Independent Healthcare Providers Network

Dialling up diagnostics: The vision for Phase Two of Community Diagnostic Centres

Executive Summary

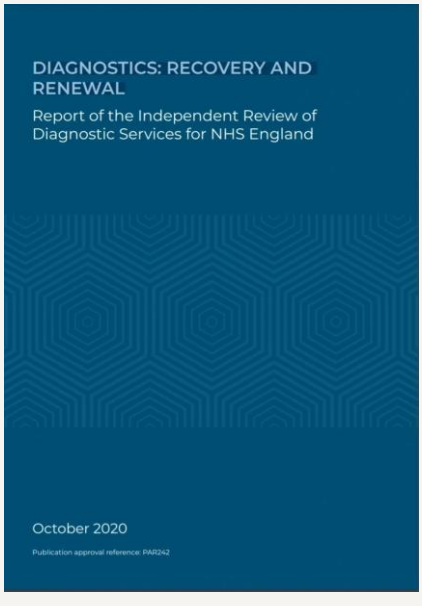
Diagnostics is a critical component of both the emergency and planned care pathway for NHS patients. The NHS waiting list currently stands at just over 7.6 million , with the vast majority of these relating to an initial diagnosis - in fact NHS data suggests that diagnostics will play a key part of over 85% of all clinical pathways annually . For some of these patients there will be good news and they will not require further investigation or treatment. For others the test will be the gateway to understanding what ongoing care they need. And there will be some – a growing number unfortunately – where an important issue such as advanced cancer is identified and from where urgent treatment will be needed. With NHS diagnostics targets not having been met for over a decade now, what is clear is that diagnostic capacity needs to be dramatically scaled-up in England to help to drive down the backlog and put NHS scanning onto a long-term sustainable footing.

The new Labour government has talked about the need to boost diagnostic capacity, with a manifesto commitment to double the number of CT and MRI scanners, as well as moving more provision out of hospital into the community. But what does this mean for the Community Diagnostic Centre programme?

Independent Healthcare Providers Network

Dialling up diagnostics: The vision for phase two of Community Diagnostic Centres

The Community Diagnostic Centre (CDC) programme was launched in 2020 following Professor Sir Mike Richards' "Diagnostics: Recovery and Renewal" report. The report was both widely welcomed and supported - including by the independent healthcare sector. The CDC programme was designed to fulfil one of the keys aims of the report, which proposed "a new diagnostics model, where more facilities are created in free standing locations away from main hospital sites… providing quicker and easier access to tests to a range of tests on the same day, supporting earlier diagnosis, greater convenience to patients and the drive to reduce health inequalities."



During the past three years, the independent healthcare sector – which delivers over one in five of all NHS funded diagnostics tests and scans - has worked with NHS England at all levels to support the ambitions of the programme.

Independent Healthcare Providers Network

Dialling up diagnostics: The vision for phase two of Community Diagnostic Centres

The CDC programme is a key enabler to meet the increased numbers of diagnostic tests that are needed. This report provides an update on Phase One of the CDC programme from the perspective of independent healthcare providers. How far has it achieved the vision of the original goal? And what further can be done to ensure that NHS patients have access to speedy diagnosis – a challenge that is even more urgent given the growth in waiting times since the programme was launched in 2020.

This report draws on industry expertise in NHS diagnostics and ongoing work on the CDC programme itself. We believe that the CDC model is the right one for the future of NHS diagnostics. What is needed is to go further and faster. This report therefore recommends that the government and NHS England commit to a Phase Two of the CDC programme with more CDCs created across every NHS Integrated Care Board (ICB), continuing to fulfil the goals of the original Richards report, and builds on the experience of standalone sites that were developed in Phase One.

Recommendations for a successful Phase Two

1. Launch the next phase of the CDC programme with ambitious targets for rapidly increasing the number of new centres available to patients, based in the community and away from acute sites

Patients benefit substantially from CDCs, particularly those based in the community helping to alleviate health inequalities – one of the Richards' Review key aims. Unfortunately, looking at the data, nine CDCs were based on acute sites. And while the majority were based on community hospital sites (which in many cases may have been a good option), there ended up being only a small number being based away from a hospital. Going forward, there should be a presumption in favour that all future CDCs should be on community sites that are easy to get to by public transport and/or with parking.

