

# **Supplier Boot Camp Report: Medical Services**

Project Name: Pensions Re-procurement  
Project ID: CA1071

## **Document purpose**

The purpose of this document is to:

- Document and publicise the outcomes of the Supplier Boot Camp for Medical Services;
- Provide a public record of the outcomes of the Supplier Boot Camp;
- Ensure compliance with EU and UK procurement legislation.

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## 1. Executive Summary

This Supplier Boot Camp Report for the provision of Medical Services to the Scheme Managers of the NHS Pension Scheme and NHS Injury Benefit Scheme is intended to be readily available to all interested parties and has been made publicly available through the NHS Business Services Authority (NHSBSA) website.

The NHSBSA is preparing to go to market to re-procure Medical Services for the NHS Pension Scheme and NHS Injury Benefits Scheme. The timing of the re-procurement of these services is driven by the expiry of the current contract on 22 July 2017.

The NHSBSA published an advertisement through the Official Journal of the European Union (OJEU) by means of a Prior Information Notice (PIN) on Wednesday 9<sup>th</sup> March 2016, inviting organisations to attend the Boot Camp. Interested parties responded to the advert and registered to attend a presentation, followed by an opportunity to meet the NHSBSA on an organisation to organisation basis.

Members of the NHSBSA Pensions Team and Strategic Sourcing Team presented to and met with a cross-section of the interested organisations at the London office of its advisers, Addleshaw Goddard LLP on 22<sup>nd</sup> and 23<sup>rd</sup> of March 2016.

Meeting with representatives of the market, the NHSBSA worked to ensure that it acted in a fair and transparent manner to build its' profile and credibility with the market place through the presentation of a fair, transparent and inclusive procurement process.

The presentation was delivered by the NHSBSA to all registered suppliers present on the afternoon of 22<sup>nd</sup> March 2016 and this was then followed by a series of individual meetings on 22<sup>nd</sup> and 23<sup>rd</sup> March 2016.

The core market for these services where the supplier has predominance in the provision of employee and pension related occupational health and services is known to be limited. Four (4) suppliers attended the presentation and five (5) joined the NHSBSA for the meetings. Details of those who attended are contained in Appendix 1.

Each meeting was attended by employees of the NHSBSA representing a mix of Strategic Sourcing, Operational and Specialist Technical Leads and a maximum of three (3) attendees from each supplier. The meetings lasted for a maximum of one (1) hour.

Each meeting was structured around both parties asking questions. The NHSBSA was keen to understand the following:

- if its proposed offering to the market was going to be of interest; and
- to obtain advice on the shape of the offering to better engage organisations to gain the best responses from the market;

followed by an opportunity for organisations to ask questions of the NHSBSA, about the opportunity, presentation and procurement plans.

The NHSBSA had 11 questions to ask during the meetings and they are set out, with associated themes of responses in paragraph 4 of this report.

The key outputs of this report are to:

- act as a public record of the Supplier Boot Camp;
- document for all interested parties the output of the Boot Camp identifying the key findings, themes and principles;
- for the NHSBSA to use the findings of the Supplier Boot Camp to assist in the development of the:
  - Business requirements and specifications;
  - The Medical Services contract based on the Government Legal Services Model Services Agreement (GLSMSA);
  - Performance Management; and
  - Commercial structure of the offering.

In terms of next steps, the NHSBSA has set out the following indicative, non-binding timetable for the procurement process (please note that this subject to change):

1. Publication of the Supplier Boot camp Outcomes (this report) – April 2016.
2. Issue of the Contract Notice in the OJEU – Early May 2016.
3. Invitation to submit an Initial Tender – July 2016.
4. Contract Award and Issue standstill letters – December 2016.

The NHSBSA does not make any commitment to using a particular procurement procedure at this stage.

The NHSBSA does not commit (through the answers given or otherwise) to any particular scope of services for Medical Services or to any timescales, and may delay the start of any procurement process, or suspend, amend or terminate any procurement process that is started, and is not committing to awarding a contract.

