

Standard Definitions

This list is not exhaustive and will be regularly updated.

Term	Meaning The terms listed here are ones used by responsible commissioners (PCTs) in the West Midlands. When these terms are used in a regional commissioning policy they will carry the defined meanings set out below, unless stated otherwise.
Annual Commissioning Plan	The <i>Annual Commissioning Plan</i> is a document prepared by the Primary Care Trust which defines the healthcare interventions that the Primary Care Trust will commission for defined categories of patients in each financial year.
Annual commissioning round	<i>The annual commissioning round</i> is the process by which major funding decisions are taken, including the allocation of new money coming into the NHS. This involves a complex process of prioritisation which involves a series of decisions. This process occurs during the months of October to March for the following financial year.
Article 49	<i>Article 49</i> is an article of the European Community Treaty which provides for the development of a free market in goods and services in the EU.
Attributable costs	<p><i>Attributable costs</i> are the financial costs to be considered when there is a mix of privately and NHS funded treatment. <i>Attributable costs</i> refer to all costs which would not have been incurred by the NHS had the patient not sought private treatment. It applies equally whether the private treatment is given in a private facility within an NHS provider trust or in an independent private hospital.</p> <p>To illustrate: if an NHS patient has gone to a private facility in connection with the medical condition for which they are receiving NHS care, in order to buy a drug which is not available as part of the NHS care package, then they are expected to pay for all related and consequential costs. These can include additional monitoring needed for the drug, such as blood tests and scans, as well as the treatment of predictable complications of receiving the drug. It is not acceptable, for example, to 'piggy back' a private monitoring test onto routine monitoring which the patient might be having, in parallel, within the NHS.</p>
Budgetary impact	<i>Budgetary impact</i> is the total cost to the NHS commissioning body of providing a treatment or service. The greater the budgetary impact, the greater the opportunity cost.
Case by case decision making	<i>Case by case decision making</i> in the context of priority setting is when the decision maker opts to allocate resources for a specified treatment and for specified patients in the absence of policy or as a substitute to policy making. A fundamental principle of the NHS is that if a treatment is made available to one patient by an NHS commissioner, it should be made available to all other patients for whom the commissioner is responsible and who have an equal need for that treatment. If

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	a treatment from which 100 patients could benefit then the Primary Care Trust would either have to offer it to all patients or to none. It would be unacceptable to offer it to 30 unless it was possible to divide the relevant patients into different clinical subgroups. However case by case decision making means that the Primary Care Trust only considers one patient from the 100 patients at a time.
Choice	<i>Choice</i> is a Department of Health and NHS approach to healthcare which aims to give patients greater control over what healthcare they receive, where and when. For some types of surgery, for example, this will mean the freedom to choose the provider and timing of their operation through the Choose and Book Scheme at the general practitioner level. For those with longer term conditions it means the patient being able to work with the clinical team to develop the package of care which is best suited to the patient's needs and wishes.
Clinical effectiveness	<i>Clinical effectiveness</i> is a measure of how well a healthcare intervention achieves the pre-defined clinical outcomes of interest in a real life population under real life conditions.
Clinical trial	<p><i>A clinical trial</i> is a research study in human volunteers to answer specific health questions. Clinical trials are conducted according to a plan called a protocol. The protocol describes what types of patients may enter the study, schedules of tests and procedures, drugs, dosages, and length of study, as well as the outcomes that will be measured. Each person participating in the study must agree to the rules set out by the protocol.</p> <p>The ethical framework for conducting trials is set out in the Medicines for Human Use (Clinical Trials) Regulations 2004 (as amended). It includes, but does not refer exclusively to, randomised control trials.</p>
Co-funding of NHS care	<i>Co-funding of NHS care</i> is any arrangement under which the cost of an episode of care within the NHS (for example an out-patient visit, an operation, etc) is part funded by an NHS commissioner and part funded privately by the patient. Co-funding is not permitted within the NHS apart from the limited forms of co-payment permitted under regulations.
Company sponsored treatment	<i>Company sponsored treatment</i> refers to funding on a named patient basis which allows access to a treatment, usually a drug, in advance of licensing. This is also known as 'compassionate' funding.
Co-payment	<i>Co-payment</i> is where the Government has passed Regulations which require patients to make a contribution to the overall cost of NHS commissioned care.

