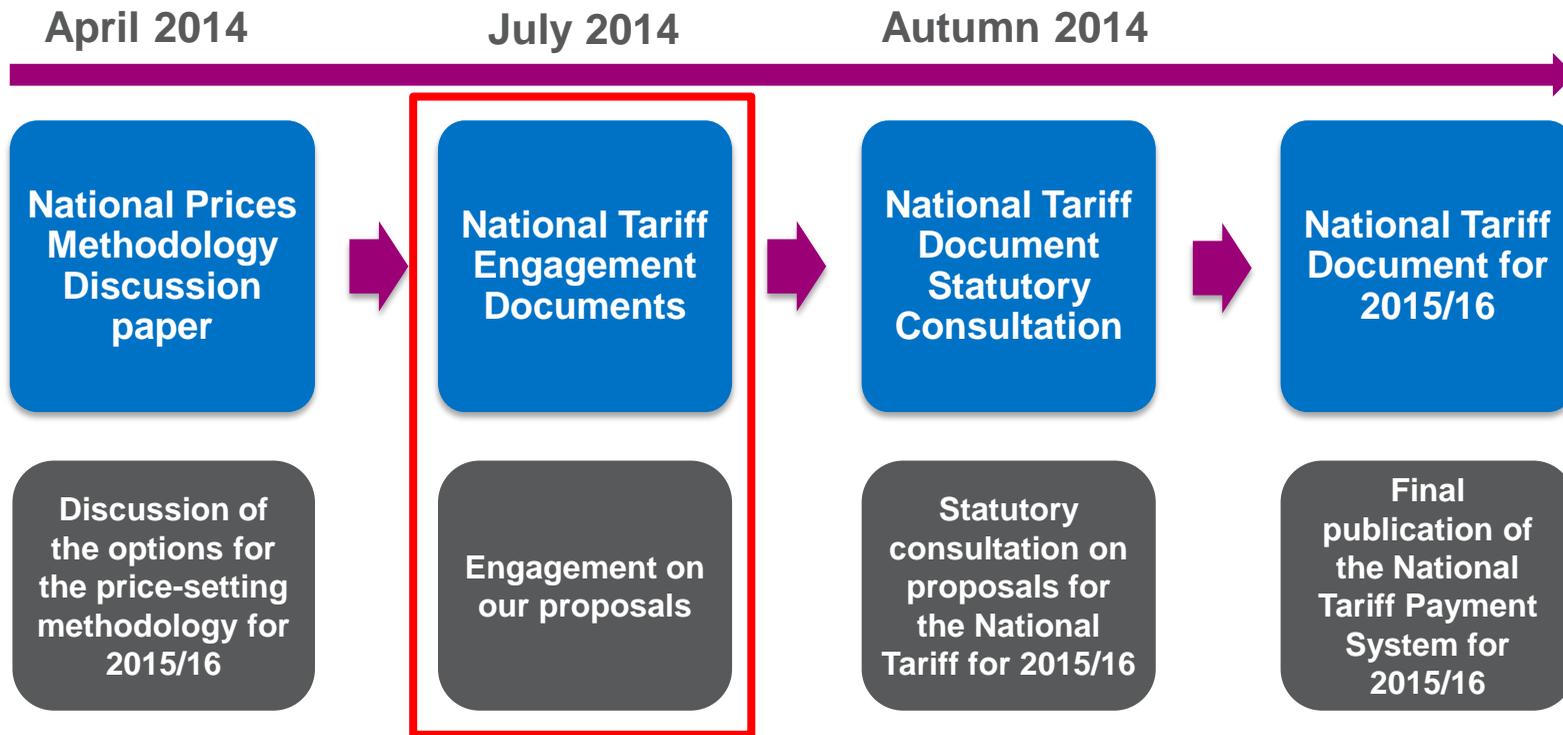


Introducing the national tariff payment system

Ric Marshall

Director of Pricing, Monitor

Overview of the process for 2015/16



After this session you will know:

What the national tariff payment system ('the national tariff') is

Why we have national tariffs

Monitor and NHS England's role in setting the national tariff

The process for setting the 2015/16 national tariff

How you can get involved

What is the national tariff?

