Minutes of the Board Meeting

Location: Online meeting via Microsoft Teams

Chair: Andrew Vallance-Owen

PHIN PB 2019 Board Meeting held on 21st May 2020

Board Attendees*

Andrew Vallance-Owen (Chair) [AVO]
Professor Sir Cyril Chantler [CC]
Don Grocott [DG]
David Hare [DH]
Michael Hutchings (MH)
Matt James (CEO) [MJ]
Natalie-Jane Macdonald [NJM]
Gerard Panting [GP]
Jayne Scott [JS]
Professor Sir Norman Williams [NW]

Apologies

None Received

Other Attendees

Jack Griffin, Finance and Commercial Director [JG]
Jonathan Finney, Member Services Director [JF]
Jon Fistein, Chief Medical Officer [JLF]
David Minton, Chief Technology Officer [DMI]
Mona Shah, Director of People & Process (Company Secretary) [MS]
Suzanne Ekpenyong, Executive Assistant, (Minutes) [SE]

**Note, for the purpose of these minutes, Board members will be referred to as Attendees.*

Welcome and introductions (Chair)

AVO welcomed Attendees to the virtual meeting and advised that there were no apologies to note.

AVO congratulated NJM on her appointment as Chair of Nuffield Health. Today's meeting would be her last Board meeting with PHIN. Attendees joined the Chair in extending thanks to NJM for all her hard work, adding that they looked forward to working with her in her new capacity. NJM had spoken to Fiona Harris (Chair of Association of British Insurers Health Committee) and Alex Perry (CEO) at BUPA about the need to nominate a successor and AVO was going to send a letter to Fiona Harris with information about the requirements for putting forward an insurer nomination to PHIN's Board, as NJM's replacement.

Separately, AVO reminded the Board that a nomination from the medical profession would be required before the end of the year when GP steps down. The process for this might be a bit more complicated

as it was likely that, in addition to FIPO, the FSSA would be becoming Members shortly and possibly the IDF later.

Action: AVO will write letter to Fiona Harris

The replacement of GP was discussed and the desire to have a broad nomination base was highlighted. AVO suggested that his process be discussed at the next Board meeting.

1. **Review & Consideration of the Directors' Register of Interests**

Attendees noted that all declarations of interests as recorded to date in the register still applied. There were no new declarations.

2. **Approval of Minutes and Actions**

a. The minutes of the Board Meeting held on 12th March 2020 were approved.
b. There were no comments on the notes from the informal, virtual meeting held 17th April 2020.

3. **Reports of sub-committee**

a. Audit & Risk Committee (ARC) 14th May 2020: The Chair, JS, provided a verbal update. Attendees noted that ARC had reviewed three key issues; Financial Management Report & cash position to date, draft 2020/2021 Budget and the Risk Register, including an update on the Covid-19 crisis. JS added that ARC members were happy that the team continued proactively to manage the finances and that risk was also being thoroughly managed, particularly in light of the current health crisis. JS advised that ARC had requested that the Risk Register needed to reflect the longer term strategic risks, as the business emerged from the current position.

4. **Matters Arising**

The Patient User Experience Report, circulated on 1st May 2020 was presented by JF for discussion and comments.

The aim of the report was to explore what patients were thinking about when they chose private healthcare and it summarised different types of research requirement, using different personas. Several personalities emerged, including a savvy and informed patient researcher. JF advised that 33 wants and needs were gathered from the research, and from these, a road map produced. There was a preference for choosing the consultant rather than the hospital and there was a strong people focus – i.e. consultant profiles with images were preferred. Overall, patients wanted to feel *in control*. It was evident that PHIN should give priority to information considered to be a priority by patients.

It was apparent that patients may not know what PHIN is and why they had arrived at the PHIN website; explanation would be needed on the website. Explanation would also be needed to help patients make the most out of the website; for example, by using widgets linking them to different information available on the website.

JF presented the initial sketches for the website and added that the plan was to present and prioritise consultants, with photographs of the consultant, their profile and expertise, as well as the hospitals at which they practiced. Information such as facilities at the location would be added alongside performance metrics, and these could be filtered to allow progress towards a selection. The system would be more integrated between consultants and hospitals and link through to the portal. Attendees

noted that the model for the website was similar to AirBNB and a wider colour palate might be introduced.

JF added that the aim was to finish the design phase by June/July and highlighted that the prototype was being tested over the next few days. HF explained that an agency had been engaged to optimise the site for Google searches to increase traffic.