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Cost effectiveness	<i>Cost effectiveness</i> is an assessment as to whether a healthcare intervention provides value for money.
Cost effectiveness analysis	<i>Cost effectiveness analysis</i> is a method for assessing or measuring the reasonably anticipated benefits and clinical effectiveness of a particular expenditure. In the health setting this will be the cost of a particular healthcare intervention together with any other costs of delivering the healthcare intervention. Cost effectiveness analysis requires an examination of expenditure to determine whether the money spent could have been used more effectively (and ideally - whether the resulting benefits could have been attained through less financial outlay).
Effectiveness - general	<i>Effectiveness</i> means the degree to which pre-defined objectives are achieved and the extent to which targeted problems are resolved.
Effectiveness - clinical	<i>Clinical effectiveness</i> is a measure of the extent to which a treatment achieves pre-defined clinical outcomes in a target patient population.
Efficacious	A treatment is <i>efficacious</i> where it has been shown to have a beneficial effect in a carefully controlled and optimal environment. However, it is not always possible to have confidence that data from trials which suggest that treatments will be efficacious will translate into clinically meaningful health gain and more specifically the health gain of interest. This is the difference between disease oriented outcomes and patient oriented outcomes. For example a treatment might have demonstrated a change in some physiological factor which is used as a proxy measure for increased life expectancy but this relationship might not be borne out in reality.
EHIC	<i>EHIC</i> means the European Health Insurance Card. This allows temporary access to emergency healthcare for patients in all European Economic Area countries and Switzerland at a reduced rate or, sometimes, free of charge. The EHIC covers any medical treatment that becomes necessary during an individual's visit to Europe, because of either illness or accident.
Evidence based clinical practice	<i>Evidence based clinical practice</i> is an approach by clinicians to decision making in which the clinician uses the best evidence available, in consultation with the patient, to decide upon the option which suits that patient best.
Evidence based medicine	<i>Evidence based medicine</i> as defined by Sackett, is the conscientious, explicit, and judicious use of current best evidence in making decisions about the care of individual patients. The practice of evidence based medicine means integrating

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	individual clinical expertise with the best available external clinical evidence from systematic research.
Evidence based policy making	<i>Evidence based policy making</i> as defined by Davies is a process which helps people make well informed decisions about policies, programmes and projects by putting the best available evidence, (that is the best evidence available at the time that the decision falls to be made), at the heart of policy development. An evidence based approach should underpin strategy, policy and implementation and there should be a systematic method of updating evidence (horizon scanning).
Exceptional	<i>Exceptional</i> means out of the ordinary, unusual or special.
Exceptional clinical circumstances	<i>Exceptional clinical circumstances</i> are clinical circumstances pertaining to a particular patient which can properly be described as exceptional. This will usually involve a comparison with other patients with the same clinical condition and at the same stage of development of that clinical condition and refer to features of the particular patient which make that patient out of the ordinary, unusual or special compared to other patients in that cohort. It can also refer to a clinical condition which is so rare that the clinical condition can, in itself, be considered exceptional. That will only usually be the case if the NHS commissioning body has no policy which provides for the treatment to be provided to patients with that rare medical condition.
Experimental and unproven treatments	<p><i>Experimental and unproven treatments</i> are medical treatments or proposed treatments where there is no established body of evidence to show that the treatments are clinically effective. The reasons may include the following:</p> <ul style="list-style-type: none"> • The treatment is still undergoing clinical trials for the indication in question. • The evidence is not available for public scrutiny. • The treatment does not have approval from the relevant government body. • The treatment does not conform to an established clinical practice in the view of the majority of medical practitioners in the relevant field. • The treatment is being used in a way other than that previously studied or for which it has been granted approval by the relevant government body. • The treatment is rarely used, novel, or unknown and there is a lack of evidence of safety and efficacy. • There is some evidence to support a case for clinical effectiveness but the overall quantity and quality of that evidence is such that the commissioner does not have confidence in the evidence base and/or there is too great a measure of uncertainty over whether the claims made for a treatment can be justified.

