



Ambulatory Emergency  
Care Network

Ambulatory Emergency Care

# Establishing a local tariff

# Purpose of tariff in AEC

- A simple as possible to meet provider and commissioner requirements
- Enable value for money
- Meet the 'cost' of provision
- Work within the financial envelope





# Local tariff calculations

- Bottom up patient level costing (patient pathways)
- Informed by national reference costs (equivalent short stay tariffs but exclude bed costs)
- Total cost of service ÷ activity (projected activity)
  
- Understand how you are managing fixed costs
- What is in / out and clear logic (eg follow-ups appointments)

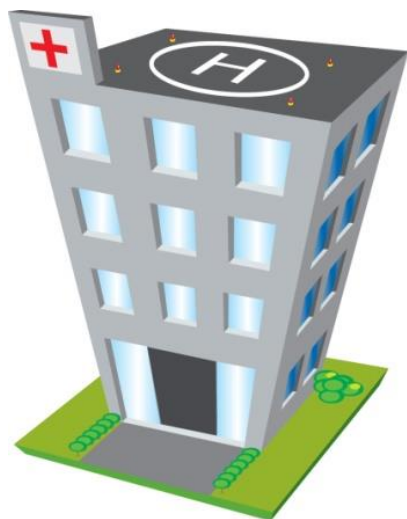
# Total costs

- Fixed costs account for a high proportion of total 'unit cost' of things like a bed day
- **What does a bed day cost in your local hospital?**
- A Travelodge can provide a bed for the day from £20 and that comes complete with digital TV and en-suite bathroom



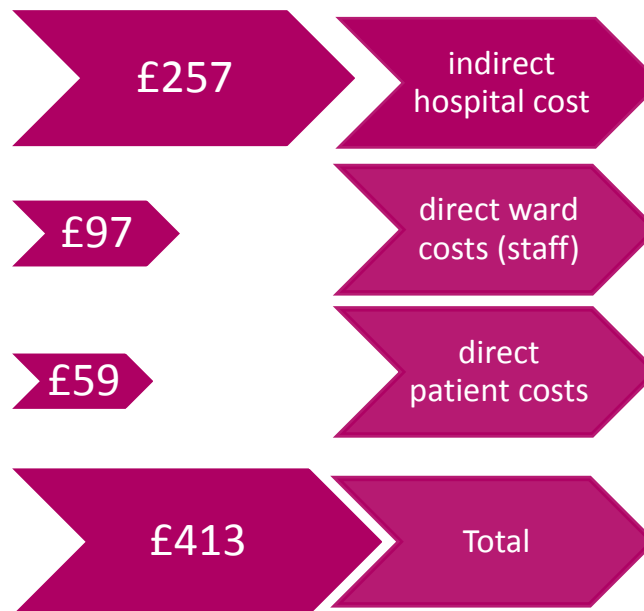
NB this is an old reference so prices are not current for 2017

# Costs for non-elective occupied bed days



Source: Audit Commission

(Cost per bed day)



NB this is an old reference so prices are not current for 2017



## Tips for tariff

- Clear on aim and shared purpose for AEC service
- Understand the cost differences compared to usual patient care
- Set appropriate tariffs / share any financial risk
- Monitor impact – population flows and jointly learn from data
- Not forgetting the virtual information flows with telephone advice
- Agree and monitor outcome / process measures

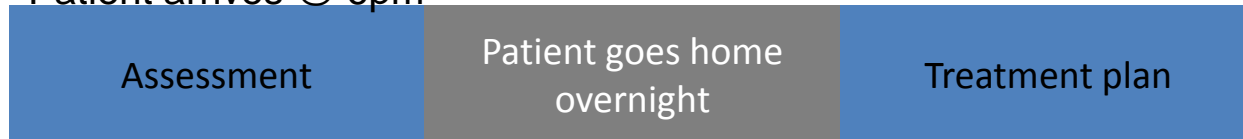


# Same diagnosis and treatment. What cost? What tariff?

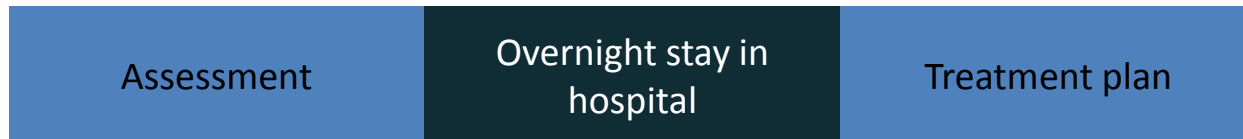
Patient arrives @ 9am



Patient arrives @ 6pm

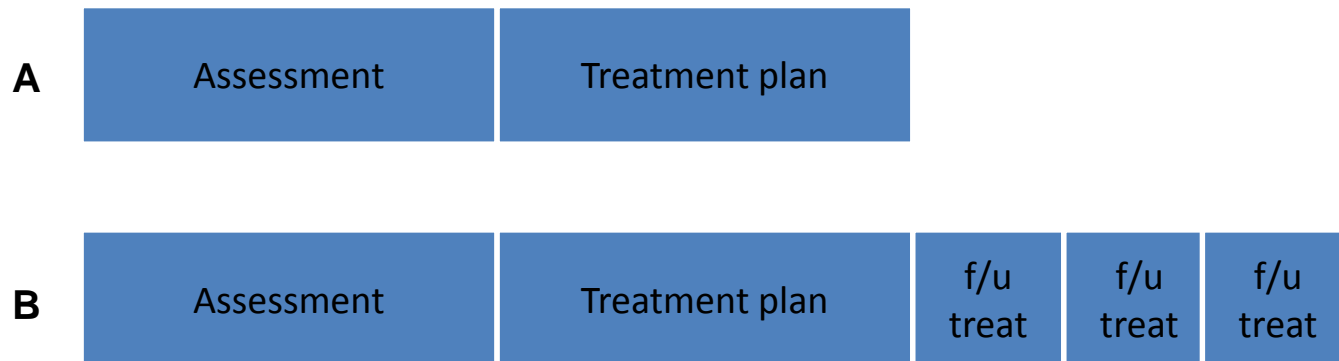


**Old model: “just in case” admission**





# Condition A no follow-up to complete



**What cost? What tariff?**





# The benefits of GP / consultant telephone