The NHSBSA gives no warranty on the information presented within this document or related documents.

NHSBSA does not bind itself, by conducting this Supplier Boot Camp exercise, to commence any procurement procedure or award any contract. The NHSBSA will not be liable for any costs, expenditure, work or effort incurred by a supplier in proceeding with or participating in the Supplier Boot Camp, any other pre-procurement market engagement or any procurement process, including if any such procurement process is delayed, suspended, amended or terminated by the NHSBSA.

## 2. Presentation

The Supplier Boot Camp opened with a presentation delivered by 5 members of the NHSBSA team. The presentation was based on the slides set out in Appendix 2 of this report. The topics highlighted by the NHSBSA during the course of the presentation are outlined below.

The NHSBSA explained that the concept of the Supplier Boot Camp was to:

- Continue the process of communication to the market about the forthcoming procurement for Medical Services;
- Provide the market with an overview of the Medical Services procurement strategy;
- Provide an opportunity for suppliers to ask members of the NHSBSA's business and project teams questions on the outline procurement strategy (both current and future states of service); and
- Update NHSBSA's level of market knowledge.

The NHSBSA made it clear that its tendered proposal for Medical Services requirements would be disclosed at a later date in a detailed specification, but the NHSBSA was able to provide a clear demonstration of expected requirements.

The key messages the NHSBSA gave to the market through the Supplier Boot Camp are set out below:

- The scale of the NHS Pension Scheme including number of members of the Pension Scheme, the number of employers and the volume of relevant applications and transactions based on data to 31 March 2015;
- The separate and distinct features relating to the NHS Injury Benefits Scheme;
- There are two (2) pension schemes, the 1995/2008 Scheme (split into two sections the 1995 Section and the 2008 Section) and the 2015 Scheme which adds to the complexity of assessment and decision making relating to Medical Services;
- A key challenge for the successful supplier in this procurement will be the volume of applications and the intricacy of the regulations for the scheme;

- The proposed timeframes for the procurement process and for the proposed contract term.

The first part of the presentation focused on an introduction to the NHSBSA, the Project Team structure and a description of the NHS Pensions operation and its key characteristics.

The subject matter experts provided details of;

- the overarching pension scheme;
- details of the varying types of applications that are made to the scheme managers;
- expectations of the assessment process;
- key stakeholders; and
- key volumes and trends.

The final part of the presentation focused on informing suppliers of the path to securing approval to procure and award, the key elements of the procurement including (but not limited to) the expectations of EU Procurement Regulations, procurement timeline and the use of the Bravo Solutions e-tendering web portal.



### 3. Individual Supplier Meetings

Individual Supplier Meetings with the NHSBSA team took place following the completion of the NHSBSA presentation. Each meeting was structured around both parties asking questions with the emphasis being on the NHSBSA asking questions of the suppliers to understand the markets appetite to deliver these services and to help shape the offering that the NHSBSA brings to the market, to ensure effective competition and value for money, is achieved.

The NHSBSA had internally pre-agreed a set of questions for suppliers, and both the questions and key messages can be found in part 4 of this report.

Individual supplier sessions were structured as follows:

- Duration: 1 hour
  - 45 minutes for question and answer; and
  - 15 minutes for wash-up.
- As indicated in the letter sent to suppliers attending the Supplier Boot Camp, notes were taken from each individual supplier session on 22<sup>nd</sup> and 23<sup>rd</sup> March by the NHSBSA, and the key messages are included in this report to be shared with all interested parties.

## 4. NHSBSA Q&A and Considerations

The NHSBSA posed 11 questions to each of the suppliers who attended a meeting. Each of the questions and the insight provided by the answers can be found below:

### **NHSBSA Question 1 - Background**

From the presentation and information provided by NHSBSA, is this aligned with the market, are we on the right track?

### **Discussion Points and Considerations to question 1**

The organisations that attended the boot camp advised that although the market had limited numbers of suppliers, the offering from NHSBSA was seen as a very good opportunity and would be likely to receive a number of potential bids. There were some limitations to the market in terms of the numbers of medical practitioners in the UK who are qualified to undertake the work, and so reasonable timeframes available for effective recruitment would be appreciated.