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Healthcare intervention	A <i>healthcare intervention</i> means any form of healthcare treatment which is applied to meet a healthcare need.
Healthcare need	<i>Healthcare need</i> is a health problem which can be addressed by a known clinically effective intervention. Not all health problems can be fully addressed.
In-year service development	An <i>in-year service development</i> is any aspect of healthcare, other than one which is the subject of a successful individual funding request, which the Primary Care Trust agrees to fund outside of the annual commissioning round. Unplanned investment decisions should only be made in exceptional circumstances because, unless they can be funded through disinvestment, they will have to be funded as a result of either delaying or aborting other planned developments.
NHS commissioned care	<i>NHS commissioned care</i> is healthcare which is routinely funded by the patient's Primary Care Trust. The Primary Care Trust has policies which define the elements of healthcare it is and is not prepared to commission for defined groups of patients.
NHS Directions	<i>NHS Directions</i> are instructions issued by the Secretary of State who has powers under NHS primary legislation to give directions to all NHS Bodies (other than NHS Foundation Trusts) including the Primary Care Trust which place a legal requirement on NHS bodies to act in accordance with the Direction.
NHS pick-up of private patients	<i>NHS pick-up of private patients</i> refers to situations where a patient has chosen to access a treatment not normally available on the NHS, by self funding private care and who then seeks NHS funding to provide ongoing treatment or complete the course of treatment.
NHS pick-up of trial of treatment	<i>NHS pick-up of trial of treatment</i> refers to the Primary Care Trust funding ongoing treatment for either experimental, not normally commissioned or awaiting assessment and prioritisation and where the clinician has initiated a trial of treatment without sanction regardless of how the treatment has been funded.
NICE	<i>NICE</i> means the National Institute for Health and Clinical Excellence.

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NICE's Technology Appraisals	<i>NICE's Technology Appraisals</i> are a specific form of Guidance published by NICE which is covered by NHS Directions issued in 2003. The Directions provide that Primary Care Trusts shall make funding available to patients who meet the criteria set out in the Guidance. This funding should be made available within three months from the date that the Technology Appraisal Guidance has been issued unless an extension has been authorised by the Secretary of State.
NICE's Clinical Guidelines	<i>NICE's Clinical Guidelines</i> are a form of NHS Guidance. They are not covered by NHS Directions.
NICE's Guidance on Interventional Procedures	<i>NICE's Guidance on Interventional Procedures</i> are a form of NHS Guidance. They aim to provide information about the safety of new interventional procedures. They are not covered by NHS Directions.
Non- Statutory Guidance	<i>Non-Statutory Guidance</i> is written Guidance which is issued by any public or private body other than the Secretary of State or a body authorised by the Secretary of State (or by another part of government which is directly relevant for the relevant decision making process). NHS bodies are not required to have regard to non-statutory guidance in their decision making but are entitled to do so.
Opportunity cost	<i>Opportunity cost</i> is the loss of the ability for the NHS to fund other healthcare interventions when a decision is made to apply NHS resources to a particular healthcare intervention. If for example a commissioner can only afford to fund one of the following: a cancer treatment, a screening programme, or 6 more palliative care beds then the opportunity cost of choosing the cancer treatment is the loss of the opportunity to fund a screening programme and/or palliative care beds.
Outlier	<i>An outlier</i> is a clinical observation of a patient or group of patients that lies outside the normal clinical picture. The outlier may be different from the patient group of interest in one of two ways. Their response to treatment may be very different to the rest of the group or their clinical presentation / natural history might be very different to the rest of the group. In order for an outlier to be identified it is necessary to characterize the patient subgroup of interest.
Policy variation	<i>A policy variation</i> occurs when an existing policy is changed. When there is a proposal which would result in increased access to a treatment (for example by lowering the threshold for treatment or adding a new indication for treatment) the policy variation is a service development and will be treated as such.

