4.4 Engagement and Consultation Implications

4.4.1 There has been extensive engagement and consultation on these plans:

- All key staff groups have been consulted about the issues and the plans to make improvements. Workshops and focus groups have been set up to allow for their involvement.
- The Older Peoples Partnership Board has been consulted and their feedback sought.

Analysis of service user feedback on contributions and invoices, particularly, in the form of customer complaints has been used to inform the improvements.

4.5 Public Health Implications

4.5.1 It is important that service users have a clear explanation of how the contributions policy works as this enables them to feel in control of their care and resources and to be able to make decisions and plan on this basis. This sense of control is an important contributory factor to good health outcomes.

4.6 Localism and Local Member Involvement

4.6.2 No specific implications.

Source Documents	Location
None	