

PERSONAL HEALTH BUDGETS GUIDE

How to get good results – key learning from the evaluation



Personal health budgets

A personal health budget is an amount of money to support a person's identified health and wellbeing needs, planned and agreed between the person and their local NHS team. Our vision for personal health budgets is to enable people with long term conditions and disabilities to have greater choice, flexibility and control over the health care and support they receive.

What are the essential parts of a personal health budget?

The person with the personal health budget (or their representative) will:

- Be able to choose the health and wellbeing outcomes they want to achieve, in agreement with a healthcare professional
- Know how much money they have for their health care and support
- Be enabled to create their own care plan, with support if they want it
- Be able to choose how their budget is held and managed, including the right to ask for a direct payment
- Be able to spend the money in ways and at times that make sense to them, as agreed in their plan.

How can a personal health budget be managed?

Personal health budgets can be managed in three ways, or a combination of them:

- Notional budget: the money is held by the NHS
- Third party budget: the money is paid to an organisation that holds the money on the person's behalf
- Direct payment for health care: the money is paid to the person or their representative

The NHS already has the necessary powers to offer personal health budgets, although only approved pilot sites can currently make direct payments for health care.

What are the stages of the personal health budgets process?

- Making contact and getting clear information
- Understanding the person's health and wellbeing needs
- Working out the amount of money available
- Making a care plan
- Organising care and support
- Monitoring and review

How to get good results – key learning from the evaluation

This guide is a summary of what has been learned so far about how to make personal health budgets work well. It brings together findings from the evaluation and good practice advice developed together with the pilot sites. The evaluation report recommendations are listed on page 9. The full report is available at www.phbe.org.uk.

The guide shows how personal health budgets should work from the point of view of the budget holder, and how to promote an equal partnership between budget holders and clinicians. It is not intended to be a complete guide to personal health budgets. For more detailed advice and practical examples see the personal health budgets toolkit at www.personalhealthbudgets.dh.gov.uk/toolkit.

Equal access

In the pilot, personal health budgets were taken up by a people from a wide range of backgrounds. It is important to promote equal access for all groups in the local population. The advice in this guide will help the NHS to achieve this – for example by providing clear information, and enabling people to tailor their care to their situation. For more information see the equal access section of the personal health budgets toolkit.

Quality of life and costs

A central finding of the evaluation was that personal health budgets led to better quality of life and less use of health services. Health status did not improve, but it also did not deteriorate:

Personal health budgets are best offered to people with greater need, to act as substitute for conventional service delivery.

During the study period, and after controlling for baseline differences and health conditions, personal health budgets had a significant positive impact on care-related quality of life, psychological wellbeing and subjective wellbeing compared to individuals in the control group... By contrast, personal health budgets had very little impact on health status.

Key findings regarding the cost analysis were... services such as primary and secondary care, not covered by personal health budgets (hence 'indirect'), were found to be significantly lower for the personal health budget group compared to the control group after accounting for baseline differences.¹

Effective approaches

In the personal health budget pilot, sites tested out a wide range of approaches. The evaluation showed that certain features were linked to better results:

This finding suggests that there was an impact on quality of life when personal health budgets were being implemented following the basic principles underlying the initiative: that is, budget holders know the resource amount before support planning; there is some degree of flexibility in what services can be purchased; and there is choice in deployment options as to how the budget holder would like the resource to be managed.¹

Integration

The evaluation also highlighted the potential for personal health budgets to support integration of health and social care, linked to reducing demand on NHS services:

These results suggest, overall, that use of personal health budgets was associated with a change in the balance between secondary and primary health on the one hand, and either community health or social care on the other.

The results could be interpreted as implying that greater integration would lead to a change in the balance of services use, and also that personal health budgets might be a vehicle to promote better integration.¹

The opposite page lists the key features of an effective approach to personal health budgets. For each key feature, this guide summarises relevant findings from the evaluation, good practice advice developed together with the pilot sites, along with learning from partners such as In Control and the personal health budget peer network.³

The personal health budgets toolkit contains a wide range of good practice and practical examples, including the guides mentioned on the following pages. Other references are listed below:

1 Evaluation of the personal health budget pilot programme. PSSRU, November 2012

2 A voluntary organisation which has worked with the Department of Health and the NHS to develop personal health budgets. www.in-control.org.uk

3 The peer network is a group of personal budget holders and family members who have played a leading role in the national development of personal health budgets. www.peoplehub.org.uk

4 Personal health budgets for Continuing Healthcare: The 10 features of an effective approach. In Control, September 2012.