The Chair invited comments and questions. Attendees commented that currently the primary search was around procedures and asked whether this would change. JF answered that this would not be the only way to search, as different widgets were being considered and would probably focus on patients searching for conditions and the options available to them. MJ added that PHIN has always wanted to add a search by speciality and condition; however, the CMA Order is orientated around procedures and PHIN would not want, inadvertently, to become a clinical service giving medical advice. This needed to be carefully managed.

Attendees asked why GPs had not been mentioned, as previous conversations had identified GPs as being crucial in the decision-making process when patients were deciding where to go with the private healthcare option.

JF stated that there may be some movement around the target audience, and the current, primary focus remained the patient journey. Naturally, the medical profession and researchers may find the website useful, but this was secondary and patients remained the priority. There may be a preference to direct GPs to use the PHIN Portal. MJ also emphasised the importance of ensuring patient satisfaction first. AVO and MH added that patients valued their GP's opinion and generally would not make any decisions before consulting them. The Chair added that, although he agreed with this approach, he considered that the PHIN website needed to be a site that GPs could use and that they should be encouraged to do so.

Attendees commented that the research did not show that there was much interest in clinical data and instead highlighted the patients were more interested in availability, experience and communication skills; asking whether PHIN was collecting this data and if this information could be published . JF added that this research should help inform future conversations with Members, as it can highlight what patients want to know about to inform their decision making. NJM added that, although the research was well presented and insightful, it was disappointing, especially post Paterson, that consultant affability continued to be more important than competence. Bringing together the softer measures and the harder clinical measures would be challenging and PHIN might need to bring a balance between these to make it meaningful for patients. Board agreed that the link between patients and the advice they seek from their GPs will be crucial longer term.

Attendees stated that, if other organisations were collecting information that PHIN's customers want, there could be a way to cross link them. MJ agreed that partnerships made more sense than duplicating work that already exists, but partnerships were complicated to set up; he noted that it could be as simple as linking to other websites, without necessarily creating special, official partnerships.

5. PHIN Executive Report

The written report was taken as read and MJ raised some key points for Attendees' attention and discussion. The Board had received an update during the April call and things had not changed by much since then. Noted that staff were happy and had adapted well to working from home and all the changes during lockdown. The financial risk was reviewed by ARC and discussed in detail, including

the contingencies presented during the April Board call, which had not needed to be invoked and were well under control. PHIN had also been involved in some conversations with NHS England and some providers to offer support where needed, in terms of private providers needing to report to the NHS.

Noted that data was still coming into PHIN, although hospitals were not being actively chased for data. The website would not be updated in June per the normal cycle. PHIN continued to have useful conversation with GIRFT and NCIP about the process of potential alignment between the organisations.

DH added his thanks to the team on behalf of IHPN, for the support given to report NHS data for some providers, under the NHS Data contracts, The providers had been very positive about the support offered by PHIN, especially those who had not worked with the NHS previously. DH clarified that the current NHS contracts with providers would come to an end on 28th June 2020; there were ongoing discussions about what next.

Projects Progress & Consolidate and Fix

The Board had asked for an update on this at the last meeting and noted that control and planning of projects was much improved. The whole team had been working hard on planning and prioritisation, at both team and company level.

Board noted that PHIN comprised of 70% managers and 30% juniors or ‘specialists’, and this therefore required managers to be very hands on, which had an adverse impact on progress. The team had used an Agile approach and was undertaking 2 weekly planning cycles, without a Project Manager in post. Board noted that a Programme Manager had now been recruited and was due to start in August.

MJ presented the updated projects progress report, highlighting to the Board that the report now showed a “Progress % Bar” to keep Attendees up to date regarding projects. Board also noted the completed projects, and those that had been prioritised and were in progress. Board noted that the Risk Management process was also working well; although it remained under regular scrutiny and would continue to improve, the overall approach had now stabilised and was working and had become business as usual. As such, the related “Risk Management” project had been closed.

MJ highlighted that the Executive team had worked to provide guidance and prioritised the projects; focusing specifically on the top six and the Consolidate & Fix (C&F) projects. The Chair invited questions and comments. JS commented that this was a really good way of presenting progress and asked which areas were of concern in terms of lack of progress, and were there any projects likely to be a risk for PHIN. MJ replied that, until C&F was completed, progress in other areas will be slower, including portal content, data architecture and business Intelligence strategy; these were internally facing projects whereas focus had always been applied to externally focused projects to date. There were also other unexpected urgent matters that presented themselves and tied up a great proportion of PHIN’s resource, especially in the Informatics team. JS suggested that an update at regular intervals flagging any projects that may become time critical, due to resource constraints or other reasons to the Board would be useful. The Chair added that there may still be a 3-4 quieter months ahead until the current health crisis passes and private providers can resume normal services, which would help in progressing C&F.