Some organisations were more used to making recommendations rather than being the 'decision maker' in cases, but there was recognition that most decisions in occupational health were likely to heavily rely on the medical advice anyway.

The NHSBSA may consider reviewing the service descriptions to articulate that the service provider will have delegated authority from the scheme managers to make the decisions in most cases. The NHSBSA may consider reviewing the timeframe available from award of contract to service commencement in July 2017, to give as much time as possible to a supplier to recruit resources.

**NHSBSA Question 2 – Market Risks**

Please provide any views, key risks and issues that the market faces in ability to deliver such services.

Please provide thoughts on risks and issues organisations face in day to day delivery of such services

**Discussion Points and Considerations to question 2**

The main areas of concern for the market providers and consequently NHSBSA for the delivery of Medical Services are:

- the pool of clinical professionals available to deliver occupational health is shrinking, and the pool of physicians is also shrinking; and
- with an ageing population and therefore an ageing workforce, the volumes of applications may begin to rise.

The NHSBSA may consider as part of its procurement planning, a long lead in period from contract award to service commencement, as this would appear to be helpful to facilitate a recruitment process. The NHSBSA may consider trend analysis and projections as part of its reporting requirements.

**NHSBSA Question 3 – Performance**

What are the performance measures that the market operates to, in terms of quality and timeliness?

How do you ensure further medical evidence outside your control is efficiently procured?

**Discussion Points and Considerations to question 3**

The suppliers are used to working to timelines targets and prioritise work accordingly. The main threats to timeliness of performance are when there are requirements to procure further medical evidence to support a decision. In terms of qualitative performance, a mixture of quality assurance on training and quality control in terms of auditing against a standard, were used.

The NHSBSA may consider as part of its requirements the need to target performance and engagement in the gathering of further medical evidence to focus some activity. Targets in relation to audit controls and appropriate training may also need to be considered.

**NHSBSA Question 4 – Pricing**

Pricing – What sort of pricing models does the market work to. Are they price per use, or volume/threshold related?

**Discussion Points and Considerations to question 4**

A variety of pricing models were in place across the market. The preference however was towards a price per application style, with or without a fixed base price to cover set up and fixed overheads.

The NHSBSA may consider as part of its commercial arrangements an option to define the pricing mechanism within the tender to take cognisance of the market preferences for pricing this style of service.

**NHSBSA Question 5 – External Scrutiny**

Decisions and Rationale are open to external scrutiny. What are the markets expectations in terms of the level of scrutiny that currently exists amongst such schemes? What experience of other pension schemes can we learn from – how best is information conveyed?

**Discussion Points and Considerations to question 5**

Organisations had a clear understanding of the impact of the Pensions Ombudsman and its case reviews. The organisations commented upon their processes to ensure that decisions and rationale would stand up to external scrutiny. Organisations commented upon the differing requirements of different schemes, where the burden of evidence falls more onto the applicant than the scheme managers.

The NHSBSA may consider as part of developing its requirements that the service has a focus on quality assurance and quality control specifically relating to the advice, decision making and rationale, to draw out best practice in the market. The NHSBSA may consider where the burden of the provision of further medical evidence should fall.

**NHSBSA Question 6 – Customer Service / Support**

What are the operating models used in the market to ensure customer service and reporting are managed efficiently, e.g. customer service desks, helplines, admin support functions, etc.

**Discussion Points and Considerations to question 6**

Organisations advised that the greater the variety of offerings for customer engagement, the better the service to them. Developments in online portals were a digital response, but the organisations acknowledged that many people still prefer the human to human contact. Case file ownership, giving single point of contact for customers was seen as good practice.

The NHSBSA may consider that there is a need to ensure that the service provides an offering that gives both a digitised and human customer service experience. The NHSBSA may review its requirements in relation to customer service to draw out best practice.