5 Practical guide; direct payments for healthcare, HFMA, 2012.

6 Personal health budgets: Early experiences of budget holders. 4th interim evaluation report, PSSRU, 2011

7 Personal health budgets: Experiences and outcomes for budget holders at 9 months. 5th interim evaluation report, PSSRU, June 2012.

8 Outcome-focused reviews: a practical guide. Department of Health, 2009.



PERSONAL HEALTH BUDGETS: KEY FEATURES

I know where to go for clear and accessible information and feel well-informed and supported.

I know how much money is available and how it was calculated, and have enough to meet all my health and wellbeing needs.

I have a budget that includes all my health and wellbeing needs.

I have a plan that covers all my health and wellbeing needs and takes into account my family situation.

I can choose between all three options for managing my budget, including a direct payment.

I have control over organising my care and support in the ways and at the times that make sense to me.

I am an equal partner in all decision-making and my expertise is recognised and valued.

I have a plan which takes accounts of risks in a positive way and enables me to lead as full a life as possible.

I find the process clear and transparent, and it is easy to get my plan agreed and problems resolved.

I am supported to review my plan, to see what's working and not working, and to make any changes needed.

INFORMATION AND ADVICE	
<p><i>I know where to go for clear and accessible information and feel well-informed and supported.</i></p>	
Evaluation findings	Clear, detailed information about personal health budgets should be given to potential budget holders from the earliest contact. ¹
Practical learning	<p>Good information helps to ensure that people know about and understand personal health budgets. It is important to:</p> <ul style="list-style-type: none"> ■ Give clear information about personal health budgets, tailored to people’s needs. ■ Offer access to independent advice from brokers, voluntary organisations, direct payment support services and peer networks. ■ Make sure personal health budgets are made available to all sections of the population. ■ Make sure people have the information they need to make informed decisions, including the effectiveness of things they are considering. <p><i>There needs to be adequate support for people with a personal health budget – personal health budgets peer network.</i></p>
Where to find out more	Personal health budgets guide: Implementing effective care planning.

THE AMOUNT OF THE BUDGET	
<p><i>I know how much money is available and how it was calculated, and have enough to meet all my health and wellbeing needs.</i></p>	
Evaluation findings	Potential budget holders should be given better information about the indicative level of the budget, especially before starting care/support planning. ¹
Practical learning	<p>Knowing the amount of the budget helps people to be more creative and effective when writing their plans. It is important to:</p> <ul style="list-style-type: none"> ■ Keep the approach flexible, as people’s needs can change. ■ Make the budget enough to meet the health and wellbeing needs. ■ Avoid waiting to develop sophisticated budget setting tools before beginning to offer budgets. <p><i>Budgets should be clearly linked to health needs and should not be seen solely as an opportunity to make efficiency savings – personal health budgets peer network.</i></p>
Where to find out more	<p>Personal health budgets guide: How to set budgets – early learning from the personal health budget pilot.</p> <p>Personal health budgets guide: Budget setting for NHS Continuing Healthcare.</p>

WHAT IS INCLUDED	<p><i>I have a budget that includes all my health and wellbeing needs.</i></p>
Evaluation findings	<p>The results showed that larger monetary value budgets had a significantly different impact on both costs and cost-effectiveness than smaller personal health budgets. Furthermore, people in the high-value personal health budget group had significantly higher net benefits than those people in the control group.¹</p>
Practical learning	<p>Making the budget more comprehensive enables people to have more control than budgets which include only small parts of the package. It is important to:</p> <ul style="list-style-type: none"> ■ Ensure the budget includes all parts of the package (except for excluded services such as emergency care). ■ Avoid setting budgets based on a single health condition, and take into account all of the person’s health and wellbeing needs (especially where the person has multiple conditions). ■ Base the budget on outcomes, not hours of care.
Where to find out more	<p>Personal health budgets for Continuing Healthcare: The 10 features of an effective process.⁴</p>

