

**Report to:** STRATEGIC COMMISSIONING BOARD

**Date:** 25 September 2019

**Executive Member:** Councillor Eleanor Wills – Executive Member (Adult Social Care and Health)

**Clinical Lead:** Ashwin Ramachandra – CCG Chair

**Reporting Officer:** Jessica Williams – Director of Commissioning

**Subject:** **GM REPROCUREMENT OF ASSISTED CONCEPTION SERVICES**

**Report Summary:**

In March 2019, SCB approved the participation of Tameside and Glossop CCG in the Trafford led procurement of Assisted Conception services.

In April 2019, Trafford CCG on behalf of the collaboration of the eight CCGs (below) issued the Invitation to Tender (ITT) to OJEU (procurement portal).

- NHS Tameside and Glossop;
- NHS Trafford CCG;
- NHS Stockport CCG;
- NHS Salford CCG;
- NHS Bolton CCG;
- NHS Bury CCG;
- NHS Oldham CCG; and
- NHS Heywood, Middleton and Rochdale

Five bidders submitted tenders, one was disqualified at the qualification stage due to financial risk and the Procurement Evaluation Panel evaluated the remaining four. Two bidders progressed to the final interview stage.

The purpose of this report is to present a recommendation for consideration and approval of the Tameside and Glossop Strategic Commissioning Board based on the results of the evaluation carried out by the representatives of the collaborative of eight CCGs.

**Recommendations:**

Strategic Commissioning Board is asked to approve the contract award to the following two recommended providers: CARE Fertility and Create Health Ltd.

**Financial Implications:  
(Authorised by the statutory  
Section 151 Officer & Chief  
Finance Officer)**

<b>ICF Budget</b>	<b>S 75 £'000</b>	<b>Aligned £'000</b>	<b>In Collab £'000</b>	<b>Total £'000</b>
CCG	-	80	-	80
<b>Total</b>	-	<b>80</b>	-	<b>80</b>
Aligned - £'000 Decision Required By:	Independent Sector Providers for IVF Treatment (£80k)			

Strategic Commissioning Board	
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**Value For Money Implications – e.g. Savings Deliverable, Expenditure Avoidance, Benchmark Comparison**

A standard ceiling tariff has been developed as part of the procurement process and will be contained within, or less than, the current budget. Full finance details are included in section 3 below.

The ITT bid responses were evaluated in accordance with the approved and published evaluation process, which was designed to select the best Value for Money response in which the Bidder's quality score = the total weighted evaluation points awarded in regard to the Bidder Response Questionnaire.

The total cost of the contract would vary, depending on future activity and the number of patients choosing each provider. The tables below do not reflect any changes in activity based on CCGs revising the number of funded cycles.

**Legal Implications:  
(Authorised by the Borough Solicitor)**

STAR Procurement have been intrinsically involved in this process, as have procurement specialists throughout Greater Manchester, so there is no reason to doubt the integrity of the process in accordance with public contract rules and consequently no reason not to proceed as recommended.

**How do proposals align with Health & Wellbeing Strategy?**

The procurement ensures the registered population of Tameside and Glossop CCG are able to access Assisted Conception services.

**How do proposals align with Locality Plan?**

Assisted Conception services are one of the suite of elective services available to the registered population of Tameside and Glossop CCG.

**How do proposals align with the Commissioning Strategy?**

The procurement supports increased choice.

**Recommendations / views of the Health and Care Advisory Group:**

This report has not been taken to HCAG as it is purely relates to the outcome of the procurement.

HCAG were involved in agreeing the service specification.

**Public and Patient Implications:**

The increase in the number of contracts for Assisted Conception means the patients will have increased choice regarding providers.

**Quality Implications:**

Quality was a key factor in the procurement and all bidders were required to achieve a minimum of half the total available marks (50%) for the Quality section of the Bidder Questionnaire, including achieving at least a 60% score of the marks available for the 'Clinical Service', 'Quality Management' Sections and 'Service Availability' Question.

**How do the proposals help to reduce health inequalities?**

There is no direct impact on health inequalities through this procurement. There is no change to the eligibility criteria and the number of funded cycles for each CCG is out of scope of this procurement.