National prices

Nationally mandated prices for a set of healthcare services (mostly acute care) defined by national currencies

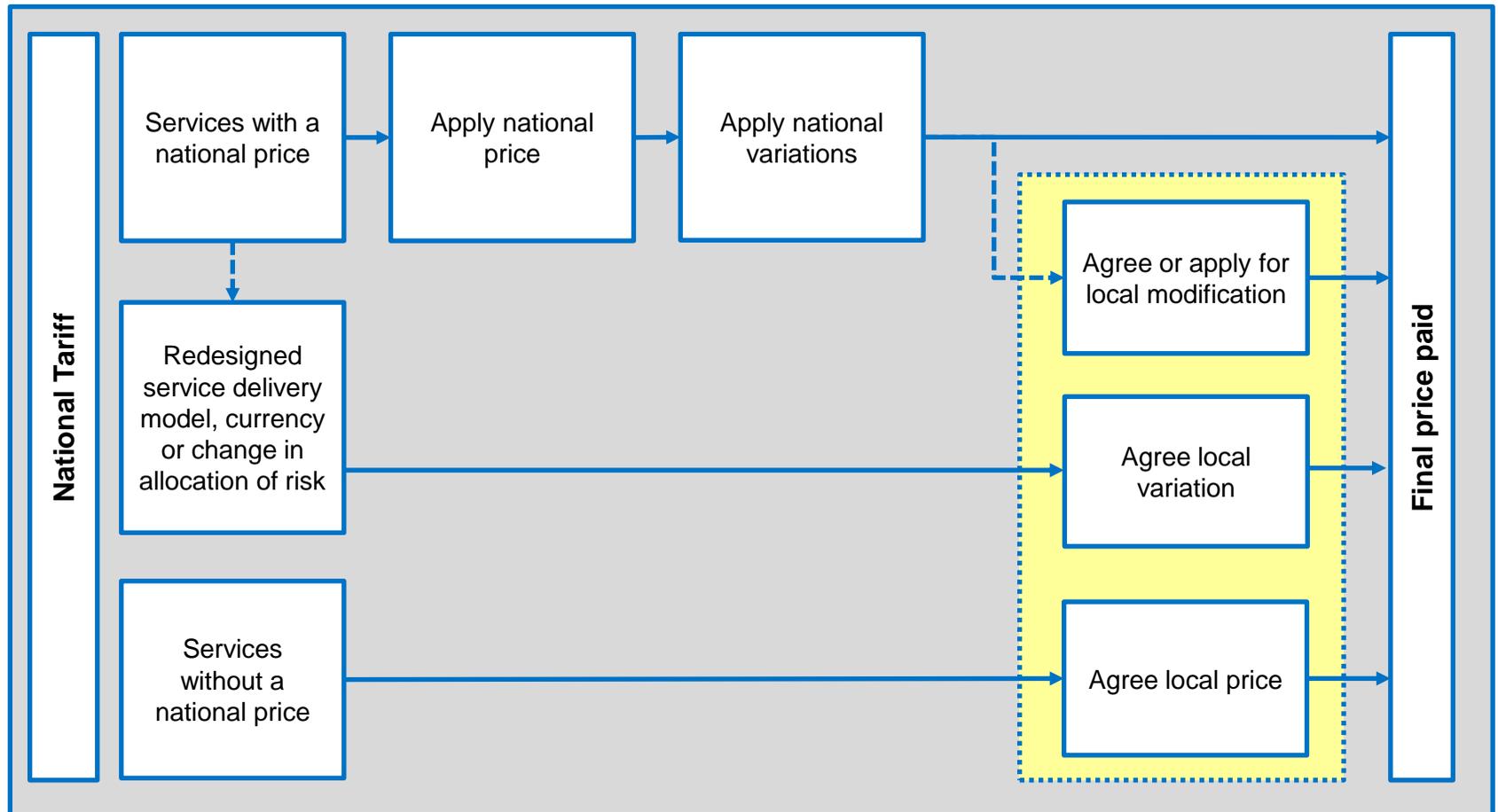
National variations

Nationally mandated adjustments to national prices to better reflect cost variations or share risk between providers and commissioners.

Local payment arrangements

Rules and principles for setting prices locally. Three types of arrangements: local modifications, local variations, and local prices

What does the national tariff cover?



Why do we need a national tariff?

To make sure patients get the best value from taxpayers money

Reduce cost variability and incentivise efficient provision

Transparency in payment and activity

Allows providers to compete on quality

Transparency and consistency in the way money is spent locally

NHS England and Monitor's tariff-setting roles

NHS England leads on:

- Scope and design of currencies
- Variation rules to national tariff currencies

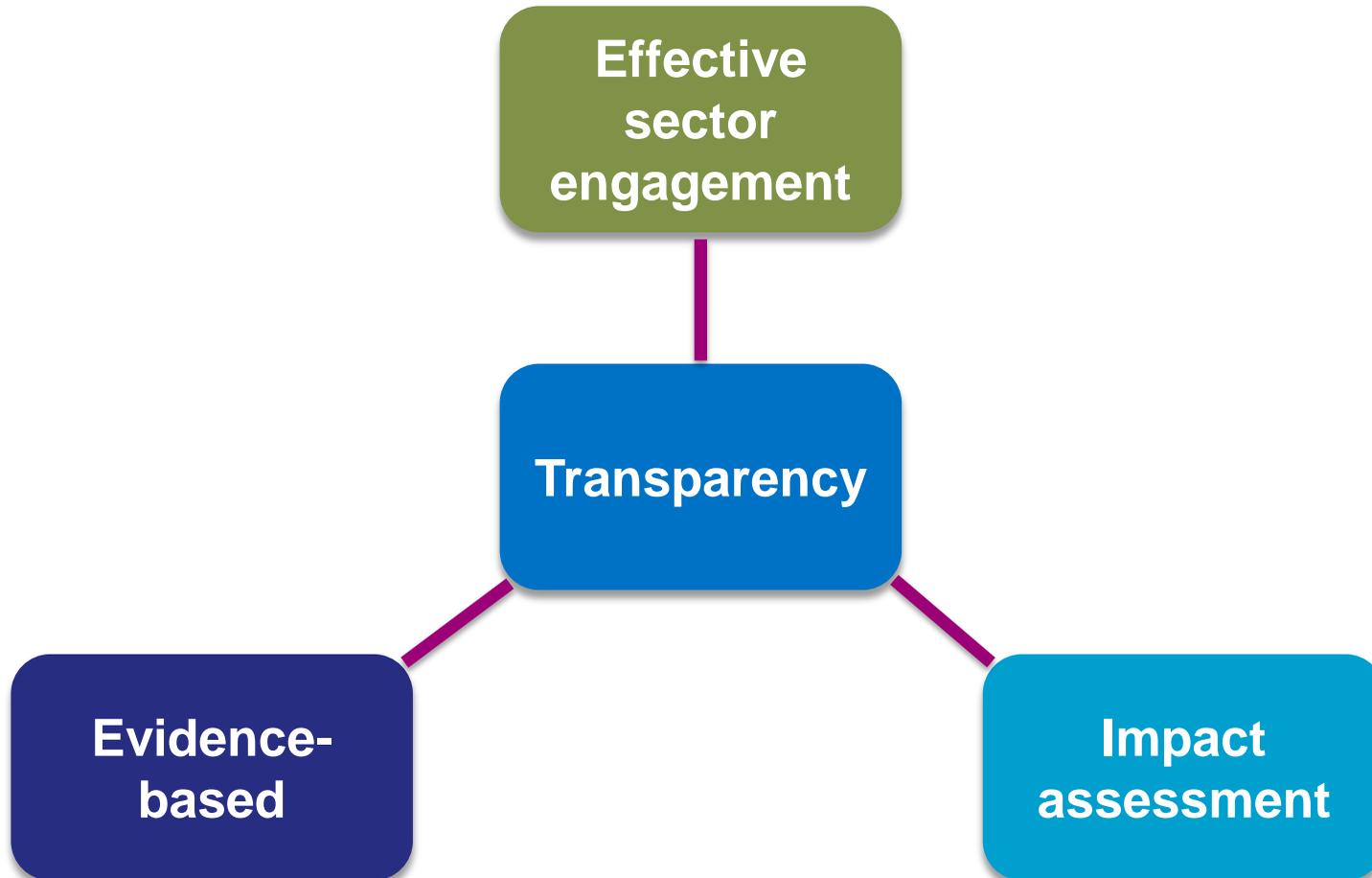
**Close
working and
agreement**



Monitor leads on:

- Pricing methodology
- Regulated prices
- Local modifications
- Rules for local pricing and non-tariff pricing

Principles for developing proposals



2015/16 – Key Proposals

National prices

New prices
Updated Model, Updated reference costs

National variations

Removing some existing National Variations
Reviewing specialist top-ups

Local payment arrangements

Payment rules for mental health
Development of Local Payment Design
Examples

The changes we propose will promote

Progress towards more accurate price setting

More transparency and adaptability in local payment

benchmarked standards of best practice in quality and efficiency

We want to hear from you

Webinars

**In-depth look at
the proposals**
Monday 28 July

**Overview for
clinicians**
Monday 4 August

Workshops

General – Leeds
Wed 30 July

General – London
Thu 31 July

**Mental health –
Birmingham**
Thu 24 July

**Mental health –
London**
Thu 14 August

Written responses

Responses to the engagement documents
and comments on draft national prices are
due by **midday on Friday 15 August**

Your questions