A WHOLE LIFE APPROACH	<p><i>I have a plan that covers all my health and wellbeing needs and takes into account my family situation.</i></p>
Evaluation findings	<p>The findings point to the conclusion that personal health budgets have benefits in terms of higher-order aspects of quality of life that are valued by people beyond improvements in health status per se.¹</p> <p>Overall the findings suggest that personal health budgets have the potential to have a positive impact on the lives of carers.¹</p> <p>Personal health budgets should be considered as a vehicle to promote greater service integration.¹</p>
Practical learning	<p>Personal health budgets are an opportunity to integrate health and social care at the level of the individual. It is important to:</p> <ul style="list-style-type: none"> ■ Make sure the plan is written in the person's own words, and is based on what matters most to them. ■ Consider all aspects of life that are important; such as cultural needs, specific health needs, social care, housing, education and employment. ■ Take account of the needs of family members, offering carers the chance to have an assessment. <p><i>We want plans to focus on the whole person – personal health budgets peer network.</i></p>
Where to find out more	<p>Personal health budgets guide: Implementing effective care planning.</p>

MANAGING THE MONEY <i>I can choose between all three options for managing my budget, including a direct payment.</i> 	
Evaluation findings	<p>There was an impact on quality of life when personal health budgets were being implemented following the basic principles underlying the initiative: that is, budget holders know the resource amount before support planning; there is some degree of flexibility in what services can be purchased; and there is choice in deployment options as to how the budget holder would like the resource to be managed.¹</p> <p>Procurement and recruitment support for personal health budget holders (especially direct payment options) are valued by recipients.¹</p>
Practical learning	<p>Good results are more likely if people can choose how they want their budget to be managed. It is important to:</p> <ul style="list-style-type: none"> ■ Offer all three options for managing the money (notional budgets, third party arrangements and direct payments). ■ Explore with each person what option or combination will work best. ■ Consider the impact on family members and other carers. ■ Provide access to advice and support services for direct payments support services.
Where to find out more	<p>Personal health budgets guide: Ways in which the money can be held and managed.</p> <p>Personal health budgets guide: Third party organisations: the families' perspective.</p> <p>Practical guide: Direct payments for healthcare.⁵</p>

CHOICE AND CONTROL <i>I have control over organising my care and support in the ways and at the times that make sense to me.</i> 	
Evaluation findings	<p>Personal health budgets models with high degrees of flexibility and choice showed especially strong effects.¹</p> <p>Greater clarity is needed regarding what types of services and support people can secure with their personal health budget.¹</p>
Practical learning	<p>Better results were associated with people being able to spend their budget in ways that make sense to them. It is important to:</p> <ul style="list-style-type: none"> ■ Allow choice and flexibility for people to use money in ways that help them achieve the outcomes agreed in their plan. ■ Ensure people can tailor their support arrangements in ways that reflect their background and culture. ■ Avoid restrictions on how the budget can be used, or limiting choice to a menu of services that the NHS already provides. ■ Give clear information on how a budget can be spent. <p><i>We want the way we use our budgets to remain flexible</i> – personal health budgets peer network.</p>
Where to find out more	<p>Personal health budgets stories.</p> <p>Personal health budgets and evidence based decision-making.</p>

SHARED DECISION-MAKING <i>I am an equal partner in all decision-making and my expertise is recognised and valued.</i> 	
Evaluation findings	Personal health budgets should be configured to give recipients choice and flexibility over how the budget can be used. ¹
Practical learning	<p>Personal health budgets require a changed relationship between the NHS and the people it serves. It is important to:</p> <ul style="list-style-type: none"> ■ See people differently and recognise their role in managing their health. ■ Involve clinicians from the start, promoting an equal partnership between the personal budget holder and professionals. ■ Provide people with the information they need to make informed decisions. ■ Be prepared to trust people to make good decisions. ■ Provide access to peer support such as local peer networks.
Where to find out more	<p>Personal health budgets guide: Implementing effective care planning.</p> <p>Personal health budgets guide: Developing a local peer network.</p> <p>Personal health budgets and evidence based decision-making.</p>

MANAGING RISK <i>I have a plan which takes accounts of risks in a positive way and enables me to lead as full a life as possible.</i> 	
Evaluation findings	<p>Organisational representatives indicated the benefits of: tackling cultural change issues among staff with good communication; engaging with all representatives; and developing adequate internal systems.¹</p> <p>Common reasons for delays included the need to obtain risk assessments from GPs or hospital consultants; and care plans that included items not on a standard list that had also so far not been approved for anyone else in the local pilot.¹</p>
Practical learning	<p>Good plans pay attention to risk while enabling people to lead the life they want. It is important to:</p> <ul style="list-style-type: none"> ■ Promote a positive approach to managing risk, with checks and balances in place. ■ Provide information and support to enable people to make well-informed decisions, assessing mental capacity where appropriate. ■ Delegate clinical tasks to personal assistants and other carers, after suitable training. <p><i>We want to be in control of decisions on training</i> – personal health budgets peer network.</p>
Where to find out more	<p>Personal health budgets guide: Choice, risk and decision-making.</p> <p>Personal health budgets guide: Personal assistants – delegation, training and accountability.</p>