**What are the Equality and Diversity implications?**

Equality colleagues from Trafford, Salford and Bury CCGs and Commissioning Leads from Trafford and Bolton CCGs completed an EIA on behalf of the participating CCG. The EIA emphasised the positive impact of having a standard service specification across all participating localities and awarded providers.

Bidders were required to describe how they comply with the Equality Act 2010. Particular reference needed to be focussed on what mechanisms they have in place to ensure compliance with the three main aims of the Public Sector Equality Duty:

- Eliminate discrimination, harassment and victimisation;
- Advance equality of opportunity;
- Foster good relations;

Additionally, bidders were expected to describe how they ensure fair and equal access to services.

**What are the safeguarding implications?**

There are no specific safeguarding implications with this procurement.

**What are the Information Governance implications? Has a privacy impact assessment been conducted?**

There are no specific information governance implications with this procurement.

**Risk Management:**

The increase in available providers through the procurement reduces the risk of the Assisted Conception service not being available to patients and increases choice.

Should the recommended providers not be approved the procurement process will need to be abandoned and a decision will need to be made whether to commence a second procurement. Simultaneously, an extension to the current contract will need to be agreed with the incumbent provider. To mitigate this risk. This paper describes the procurement process in order to provide assurance to the committee of its robustness.

**Access to Information:**

The background papers relating to this report can be inspected by contacting the report writer

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## **1. INTRODUCTION**

1.1 In March 2019, SCB approved the participation of Tameside and Glossop CCG in the Trafford led procurement of Assisted Conception services on behalf of the collaboration of the eight CCGs below:

- NHS Tameside and Glossop;
- NHS Trafford CCG;
- NHS Stockport CCG;
- NHS Salford CCG;
- NHS Bolton CCG;
- NHS Bury CCG;
- NHS Oldham CCG; and
- NHS Heywood, Middleton and Rochdale

1.2 The ITT confirmed the intent to award contracts to up to three successful bidders. These contracts will be zero value contracts with no guaranteed minimum activity or funding levels and will be for a duration of three years (November 2019 until November 2022) with the possibility of one extension of three years, subject to any restrictions placed nationally by NHS England or the Department of Health and Social Care. An indicative budget of £6,150,000 for the full potential six year contract period was given.

1.3 In addition to the contracts awarded through the procurement it is expected Manchester University Foundation Trust (MFT) will continue to hold a contract for Assisted Conception services. This is subject to MFT agreeing to work to the standard service specification and negotiations taking place to agree this and separate tariffs (potentially two tariffs – standard and complex cases) outside of the tender process.

1.4 The recommendation is based on the results of the evaluation carried out by the representatives of the collaborative of eight CCGs.

## **2. PROCUREMENT**

2.1 Trafford CCG undertook a process akin to an open procurement process in compliance with procurement regulations and advertised through the Official Journal of the European Union (OJEU) and Contracts Finder. This procurement process was chosen in light of the market engagement and it was not considered proportionate to include a short-listing stage to select bidders. The NHS SBS EU-Supply electronic procurement system was used to administrate all communications with bidders and receipt of completed tenders.

2.2 A Prior Information Notice (PIN) was published on 1 August 2018, informing the marketplace of the CCGs' collaboration on a potential re-tendering of Assisted Conception services and seeking expressions of interest, to understand the level of interest in the market and to inform decisions such as the number of contracts to be awarded and length of contract. Following a review of the PIN responses submitted, market engagement sessions were held in September and October 2018 on a 1:1 basis with interested providers. Five providers attended the sessions, which involved commissioning colleagues, the clinical lead, procurement manager and finance lead.

2.3 During the sessions, information was gathered from providers around the clinical service delivery and finance modelling which were taken under consideration during the development of the service specification and proposed tariff.

2.4 On 24 April 2019, Trafford CCG, on behalf of the collaboration of the eight CCGs, issued the ITT to OJEU (procurement portal).

