

Provider Bulletin

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Social Care Fees

The purpose of this bulletin is to confirm inflationary increases for social care services. Details of arrangements for each service area are detailed below. Please read this information carefully so that you understand what this means for your service.

Care Homes and Care Homes with Nursing for Older People

An inflation formula was agreed in 2016/17, following consultation with the market. The formula used to calculate inflation awards for the financial years to 2021 is:

Residential	45%	of increase in Living Wage expressed as a percentage
	55%	of actual CPI as at the previous 31 December.
Nursing	53%	of increase in Living Wage expressed as a percentage
	47%	of actual CPI as at the previous 31 December.

Workplace pensions additional 1% added in 17/18 and 18/19 to living wage.

The following fees will apply from Monday 2 April 2018 for all placements which are fully funded by NYCC.

- All care homes in North Yorkshire **£536.76** per week
- All care homes with nursing in North Yorkshire **£529.06** per week (plus the appropriate level of Funded Nursing Care (FNC) which has been subject to a national review).
- For care homes and care homes with nursing for Older People in North Yorkshire where current fee levels have been agreed which are already above the new fee levels, these will be subject to an inflationary increase of 4.08% for care homes and 4.27% for care homes with nursing to contribute to general inflation and new costs such as pension enrolment. This will reflect that the current fee levels are already at a level that meet additional costs including living wage.

For out of county care home and nursing home placements for older people NYCC will honour an uplift agreed by the host local authority where they have undertaken an Actual Cost of Care exercise, and will consider individual business cases where there is no Actual Cost of Care exercise in place.

You will have received schedules, from BACs teams, which detail amendments to payments.

For placements with an element of CHC funding the inflation increase to be applied to the CHC element will be 4.27%. Where payments have been made on the basis of the NYCC inflation these will now be adjusted to reflect the CHC increase, where appropriate, and a further schedule will be issued detailing the changes.

As payments for care homes and nursing homes are processed through an automated system adjustments can be made fairly quickly. However this is not the case currently for all other services.

Any comments you have about these Bulletins (good or bad!) are welcome.

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Specialist Placements in Care Homes and Care Homes with Nursing for Placements Which are Fully Funded by NYCC

- All care homes in North Yorkshire **£536.76** per week.
- All care homes with nursing in North Yorkshire **£529.06** per week (plus the appropriate level of Funded Nursing Care (FNC)).
- For homes with specialist placements already paid above the fee levels for older people, within and outside North Yorkshire, an uplift of 4.08% for care homes and 4.27% for care homes with nursing, which will contribute to additional wage costs and other general inflation costs.

Annual inflationary increases for care home placements for 2018-2021, will be based on the formula above.

For placements with an element of CHC funding the inflation increase to be applied to the CHC element will be 4.27%. Where payments have been made on the basis of the NYCC inflation these will now be adjusted to reflect the CHC increase, where appropriate, and a further schedule will be issued detailing the changes.

Domiciliary Care

Domiciliary care providers for adults and older people in North Yorkshire for packages of care which are fully funded by NYCC:

- flat rate increase of **80p** per hour on current rates will apply from Friday 6 April 2018.
- For packages commissioned after Friday 6 April 2018 and where new rates have been set to apply after Friday 6 April 2018, no further increase will be applied, for example new applications to the provider list.
- Annual inflationary increases for domiciliary care for 2019-2021 will be set using a formula approach, taking into account increases in Living Wages and general inflation.

As detailed in the consultation on the increase and proposed formula, the percentage increase has been calculated to be 78p an hour. However, this has been rounded up to 80p to ensure that it is divisible by 4, to reflect 15, 30, 45 and 60 minute calls durations. The Council reserves the right to round down next year should similar circumstances arise.

Providers will receive schedules detailing the increase on all HAS fully funded packages/services together with amended ISC's, for your records. Once confirmed as accurate by providers, the e-invoicing spreadsheet will be amended with new rates. For providers who do not use e-invoicing, invoices should be amended to reflect the revised rate once the schedule has been confirmed to be accurate so that you can invoice for services delivered after Friday 6 April 2018 at the correct rate.

Please **DO NOT** adjust your rates until you have been advised by NYCC to do so. We appreciate that providers require the inflation increase to be paid as soon as possible. However, as this is a currently a manual process it takes some time to work through all of the adjustments which are required. We have deployed additional staff to support this work and we are trying to minimise the number of adjustments and potential confusion for providers and people in receipt of services, who will also be affected.

Any packages/services that have an element of CHC funding will receive an increase of 4.27% on the CHC element. These joint packages will be captured within the schedules and should not be invoiced for until NYCC advise you to do so.

Community Based Services for Adults and Older People for NYCC Fully Funded Packages

- Community-based care providers for adults and older people in North Yorkshire: 4.08% increase on current rates.
- For individual support packages commissioned from the new Provider List, the new agreed rates set through that process will apply, where rates have been agreed after 6 April 2018.
- For services purchased via block contract arrangements there would be an increase of 4.08%, except where the contract terms dictate an alternative inflation mechanism.
- The Council proposes to pay annual inflationary increases for community-based care for 2018-2021 based on the increases to living wage rates and general inflation rates.

For the purposes of these increases, community based services are:

- Day care;
- Supported employment services;
- Supporting people services;
- Other non-regulated services.

Providers will receive schedules detailing the increase on all HAS fully funded packages/services together with amended ISC's, for your records. Once confirmed as accurate by providers, the e-invoicing spreadsheet will be amended with new rates. For providers who do not use e-invoicing, invoices should be amended to reflect the revised rate once the schedule has been confirmed to be accurate so that you can invoice for services delivered after Friday 6 April 2018 at the correct rate. Any packages/services that have an element of CHC funding will receive an increase of 4.27% on the CHC element. These joint packages will be captured within the schedules and should not be invoiced for until you are advised to do so by NYCC.

ContrOCC

Work on the ContrOCC system is progressing which will, in time, enable NYCC to make changes to rates and prices more quickly, which will support out work to pay inflation increases. As work progresses we will test the system with a group of providers to ensure that it works appropriately and so that we can attempt to identify any system errors in advance of expanding the use of the system to all non-residential services. As work proceeds we will share key milestones and provide updates via Provider Bulletins and Provider Engagement Events.