<p>KEEPING IT SIMPLE</p> <p><i>I find the process clear and transparent, and it is easy to get my plan agreed and problems resolved.</i></p>	
<p>Evaluation findings</p>	<p>A priority is for personal health budget processes to be speeded up and for clear information to be available about the timescales involved in making decisions.⁶</p> <p>Procurement processes for personal health budgets should be streamlined, for one-off as well as standard items.¹</p>
<p>Practical learning</p>	<p>Personal health budgets will work best if kept simple for budget holders and for staff. It is important to:</p> <ul style="list-style-type: none"> ■ Put in place a clear process for agreeing budgets and plans. ■ Have simple rules for what can be approved. ■ Delegate decision-making, rather than all plans having to be signed off by a panel, and only escalate when absolutely necessary. ■ Make clear how disputes can be resolved. <p><i>Keep it simple not bureaucratic</i> – personal health budgets peer network.</p>
<p>Where to find out more</p>	<p>Personal health budgets guide: Implementing effective care planning.</p>

<p>MONITORING AND REVIEW</p> <p><i>I am supported to review my plan, to see what's working and not working, and to make any changes needed.</i></p>	
<p>Evaluation findings</p>	<p>Budget holders were unclear whether their contacts with personal health budget staff constituted a review...formal reviews are an urgent priority.⁷</p>
<p>Practical learning</p>	<p>Good review and monitoring helps to make sure that the plan is working. It is important to:</p> <ul style="list-style-type: none"> ■ Keep reviews and monitoring light touch and focused on how the budget has been used to meet the person's needs and achieve outcomes. ■ Put in place ways to measure outcomes and costs for individuals. ■ Check to see if some groups are being missed out or are not getting good results. ■ Listen to personal health budget holders and their families and learn from experience.
<p>Where to find out more</p>	<p>Outcome-focused reviews: A practical guide.⁸</p> <p>Personal health budgets guide: Developing a local peer network.</p>

EVALUATION RECOMMENDATIONS¹

- Overall, the study found that personal health budgets were cost-effective, given the assumptions that were made (e.g. regarding the value of ASCOT quality of life), and should be rolled out for the study population (if these assumptions are acceptable).
- That personal health budgets should be configured to give recipients choice and flexibility over how the budget can be used.
- Personal health budgets are best offered to people with greater need, to act as substitute for conventional service delivery.
- The results indicate that personal health budgets are cost-effective for people with mental health problems and those receiving NHS Continuing Healthcare but are inconclusive for other health conditions. Focusing initial roll-out on these two groups is suggested, but the study cannot make specific recommendations for the other health condition cohorts.
- The results do not suggest that the impact of personal health budgets is differentiated by ethnicity, gender or income of recipients – no particular targeting in this respect need therefore be considered.
- Clear, detailed information about personal health budgets should be given to potential budget holders from the earliest contact.
- Potential budget holders should be given better information about the indicative level of the budget, especially before starting care/support planning.
- Greater clarity is needed regarding what types of services and support people can secure with their personal health budget.
- Procurement processes for personal health budgets should be streamlined, for one-off as well as standard items.
- Accounting procedures for personal health budgets should be better co-ordinated with those of social care personal budgets, where relevant.
- Procurement and recruitment support for personal health budget holders (especially direct payment options) are valued by recipients.
- Regarding initial set-up of personal health budget systems, organisational representatives indicated the benefits of: tackling cultural change issues among staff with good communication; engaging with all representatives; and developing adequate internal systems.
- That the Department of Health provides further guidance as to budget setting, coverage and the facilitation of choice.
- Personal health budgets should be considered as a vehicle to promote greater service integration (especially where social care personal budgets and personal health budgets could be integrated around established bank accounts, accounting and payroll arrangements).
- Policy makers should anticipate that the use of personal health budgets is likely to result in a higher level of expenditure going to 'non-conventional' providers (for example, a greater use of non-NHS providers). Further research is required to better understand the scale of these changes.

Gateway Ref No. 18453

Personal health budgets team

Email: personalhealthbudgets@dh.gsi.gov.uk

Department of Health customer service centre: 020 7210 4850

**The guides listed in this document are available
from the personal health budgets toolkit at:
www.personalhealthbudgets.dh.gov.uk/toolkit**