2.5 The ITT specified the timetable for the procurement as below:

Activity	Description	Dates
Issue Adverts and ITT Documentation to OJEU for publication	ITT documentation issued to OJEU for publication via EU-Supply Portal.	24 April 2019
Deadline for the receipt of clarification questions from Bidders	Deadline by which Bidders may request clarification on the ITT documents via the messaging facility within the EU Supply Portal.	5pm on 15 May 2019
ITT Bidder Response Submission DEADLINE	Deadline by when Bidders must have fully compiled their Bids in the required format and submitted via EU-Supply Portal system.	<u>12 noon, 23 May 2019</u>
ITT Bid Evaluation Stage	Period when Bids will be evaluated by the Contracting Authority. During this period Bidders may be asked questions in order to clarify information set out in their Bids	23 May to late August 2019
Bidder Interview/ Presentations and Scenarios	Bidders that meet the criteria described in Section 3.5 will be invited to attend an Interview.	July 2019 – date to be confirmed
Notification to Bidders regarding Contract Award Decision	The expected dates when Bidders will be notified of the outcome of the evaluation and observance of the recommended Standstill Period.	Early September 2019
Standstill Period	Period between Contract Award notification and Contract Signature.	Early September to Mid-September 2019
Contract Signature	The expected date for the signing of the Contract between the Contracting Authority and the Recommended Providers.	Late September 2019
Service Mobilisation Period	Period when the Recommended Bidders plan and delivers mobilisation activities to prepare for service commencement.	October 2019 to January 2020
Service Commencement	Date when commencement of the new Services is expected.	Early February 2020

2.6 Bidders were required to submit seven documents via the EU-Supply Portal by the procurement closure date of 23 May 2019.

1.	Qualification Questionnaires
2.	Financial Assessment Template
3.	Bid Response Questionnaire
4.	Financial Model Template
5.	Confidentiality Statement
6.	Conflict of Interest Statement
7.	Form of Offer

2.7 Five bidders submitted tenders that included written responses to a series of weighted questions, across the following areas:

- Clinical services (33%)
- Quality Management (10%)
- Accessibility and location (10%)
- Workforce (14%)
- IM&T/Information Governance (4%)
- Medicine Management (2%)
- Safeguarding (2%)
- Patient experience (10%)
- Communications and engagement (6%)
- Business Intelligence (2%)

- 2.8 One bidder was disqualified at the qualification stage based on financial risk.
- 2.9 After the 28 May 2019 the Procurement Evaluation Panel consisting of commission leads, clinical leads and subject matter experts, undertook a robust and comprehensive evaluation of the remaining four bidders' written submissions.
- 2.10 Bidders were required to achieve a minimum of half the total available marks (50%) for the Quality section of the Bidder Questionnaire, including achieving at least a 60% score of the marks available for the 'Clinical Service', 'Quality Management' Sections and 'Service Availability' Question.
- 2.11 Two bidders failed to achieve the minimum consensus scores required and were notified of the outcome and advised they did not meet the required minimum overall score to progress to interviews. One bidder requested further information relating to the evaluation and feedback and the requested feedback was issued to the bidder via the procurement portal on 5 August 2019.
- 2.12 At this stage, the bidder who did not pass the Pre-Qualification stage was also notified.
- 2.13 The two bidders invited to the interview stage were asked to present a response to weighted questions across the following areas:
- Management of patient care when it is extended beyond day care
  - Quality improvement cycle
  - Service availability and flexibility
  - Eligibility criteria management
  - Multiple embryo transfer
- 2.14 The interviews took place on 30 July and 6 August 2019, followed by a consensus meeting. The total overall scores was finalised and confirmed Care Fertility and Create Fertility as both meeting the minimum threshold scores required.

### **3 FINANCE**

- 3.1 Stockport CCG's Deputy Director of Finance has been the finance lead for the procurement and led the development of the maximum tariff that was included in the ITT documentation.
- 3.2 The maximum tariff (below) was developed in the knowledge that a national tariff was being developed but the timing of the procurement prevented the use of the national tariff.