2. CDCs should be measured with a new transparent set of metrics, including setting ambitious benchmarks for productivity within CDCs such as by extending the operating times of scanners. Where benchmarks are consistently not met new providers should be enabled to come in and operate those sites

To establish that CDCs are delivering against the original aspirations of the Richards' Review and are good value for the public purse, CDCs should be measured with a new set of transparent measurements. The diagnostic data picture is confusing, and it is therefore imperative that a robust set of metrics underpin the operational performance of CDCs. These should focus on productivity alongside additionality, accessibility (waiting times and location), quality, and patient satisfaction. In addition, enabling CDCs to benchmark their performance against other similar CDCs should help to raise the overall performance. Where performance is not being met by the incumbent provider, new providers should be allowed to come in and operate sites.

Recommendations for a successful Phase Two

3. The independent sector should be a key partner to deliver the programme, particularly in the provision of capital investment to fund a new wave of CDCs supported by longer-term contracts with NHS ICBs

Despite initial thinking that the independent sector would be substantially involved, the actual numbers show that fewer than 7% of CDCs (13) have extensive independent sector involvement. This has been a missed opportunity that should not be repeated in any future phases of the CDC programme for the following reasons:

- Use of the independent sector to run and lead CDCs enables the deployment of private capital and reduces the strain on the public capital budget, which we know is likely to be tight in the coming years. If a third of all CDCs had been independent sector led it would have resulted in a reduction in capital spend of approximately £500 million. This is a high-level estimate, but with recent figures from the National Audit Office showing that the NHS hospital maintenance backlog has doubled since 2014 from £4.7 billion to £10.2 billion, this money could have easily been put to better use.

- Improved productivity and throughput, with independent sector providers demonstrably more efficient than many public sector operators. To illustrate, data collated from the industry suggests that for independent sector run CDCs, the number of patients scanned per year on each MRI scanner averages 9,000. We believe that the NHS is 'aiming' for 8,000. We welcome the work that NHSE are doing currently to understand CDC optimisation and are happy to contribute to this going forward.

Recommendations for a successful Phase Two

(continued)

3. The independent sector should be a key partner to deliver the programme, particularly in the provision of capital investment to fund a new wave of CDCs supported by longer-term contracts with NHS ICBs

It is also worth considering whether there are other routes, in addition to, or instead of, the process used in phase one, to increase capacity by enabling greater involvement of independent healthcare providers. Extending patient choice to diagnostics would be one way, along with other contracting models such as the Any Qualified Provider (AQP) model which may more effectively lead to greater diagnostics capacity being made available, including from the independent sector.

CDC programme: the current state

In the 2021 Spending Review, HM Treasury committed to investing £2.3 billion of capital funding over three years to transform diagnostic services. In December 2022, former health minister Will Quince MP said that "the majority" of this funding would be dedicated to expanding the CDC programme, although we understand it has been around 60% of that budget. The Government has said that it is the "largest central cash investment in MRI and CT scanning capacity in the history of the NHS."

Recent data suggests that 165 CDCs have opened with 5 more due, with the presence of at least one regular or large-sized CDC in each Integrated Care System (ICS) in England. In addition, the NHS has approved funding for a total of 206 CDCs.

NHS England deliver approximately 26 million diagnostic tests at a cost of £6 billion each year , with diagnostics playing a key part of over 85% of all clinical pathways annually. The CDC programme, alongside other hospital investment, originally aimed to increase capacity by a further 9 million a year, hoping to increase overall capacity to approximately 35 million tests per annum. More recently, the NHS has a target to deliver up to 17 million checks, tests and scans by CDCs by March 2025 (from the inception of the programme in July 2021). A total of 7 million checks were carried out at CDCs as of March 2024, since they were first introduced in July 2021.

This is an impressive achievement especially given the challenges of the pandemic/post-pandemic recovery. The CDC programme represents a sustained investment of effort in improving access to diagnostics and we welcome the progress that has been made.

CDC programme: the current state

Recent data shows that total diagnostic activity rose in May this year which is around 12% higher compared to pre-pandemic levels. Nevertheless, there is further work to be done to improve NHS diagnostics. People continue to wait longer than before the pandemic. 365,781 had already waited over six weeks for a test in May 2024. Of these, 123,391 had waited 13 weeks or more. In 2019, the equivalent figures were 43,230 waiting over six weeks, of whom 5,398 had waited 13 weeks or more. That equates to an 746% increase in the number waiting over six weeks and a 2186% increase in those waiting over 13 weeks.

Subsequently to the publication of the Richards Review, NHS England envisaged that the independent sector was likely to play a key role in the CDC programme, whether that be providing capital, and or delivering the clinical services whether in full or in part. Of the 203 CDCs, we understand that, to date, only 13 are (or due to be) run by an independent sector provider, with a further 26 having meaningful sector involvement. In addition, a proportion of the "new" CDCs that are run by an independent sector provider are "rebranded" existing services that predate the CDC programme. There are a larger proportion of CDCs which have some independent sector involvement, but they tend to be providing mobile diagnostic capacity alone.