**NHSBSA Question 7 – Further opportunities**

Additional Services – What are your thoughts on extending the scope of the services to drive value out of a greater set of services procured by the NHSBSA, or similar public bodies?

**Discussion Points and Considerations to question 7**

Organisations gave mixed responses to this question. Due to the small market place and the national framework contracts, potential for conflicts of interest could occur. Due to such a market, those conflicts are known and could be managed. However, specific concerns were highlighted over having the occupational health provider for an employer, also giving the pension scheme independent advice, where these services were provided as part of one consolidated contract. The perception from the market, employers and Members may give rise to concerns over such a conflict.

The NHSBSA will consider the procurement of a contract that is solely for the purposes of NHS Pension Scheme and NHS Injury benefit Scheme. Any other medical services required by the NHSBSA may need to be procured separately under separate arrangements.

### **NHSBSA Question 8 – Data Security**

Data Security – What are the expectations from the market on data security, transfer, storage, etc.?

What accreditations are expected from operators in the market?

### **Discussion Points and Considerations to question 8**

Organisations expectations were that providers of this service should have accreditations to ISO27001. Digitised processes would be better to manage data security if this was possible.

The NHSBSA will consider the inclusion of ISO27001 as a requirement within the pre-qualification questionnaire. The NHSBSA consider reviewing its approach to paper records.

### **NHSBSA Question 9 – Skills**

What are the market expectations in terms of the qualifications that are required to make Occupational Health decisions? E.g. are OH Nurses used to make decisions on applications (for certain conditions) under other schemes?

### **Discussion Points and Considerations to question 9**

Organisations suggested that for this type of service their expectations are that the decisions and rationale should be provided by physicians and/or consultants. There was widespread acceptance that nurses very much support the work in this field, but the market has not yet moved to a position where nurses deliver this particular aspect of medical services.

The NHSBSA will consider the approach to the skills required for the delivery of the services and review how these may feed into the tender selection and award criteria.

### **NHSBSA Question 10 – Continuous Improvement**

Innovation - Are there any areas of innovation and change that the NHSBSA should provision for as a result of impending market changes?

### **Discussion Points and Considerations to question 10**

Organisations proposed options to consider use of technology to improve the application process improve quality of applications and improve potential interaction with applicants.

The NHSBSA may consider reviewing the approach to the process for applications. Digitisation is part of the NHSBSA's strategic direction, but the medical services forms themselves are not yet planned for development. The NHSBSA may look to the market to propose potential solutions.

**NHSBSA Question 11 – Procurement**

Please provide your thoughts on the tender timeframe and the process selected?

**Discussion Points and Considerations to question 11**

The organisations felt that the timeframe was reasonable and liked the longer lead in time from January 2017 to July 2017 to be able to secure resources.

Organisations raised concerns over the NHSBSAs ability to deliver multiple procurements at the same time and wanted confirmation that the medical services timeframes were achievable.

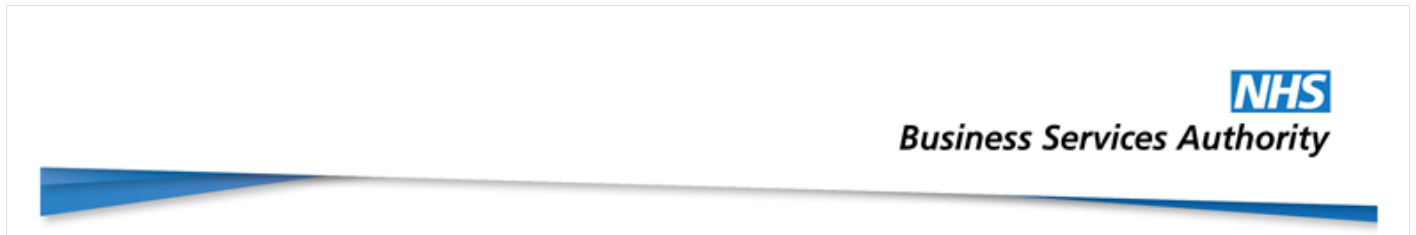
The NHSBSA advised that these were indicative timeframes, but were believed achievable. The medical services elements themselves are quite bespoke and unique, so there was already a clear direction and approach to these services and that the NHSBSA was unlikely to change its' strategic direction.