6. Finance

JG presented the main points from the Finance report and the draft Budget, which were taken as read.

a) Finance Report, Management Accounts and Reserves

The overall outlook for the year end was positive and PHIN was running at a surplus, as the financial performance over February and March turned around the period of increasing monthly deficits. Noted that expenses had lowered due to lockdown. The cash position was good, but kept under review, in case issues arose with revenue. The revenue remained £70k behind budget due to contraction in sector admissions in 2018, compared to 2017. Attendees noted that the longer term debt position remained stable however, due to the effects of Covid-19, but the short term debt was growing. The reserves position was now up to 5.8 months.

Quarter four invoicing had been completed, and some of the larger Members had already settled their invoices. Several smaller independent hospitals had been in touch to notify PHIN of their temporary closure, as well as a some PPUs, and as such payment would be delayed for those unable to currently pay due to closure or furloughed support teams. Nuffield had asked for their payment period to be temporarily increased to 90 days, and JG confirmed that this was workable for PHIN.

b) Draft 2020 – 21 Budget

JG outlined some minor amendments to the draft Budget and advised the Board that a small inflationary uplift in subscription fees had been applied at this point in time as it was the most realistic option; not ideal but PHIN could manage. Assuming that the team was fully recruited, there would be a deficit position similar to last year c.£200k. JG also advised the Board of the opportunity to collaborate with London School of Economics (LSE), and recruitment and adjustment in the Informatics and technology teams which represented small tactical investments, but would provide long term benefits. The overall revenue position based on admissions for 2019 remained stable. JS commented that following a detailed discussion at the ARC meeting, it was agreed that this was a sensible and pragmatic approach. JS continued that setting a deficit budget was not something the Board liked, but the surplus this year meant that PHIN was better off than originally expected. MJ fully supported this approach. Attendees noted that the reduction in private inpatient activity due to the Covid-19 crisis would impact on the 2021/22 revenue and JG would have time to plan for the impact of this on PHIN. Board agreed to this approach and noted that the final approval will be in July 2020.

7. Governance

An update on governance was previously provided by the Chair of the Audit & Risk Committee (ARC).

8. IHPN Consultant Information Sharing System Opportunity

No update as project was currently in suspension.

9. Strategy

The draft Strategy Plan2020/2025 Paper was taken as read.

The Chairman offered opening comments, pointing out that the strategy paper needed to be presented to Members in July and at the AGM in December for approval; highlighting two main issues from the paper. Firstly, the patient/healthcare consumer requirements and, secondly, the *status quo* option not being viable; PHIN carrying on as it has to date would be failing the delivery of the CMA Order.

MJ presented the paper, adding that at this stage it was not necessary to proof read and make edits to style, but high-level comments and ideas would be welcome. How could PHIN take its stakeholders and Members on the journey and formulate a business case and arguments to enable this to happen? PHIN needed to find stakeholder customers, such as GPs, insurers and major employers and the brokers who serve them. Noted that the *status quo* option was not viable, but how the CMA order is positioned in line with the new strategy would be crucial. JS commented that it was a good paper for discussion and set out some of the key issues for discussion by the Board, agreeing that doing nothing was not an option and that we should be being more evidence based about what people were looking for; there was a need to understand the options for the outlook for 2021, including a governance and funding model. The Chair invited an open discussion about strategy.

CC commented on the mention of partnerships, noting that, importantly with the NHS, the relationship had improved hugely due to the work the MJ had undertaken, with a strong focus on patient related outcomes with the establishment of registries. CC added that partnership working would be very important going forward and had PHIN considered how it could form and manage such partnerships.

MH commented that the CMA seemed to be happy to allow PHIN to develop, as long as PHIN's actions did not contradict the Order, adding that the CMA remained open to PHIN's suggestions. MH suggested that PHIN continued to keep the CMA informed and that, as long as a focus is maintained on the CMA Order, it should not override the long term objectives. In addition, there was a window of opportunity post Covid-19, to create deeper working relationships with the private sector.