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Priority setting	<i>Priority setting</i> is the task of determining the priority to be assigned to a service, a service development, a policy variation or an individual patient at a given point in time. Prioritisation is needed because the need and demands for healthcare are greater than the resources available.
Prioritisation	<i>Prioritisation</i> is decision making which requires the decision maker to choose between competing options.
Private healthcare	<i>Private healthcare</i> means medical treatments or medical services which are not funded by the NHS, whether provided as a private service by an NHS body or by the independent sector. A patient may choose to seek treatment on a private basis even where that treatment is available from an NHS provider.
Private patients	<i>Private patients</i> are patients who receive private healthcare, funded on a pay-as-you-go basis or via a medical insurance policy.
Rule of rescue	<i>Rule of rescue</i> is the observation that human beings, in situations where an individual's life is at risk, have the proclivity to take action to rescue the individual regardless of the cost and the chances of success. Action taken, therefore, is in part about meeting the emotional needs of the decision maker. In the healthcare setting the term has been used in a number of ways. In the West Midlands the term refers to agreeing funding for treatments for patients whose prognosis is grave on the basis that their prognosis is grave and without regard to cost or ability to benefit.
Service Development	<p>A <i>Service Development</i> is an application to the Primary Care Trust to amend the commissioning policy of the Primary Care Trust to provide that a particular healthcare intervention should be routinely funded by the Group for a defined group of patients.</p> <p>The term refers to all new developments including new services, new treatments (including medicines), changes to treatment thresholds, and quality improvements. It also encompasses other types of investment that existing services might need, such as pump-priming to establish new models of care, training to meet anticipated manpower shortages and implementing legal reforms. Equitable priority setting dictates that potential service developments should be assessed and prioritised against each other within the annual commissioning round. However, where investment is made outside of the annual commissioning round, such investment is referred to as an <i>in-year service development</i>.</p>

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Similar patient(s)	<p>A <i>Similar Patient</i> refers to the existence of a patient within the patient population who is likely to be in the same or similar clinical circumstances as the requesting patient and who could reasonably be expected to benefit from the requested treatment to the same or a similar degree. When the treatment meets the regional criteria for supra-CCG policy making, then the similar patient may be in another CCG with which the Primary Care Trust collaborates.</p> <p>The existence of one or more similar patients indicates that a policy position is required of the Primary Care Trust.</p>
Statutory Guidance	<p><i>Statutory Guidance</i> is written Guidance which is issued by the Secretary of State or a body authorised by the Secretary of State (or by another part of government which is directly relevant for the relevant decision making process). NHS bodies are required to have regard to statutory guidance in their decision making. Statutory Guidance is intended to assist public authorities in the exercise of their statutory duties. It suggests steps which might be taken; factors which could be taken into account and procedures which could be followed to deliver specified steps of administration, or policy delivery. NHS bodies are entitled to depart from statutory guidance if they have a good reason to do so. However:</p> <ul style="list-style-type: none"> • The NHS body should always record that it has considered the statutory guidance as part of its decision making processes, and • The NHS body should always record the reason or reasons why it has departed from the course of action recommended in the Guidance.
Singular decision making	<p><i>Singular decision making</i>, in the context of priority setting, occurs when a decision maker assesses a treatment in isolation from the budget and does not compare that proposal with other competing needs.</p>
Strategic planning	<p><i>Strategic planning</i> is the process by which an organisation determines its vision, mission, and goals and then maps out measurable objectives to accomplish the identified goals. The outcome is a <i>strategic plan</i> which sets out what needs to be done and in what time scale. Strategic planning focuses on what should be achieved in the long term (3, 5, 7, or 10 year time span) while operational planning focuses on results to be achieved within one year or less. Strategic plans should be updated through an annual process, with major re-assessments occurring at the end of the planning cycle. Strategic planning directs how resources are allocated.</p>
Treatment	<p><i>Treatment</i> means any form of healthcare intervention which has been proposed by a clinician and is proposed to be administered as part of NHS commissioned and funded healthcare.</p>

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Treatment costs	<i>Treatment costs</i> , in the context of clinical trials, are the patient care costs which would continue to be incurred by the NHS if the service in question continued to be provided after the clinical trial had ceased.
Treatment costs - excess	<i>Excess treatment costs</i> are incurred where patient care is provided which differs from the standard treatment, in that it is either an experimental treatment or a service in a different location from where it would normally be delivered. The difference between the total Treatment Costs and the cost of the standard treatment (if any) constitutes the <i>excess treatment costs</i> .
Trial of treatment	A <i>trial of treatment</i> refers to a situation where a clinician has exposed a patient to a treatment for the purpose of assessing whether or not the patient is likely to benefit from longer term treatment.
Value for money	<i>Value for money</i> in general terms is the utility derived from every purchase or every sum spent.
Undue delay	<i>Undue delay</i> means a delay in providing treatment which, given the individual clinical circumstances of the patient and the period that the patient could reasonably be expected to wait before receiving the requested treatment, cannot be objectively justified.