## Appendix 1 List of attending organisations to presentation and subsequent meetings

Suppliers	Presentation attended	Individual Supplier Meeting attended
OH Assist	✓	✓
Optima Health	✓	✓
Medigold Health	✓	✓
University Hospital Leicester NHS	X	✓
Health Management Ltd	✓	✓



## Appendix 2 - Template Invitation Letter to Attendees



*[Insert supplier address here]*

**NHS Business Services Authority**  
Stella House  
Goldcrest Way  
Newburn Riverside Business Park  
NE15 8NY

Tel: 0191 2035593  
Email: [jonathan.whitley@nhs.net](mailto:jonathan.whitley@nhs.net)  
Website: [www.nhsbsa.nhs.uk](http://www.nhsbsa.nhs.uk)

Date : 17 March 2016

Dear *[Insert contact name here]*

**Subject: Invitation confirmation to NHSBSA Supplier Boot Camp for Medical Services Procurement (Project ID: CA1071)**

Thank you for your organisations response to the NHS Business Services Authority (NHSBSA) Prior Information Notice (PIN) for Medical Services, advertised through Official Journal of the European Union (OJEU). Enclosed are further details relating to the purpose, times and location of the pre-market engagement activity (the “Supplier Boot Camp”).

The NHSBSA uses a Supplier Boot Camp to support the achievement of its organisational objectives, optimising value for money and seeking the best outcomes for our customers.

Your organisation’s involvement with the NHSBSA at the Supplier Boot Camp is an invaluable way of us ensuring that, with your input, we have the best support and guidance in how we progress with any subsequent procurement.

Supplier Boot Camps ensure we get the necessary knowledge and opinions of suppliers to affirm whether our working assumptions are valid, and to test assumptions we may make in

preparing for taking the Medical Services opportunity to market. The findings from the Supplier Boot Camp will inform our ongoing thinking.

A pre-arranged individual meeting with your organisation and the NHSBSA will take place following the completion of the NHSBSA presentation. These meetings will take the format of a question and answer session with NHSBSA seeking responses from a series of pre-defined questions, and facilitating and questions you may have relating to the NHSBSA requirement and the previously delivered presentation.

- Detailed notes will be taken from these meetings, by the NHSBSA, and the key themes and principles will be included in a report to be drafted and shared with all attendees and they will also be published on our website. All content shall be anonymised.

We would like to invite you to the presentation and individual supplier meeting at the dates, times and locations set out below.

Event	Date	Location	Attendees
Presentation	Tuesday 22 <sup>nd</sup> March 2016, 13:00 – 15:00		
Individual supplier meeting	Tuesday 22 <sup>nd</sup> March/Wednesday 23 <sup>rd</sup> March 2016,		

On behalf of the NHSBSA we look forward to meeting with you at the Supplier Boot Camp.

Yours sincerely

Jonathan Whitley  
NHSBSA Senior Strategic Sourcing Manager

**Disclaimers:**

**(1) No competitive advantage will be gained by the suppliers engaging with the NHSBSA at this early stage and NHSBSA will ensure equal treatment of all interested parties at all times.**

**(2) NHSBSA does not bind itself, by conducting this Supplier Boot Camp exercise, to commence any procurement procedure or award any contract, and will not in any event be responsible for any costs incurred by invitees in attending and/or preparing for the presentation and individual supplier meeting referred to above.**

**(3) Confidentiality of information which is clearly marked or identified as being confidential and which is reasonably viewed by NHSBSA as confidential will be observed, but NHSBSA does not accept any blanket claims of confidentiality.**

## Appendix 3 - Introductory Presentation Slides

Please see attached PDF file entitled '*Pensions Re-Procurement - Medical Services Boot Camp Presentation presented*'.



Medical Services  
Boot Camp Presentat