Independent Healthcare Providers Network

What we know about community diagnostic centres

1. Do the new CDCs align with the original goal of providing diagnostics in "free standing locations away from acute sites" to deliver improved access to patients?

One of the key principles of the CDC programme was that they would be situated away from acute sites and embedded in the community. Data shows us the reality has not quite lived up to the aspiration. IHPN analysis of recent NHS data shows that of the 145 operational CDCs that have reported activity, currently nine are on acute hospital estates with the rest predominantly sited on community hospital sites (which in many cases may have been a good option). That leaves only a handful that are sited away from a hospital and certainly not what was envisioned in terms of being situated on high streets etc.

Costs and operational challenges in finding suitable sites has undoubtedly been a contributing factor and in many cases a community hospital site would have been a good option, but it is nonetheless disappointing that such a substantial proportion are still on a "hospital" site. This was neatly summarised in the recently published Times Health Commission final report: *The evidence presented to the commission suggested that the same level of investment in diagnostic centres is needed as in the last spending review: about £1.6 billion. This should be used partly for new facilities and partly for upgrading small sites to larger ones. The commission also found that the new centres should where possible be in the community to make testing more convenient for patients and reduce the pressure on hospitals and importantly that involving the private sector would minimise capital expenditure and accelerate the programme.*

What we know about community diagnostic centres

2. Do we understand clearly what CDCs are delivering – what does good looks like?

This report is full of data and stats, and it presents a confusing picture at times particularly when you try and compare different NHS datasets. We do have a broad understanding of the overall number of tests being delivered by CDCs, as that has been shared widely, and more activity is obviously better against a backdrop of the number of people sitting on waiting lists. But the picture of what is being delivered below this top-level figure is harder to see.

The King's Fund report from October 2023 suggests that local areas are prioritising delivery, rather than exploring the potential avenues for innovation and change to pathways. Do we understand the improvement to the patient (and employee) experience, the quality of clinical services, and whether it is delivering against the Richards' Review main aspirations? It may be that metrics are being captured but not shared but it is important that the true value that CDCs bring is transparent or as the King's Fund concludes "*there is a risk that with staffing and financial pressures, coupled with the small volume of activity being delivered, that CDCs are side-lined or scaled back in favour of traditional diagnostic provision*." We hope that those CDCs that are piloting more innovative ways of working share their learning widely to maximise best practice around the country.

What we know about community diagnostic centres

3. Has programme delivered value for money to taxpayers by drawing on capital and capacity from external sources including the independent healthcare sector?

NHS England state that approximately 40% of CDCs have independent healthcare sector involvement in some shape or form. Of the 203 CDCs, there are only 13 CDCs led by the independent sector, less than 7% of the total – far short of what could have been possible.

Following the publication of the Richard's review, the independent healthcare sector was keen and ready to play their part in support of the report's ambitions. Independent providers have many years' experience working in effective partnership with local NHSE organisations, regional teams as well as with the national NHSE team and more recently the Elective backlog team. They have substantial knowledge of building and running standalone diagnostic sites, drawn from their experience and best practice from their work in the UK as well as internationally.

For decades, the independent healthcare sector has worked in partnership with NHS organisations to support the delivery of NHS funded imaging and tests. IHPN conservatively estimate that over 4 million scans and tests were delivered by the sector last year to NHS patients. Some were directly commissioned diagnostic services, and others were provided by independent providers that run NHS trusts' inhouse services. We see this reflected in Care Quality Commission (CQC) data from October 2023 which show that the independent sector is responsible for the delivery of 370 core diagnostic imaging services – the second highest core service just behind surgery.

Independent Healthcare Providers Network

What we know about community diagnostic centres

IHPN recently conducted research into quality and safety in the sector and found that 85% of independent locations rated for diagnostic imaging services are good or outstanding. This is in comparison to 51% of NHS organisations, though we note that a much smaller number of NHS providers have been rated for this service so far.

The sector had a clear offer that has been shared with the NHS and previous government including the Elective Recovery Taskforce which was set up by Rishi Sunak in December 2022. Although the sector is made up of a myriad of different providers all differing in size, geography and provision – IHPN could see clear consensus by the sector on several key principles. They were and continue to be the following:

• Use of the independent sector to run and lead CDCs enables the deployment of private capital and reduces the strain on the public capital budget, which we know is likely to be tight in the coming years. We have already detailed that up to £2.3 billion of capital funding was allocated to the CDC programme, and that the original intention was that a far greater percentage of the total number of CDCs would be independent sector led. The key question is what money could have been saved if more CDCs had been independent sector led - our industry estimate is as follows:

If a third of all CDCs had been independent sector-led it would have resulted in a reduction in capital spend of approximately £500 million. This is a high-level estimate, but with recent figures from the National Audit Office showing that the NHS hospital maintenance backlog has doubled since 2014 from £4.7 billion to £10.2 billion that money could have easily been put to better use.