<b>Assisted Conception Service</b>	<b>Maximum Tariff</b>
IVF and ICSI	£3,000
IVF or ICSI using donor egg – Inclusive cost	£4,300
IVF or ICSI using donor sperm supplement – Inclusive cost	£3,500
IVF or ICSI using donor egg and sperm supplement – Inclusive cost	£4,800
Intrauterine insemination (IUI) – without stimulation	£500
Intrauterine insemination (IUI) – with stimulation	£900
Intrauterine insemination (IUI) – sperm donor supplement	£400
Frozen Embryo Transfer (FET)	£550
Cancelled Cycle post initial consultation	£250
Cancelled Cycle prior to oocyte retrieval	£1,000
Abandon cycle - after oocyte retrieval but before embryo transfer	£2,000

- 3.3 In June, the national tariff for IVF and intracytoplasmic sperm injection (ICSI) was included in the NHS Improvement and NHS England 2019/2020 National Tariff Payment System: non-mandatory currencies and prices. The prices below are for a bundled package of care.

	<b>Women aged 37 and under</b>	<b>Woman aged 38 or older, or previous non-responder</b>
IVF (price to include one fresh and one frozen cycle)	3,100	3,500
ICSI (price to include one fresh and one frozen cycle)	3,500	4,000
To include drugs, scans and all components of the service including freezing of gametes and embryos for 2 years from the point the woman is seen by the consultant to when she ends her NHS care, or when she is no longer entitled to NHS care- has a baby, exceeds CCG eligibility criteria		
Subsequent frozen cycles	1,000	1,000
To include average drug costs and all appropriate care in the service specification. There is no need to have age-differential prices for a frozen cycle.		

- 3.4 The ITT documentation invited bidders to specify their own tariff in their tender taking into account the need for public sector austerity. The tariffs specified by the two bidders meeting the minimum threshold scores vary with one using the tariffs within the ITT and the other setting lower tariffs.
- 3.5 The tariffs at the CCG's current providers differ and each charge in a slightly different way depending on the nature of the service as shown below.

<b>MFT</b>	<b>Tariff 2019-20</b>
Donor	740
Implantation of Embryo	634
Oocyte Recovery	2,149
Stimulations	1,391
<b>Total Bundle</b>	<b>4,174</b>

<b>Care Fertility</b>	<b>Tariff 2019-20</b>
IVF Cycle	3,900
IVF Egg Recipient (Shared) Package	5,770

- 3.6 This makes it difficult to do a like for like comparison to those tariffs outlined within the ITT. However, a saving is expected given the tariff of the successful providers is below the above.

- 3.7 As patient choice operates, it is not possible to be sure how much Tameside and Glossop will benefit from the tariff changes, as patients may still choose to go to the MFT for their IVF treatment. However, the analysis below suggests that should the activity with the new providers remain in line with 2018/19 activity within the independent sector, then we could expect a saving of £17k based on the max tariff price within the ITT. This is based on a worst case scenario as the new tariff structure will be inclusive of some activity listed below. Should patient choose other successful bidders for the contract, then savings could range up to £35k+ per annum.

Tameside and Glossop CCG	Maximum Tariff	Excluding MFT	
		Activity	Cost
<b>Assisted Conception Service</b>			
IVF and ICSI	£3,000	8	£24,000
IVF or ICSI using donor egg – Inclusive cost	£4,300	5	£21,500
IVF or ICSI using donor sperm supplement – Inclusive cost	£3,500		
IVF or ICSI using donor egg and sperm supplement – Inclusive cost	£4,800		
Intrauterine insemination (IUI) – without stimulation	£500		
Intrauterine insemination (IUI) – with stimulation	£900		
Intrauterine insemination (IUI) – sperm donor supplement	£400		
Frozen Embryo Transfer (FET)	£550	16	£8,800
Cancelled Cycle post initial consultation	£250	1	£250
Cancelled Cycle prior to oocyte retrieval	£1,000		
Abandon cycle	£2,000	4	£8,000
<b>TOTAL COST PROPOSED TARIFF</b>		<b>34</b>	<b>£62,550</b>
<b>TOTAL COST 2018/19</b>			<b>£79,970</b>
<b>Cost / (Savings)</b>			<b>(£17,420)</b>

- 3.8 There is an opportunity for savings to grow as in 2018/19 we also spent £295,672 at MFT, however, this will be dependent upon the ability to re-direct patients to the new suppliers and this will depend on the complexity of each case.

#### 4. RECOMMENDATION

- 4.1 As set out at the front of the report.