NW commented that, post Covid-19, regulators, such as the CQC, and Responsible Officers (RO) would become more important. NW was currently discussing with the GMC and ROs how NCIP's data could be of benefit to the appraisal and revalidation process, adding that PHIN needed to consider how it could contribute to this process, specifically in light of the Paterson report.

MJ thanked the Attendees for their comments and responded that, in terms of partnership working, PHIN tried to make a positive contribution where possible and play a role in the measurement and recording of the acute elective care system and trying to influence and be part of it. MJ had asked NHS Digital to hold off from the immediate development of the ADAPt programme, due to conversations he was having with GIRFT/NCIP in response to the Paterson report. It would be a great outcome to show the Department of Health the best of what PHIN/NCIP/GIRFT could offer and show a positive story and not miss an opportunity to ensure that the structure allowed PHIN to move forward. MJ continued that PHIN was not currently looking to work with organisation who ran booking systems for the private sector such as Healthcode or PrivateHealth.co.uk. PHIN wanted to become more focused on a smaller role, to align to NCIP/GIRFT and not reinvent the procedure grouping etc.

DG commented that the paper was a good start, but too long for most audiences, however it was good to see patients mentioned as stakeholders, but needed to be more specific about how PHIN could be of benefit to Members and not continue to be perceived as a problem. MJ added that Members want PHIN to be a value adding benefit, by drawing more patients into the sector but, to achieve this, patients also needed to be more in control of the information they want and need.

The Chair summarised by confirming that the paper needed to be shorter and speak more positively about what PHIN can offer; not just the *status* quo compliance model option. JS added that standing still was just not viable option for PHIN and NJM commented that the economic model would always determine everything and was fundamental to all other options. The specifics of the CMA Order were relevant when it was adopted five years ago but some are becoming less relevant. Attendees **agreed** that keeping to the spirit of the Order remained a priority.

MJ agreed to send a new iteration to the Board before the July Board meeting and advised that the Members Meeting would be held directly after the July Board meeting. MJ planned to send a version of this paper with a cover letter to all Members, prior to the Members Meeting. Attendees noted that both meeting would be held virtually.

ACTION MS: Arrange virtual meeting for July Board and Members' Meeting

MJ requested that the Board provide feedback for the revised strategy paper to agree a final version that could be shared with Members and other stakeholders. MJ added that it was important to have open communications with broader stakeholders such as insurers and private providers, and see PHIN having a wider customer base, The Chair agreed that this was absolutely the right approach.

ACTION MJ: To send an updated Strategy Paper to Board in good time to be considered and signed off before the circulation of the papers for the Members' meeting

DG asked if a representative of the Patients' Association could be invited to the Members' Meeting and the Chair replied that he was happy to invite a Patient Association to come to future Members' meeting. MJ added that he was also looking to engage with major employer organisations and would keep the Board informed of progress. The Chair added that the CQC was also always invited to attend.

ACTION: DG offered to contact HSBC on behalf of PHIN as he had a contact at the organisation

10. AOB

AVO extended thanks once again to NJM for all her support, on behalf of the Board.
The Chair informed the meeting that he was sending out letter to invite various originations to join PHIN's Membership.

In response to concerns raised about the impact of Coronavirus and medical opinions shared by Attendees, the Chair added that the media had reported that there will be a reduction in lockdown measures by the end of July, but in his opinion, and there was not much likelihood of change for the next 6 months and social distancing will remain. A lot of work was being done on treatments for Covid-19, which may be available sooner than a vaccine. Attendees noted that the health service would not be able to continue to function in the way it has done in the past. The impact of Covid-19 had brought about changes that may continue and could affect the private sector. There may be sites that are identified as "Covid-free" and used for elective medicine. Attendees discussed the rapid growth of 'tele-medicine' to support the NHS service during this period.

MJ concluded that, for the moment from a business perspective, PHIN continued to work very effectively from home and anticipated that the team would be in the last tranche of the workforce to join the public commute. Online meetings can work very well, but mixed media meetings do not, so it might be necessary to continue to hold Members' meetings virtually for the foreseeable future.

PHIN Board meeting dates for 2020

Thursday 30th July 10.30am to 1pm, followed by Informal Members meeting to 4pm
Tuesday 1st September 2pm to 5pm, followed by Board dinner at 7pm
Wednesday 2nd September, Board Away Day from 9am to 4pm
Thursday 12th November 10:30am to 1pm
Wednesday 10th December 2020: AGM and Lunch 12pm to 3pm