What we know about community diagnostic centres

We can also see from NHS published data on the capital spend by CDC that the average cost is far greater than the average cost spent by the independent sector – often as much as 3 or 4 times. For these reasons, there is a strong case for using private capital to minimise the need for public funding for Phase Two of the CDC programme.

- Improved productivity and throughput, with independent sector providers demonstrably more efficient than many public sector operators. To illustrate, data collated from the industry suggests that for independent sector run CDCs, the number of patients scanned per year on each MRI scanner averages 9,000. We believe that the NHS is 'aiming' for 8,000.

- Benefitting from the buying power of independent sector providers, many of whom can buy scanning equipment at cheaper prices than an individual NHS Trust.

- An extensive fleet of mobile diagnostic vehicles that quickly and easily bring much needed capacity often reaching hard to reach communities and locations that can scale up new CDCs rapidly while permanent facilities are constructed.

- Innovation and new ways of working brought in from providers' experiences overseas.

- The cost to the NHS is the same or often lower than when done within the public sector since all providers are paid on a pre-set NHS unit price basis.

Looking forward

The concept of Community Diagnostic Centres was universally supported and there is no doubt that the programme was ambitious. In 2024, there is still strong support for the programme but there is also an acknowledgement that the process and approach that was used to make it operational had its imperfections. This is reflected in the recent All-Party Parliamentary Group for Diagnostics report on CDCs, which mirror many of the findings of this report. The King's Fund report from October 2023 highlights that most CDCs are on existing NHS estates "potentially preventing them from addressing health inequalities and access issues as originally intended."

In addition, it is not entirely clear why the potential to use independent sector support for the CDC programme remains largely untapped. Opportunities for the independent sector to support a reduction in diagnostic wait lists (and the elective care backlogs) have been arguably been missed, along with arguably poor use of the public purse particularly around capital spend.

There have certainly been several barriers that have been mentioned to providers and to IHPN – some ideological including a desire to "keep money in the NHS", as well as operational concerns over the sector "stealing" workforce for an example.

The reality is that there are great examples of where the sector and the NHS work effectively together, taking advantage of the extensive capital, capacity, and capability that the independent sector can provide, ensuring that the additional resources made available by government are used effectively to treat patients and reduce waiting times. We have detailed a number of those examples at the end of the report.

Looking forward

However, a perception has emerged that NHS national and local systems have prioritised 'in-house' NHS projects over those that involve an independent sector partner. It is also worth considering whether extending patient choice to diagnostics and other contracting models that might be used in addition to, or instead of, the process used in phase one. This could include the Any Qualified Provider (AQP) model which may make it easier for local areas gain access to additional capacity, including from the independent sector, rather than bids for new CDCs being signed off centrally.

In summary, this report therefore calls for three recommendations:

1. **Launch the next phase of the CDC programme with ambitious targets for rapidly increasing the number of new centres available to patients, based in the community and away from acute sites.**
2. **CDCs should be measured with a new transparent set of metrics, including setting ambitious benchmarks for productivity within CDCs such as extending the operating times of scanners. Where those benchmarks are consistently not being met new providers should be enabled to come in and operate those sites.**
3. **The independent sector should be a key partner to deliver the programme, particularly in the provision of capital investment to fund a new wave of CDCs, supported by long contracts with NHS ICBs.**

This should ensure that we collectively learn the lessons from the initial phase of the CDC programme to ensure that any future funding is used more wisely - focusing on the best value to the public purse and putting patients at its heart.

Independent Healthcare Providers Network

Examples of effective independent sector & NHS collaboration on CDCs

Medical Imaging Partnership Limited (MIP) - Community diagnostics clinic at the Amex Football Stadium for University Hospitals Sussex Foundation Trust and Sussex MSK Central Partnership

In 2015, MIP established a community diagnostics clinic at the Amex Football Stadium. The facility was formally designated a Community Diagnostics Centre in (CDC) in 2021 in recognition of its excellent transport links and a location that is close to areas of deprivation.

