

# Allocating Money to Health and Social Services Boards

## **Make your views known on**

### **PROPOSED CHANGES TO THE WEIGHTED CAPITATION FORMULA**

The **Weighted Capitation Formula** is a sophisticated statistical model which is used to allocate fairly the available funding to our Health and Social Services Boards. It is also used to inform Health Boards' allocations to local areas.

The Department of Health, Social Services and Public Safety (DHSSPS) is undertaking a public consultation on proposed changes to the formula which is used to allocate money for Hospital, Community Health, and Personal Social Services to the four Health and Social Services (HSS) Boards in N Ireland.

This leaflet:

- Tells you how the Weighted Capitation Formula works;
- Tells you how it has been improved; and
- Tells you how to make your views known to DHSSPS.

**We want to hear your views** on aspects of the Formula, particularly on whether all aspects of health need have been identified and on setting priorities for any future development which may be required.

Please take time to:

- Read this leaflet;
- Request a Summary Report or Full Report (if not already included in this pack), should you wish to contribute to the Consultation; and
- Return the accompanying Consultation Response Form to the Department of Health, Social Services and Public Safety.

You can also visit our website at:

<http://www.dhsspsni.gov.uk/econsultation/capitation/capitation.asp>

## How the current Weighted Capitation Formula Works

The formula takes account of:

- The number of people living in each HSS Board area because everybody is a potential user of the health service;
- The differing age/gender structure of these populations because the cost of providing care to an elderly person is, on average, greater than the cost of providing care to a younger person;
- Differences in the degree of need for care between these populations because health and social care status is known to be linked to deprivation;
- Differences in the cost of providing care in urban and rural areas because it costs more to provide health and social care services in rural areas; and
- Differences in the ability of residents to contribute towards the cost of their care in residential and nursing homes because if individuals can contribute towards the cost of their own care (or the Social Security system pays for it), then money can be diverted to provide care for others.

## **How the Weighted Capitation Formula Has Been Improved**

The Capitation Formula Review Group (which comprises experts from the DHSSPS and HSS Boards) have a structured programme of work to review the operation of the formula, to ensure it incorporates the latest developments in resource allocation techniques, and that it is informed by appropriate data. **In addition, important issues were raised during the last public consultation on the formula, and these informed the prioritisation of the last work programme.**

The main new developments are shown below:

New research into the distribution of need in the following Programmes has been carried out and independently reviewed by experts in the field:

Mental Health  
Family and Child Care  
Learning Disability  
Physical and Sensory Disability.

New research was also commissioned into the investigation of unmet need (unmet need is the term for need that has not been identified to the Service because some people - such as people from very deprived or remote areas - under-use the service).

Leading-edge research was also commissioned into economies/diseconomies of scale (the relationship between the size of facilities and their cost).

These improvements are outlined in the Capitation Formula Summary Report and in the Capitation Formula Main Report, available upon request from the contact points on page 4 or downloadable from our consultation website.

**We especially welcome your views on how the Formula has been improved, whether or not further updates are necessary, and whether or not there are any equality implications associated with the revised Formula.**

## How the Consultation Process Works

Please note that the consultation is not about the overall amount of money allocated to the DHSSPS nor about individual policy decisions taken by Health and Social Services Boards on the allocation of resources to local areas.

The consultation process runs from 9<sup>th</sup> September 2004 until midnight 30<sup>th</sup> November 2004.

There are a number of ways in which you can participate:

- By completing the **CONSULTATION RESPONSE FORM** which accompanies this document (this can also be done on our consultation **WEBSITE**);
- By attending one of the forthcoming **PUBLIC MEETINGS** (see the response form for further details).

If you require any further information about the consultation, or require a Summary Report (26 pages) or Full Report (214 pages), please telephone, e-mail, or write to the Department quoting your name and address.

Copies of this document, the Summary Report, and Consultation Response Form can be made available on request in Braille, large print, Irish, Cantonese, or on audio tape from the contact point below. The Department will also consider requests for translations into other minority ethnic languages and other formats.

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