The CDC offers consulting rooms for medical and physiotherapy practitioners, supported by a range of diagnostic tests comprising X-Ray, MRI, CT, Ultrasound, Spirometry in support of a breathlessness pathway, and phlebotomy. The centre is open 6 days a week, between 07.30 and 20.00. MIP's service comprises triage and bookings, imaging appointments and reported results for patients referred from across Sussex. The model is robust and safe, assuring patients paramedical attention on site in the event of an adverse reaction to their assessment or other medical emergency. Patients are offered a choice of date and time, reducing 'did not attend' rates significantly. As a result:

Over 89% of patients referred to the Centre are scanned or examined and reported within 7 days, and 97% are examined and reported within 5 days.

IT systems effectively to link access to results fully with the local acute system to ensure that the clinic is an integrated part of the local healthcare system and results are available at all stages of the patient journey.

They are also working with the local acute system to support training of the NHS clinical workforce and rotation of key NHS staff so that all practitioners have an opportunity to be exposed to all case mix. This is important given the professional shortages in Radiography disciplines.

The co-location with Brighton and Hove Albion FC, whose community links and emphasis on health prevention initiatives is strong, means that they have been able to offer match day health events, to promote the importance of investigations into cancer conditions such as skin and prostate cancer.

Independent Healthcare Providers Network

Examples of effective independent sector & NHS collaboration on CDCs

Alliance Medical Limited delivering a Community Diagnostic Centre (CDC) in Oldham commissioned by the Northern Care Alliance NHS Foundation Trust

Oldham, Rochdale and the Bury area of Greater Manchester, have some of the highest levels of deprivation and poorest population health in England, and needed services to support the early and rapid diagnosis of a range of health conditions including cancer and cardio-respiratory disease. Alliance built a new facility which has provided much needed diagnostic capacity in a community setting, and in a location with great access for both parking and public transport, focussing on those disease areas most relevant to the local population A joint workforce strategy was agreed and both Alliance and NHS staff work side by side and together.

The CDC has enabled innovative ways of working which includes:

- Radiographer-led resuscitation, enabling scans with contrast to be delivered 12 hrs a day/ 7days a week.
- Introduction of 4 new pathways - Cancer RDC (non-specific symptoms), Lung cancer, Head and neck cancer, Breathlessness with further pathways coming on stream soon.

Since the CDC opened there has been:

- 28-day Faster Diagnosis Standard improved from 52.2% in Dec 2022 to 71.6% in March 2023
- Average number of days from referral to a cancer diagnosis being confirmed or ruled out reduced from 34 days to 28 days over the same period.
- Savings of 20 days in the lung cancer pathway, with the time from referral to decision to treat reduced from 52 days to 32 days.
- Reduced the diagnostic patient pathway by 24 days (from 51 to 27 days)
- Patient feedback and satisfaction surveys have shown that patients are very satisfied with the care they receive at the Oldham CDC and would recommend it to their family and friends.

Independent Healthcare Providers Network

Examples of effective independent sector & NHS collaboration on CDCs

InHealth Group Ltd providing 5 new Community Diagnostic Centres and mobile diagnostic services with NHS England in the South West

With the South West historically having a shortage of diagnostic capacity, NHS England's Regional team undertook a procurement for an Independent Sector partner to provide five additional CDCs and Region-wide mobile diagnostic services. InHealth was selected as the preferred partner and will provide £32m of capital investment in buildings and diagnostic equipment, plus 13 mobile MRI and 7 mobile CT scanners and 5 mobile endoscopy units.

The five new CDC sites have been confirmed as Weston-super-Mare, North Bristol, Torbay, Yeovil and Cambourne/Redruth. The new CDCs in Weston and N Bristol opened on 1st April 2024, with N Bristol being provided via an innovative "mobile village" solution adjacent to the permanent CDC building which will be operational in September. The sites in Torbay and Yeovil are on track to open in 2024 and the Cambourne/Redruth site will open in 2025.

Initial feedback from the services in Weston and North Bristol has been excellent, with over 96% of patients saying they would recommend the InHealth service to friends and family. All five sites have been chosen to provide the best possible access for the local population in the heart of the communities that they serve, with public transport links and parking. Indeed, working at Regional scale has enabled the establishment of smaller CDC sites, which if developed in isolation, would not have been viable. This has enabled the Region to address health inequalities and access to healthcare for some of its most deprived communities.

The CDCs will open 7 days per week and up to 14 hours per day, offering a wide range of choice to patients for convenient appointment times. All sites will cater for patients with additional needs such as reduced mobility, sensory disability and where English is not their first language.

InHealth has also provided a significant proportion of the additional staffing required from a mixture of overseas and internal recruitment, and will be contributing to staff training and development as part of the NHS Region-wide workforce strategy.