
ASSISTIVE TECHNOLOGY – CHARGING POLICY

**Responsible Cabinet Member – Councillor Veronica Copeland,
Adult Services Portfolio**

Responsible Director - Cliff Brown, Director of Community Services

SUMMARY REPORT

Purpose of the Report

1. To approve a Telecare Charging Policy.

Summary

2. Telecare is a term used for sensors and alarms linked through telephone lines to monitoring systems, often located in community alarm centres. A feature of Telecare that distinguishes it from standard community alarms is that it has the capability to raise an alert without the active participation of the person and includes equipment such as monitors for falls, movement sensors and pill dispensers.
3. In March 2008 a project for the implementation of Assistive Technology commenced focussing on the use of Telecare as an assistive technology.
4. A project group was set up to allocate a Department of Health grant (Prevention Technology Grant – PTG), to build an effective local Telecare service and to evaluate the possible benefits for clients and provider organisations. At that time there were approximately 22 people benefiting from Telecare in Darlington involving the use of various alarms and monitoring systems for use in elderly persons' accommodation. Currently, there are some 60 clients, with 86 referrals during the year and 49 removals.
5. One of the major developments has been the replacement of the Lifeline Service Call Control Software. Following a procurement exercise, software called Jontek has been implemented, going live on 1 April 2009. This software will increase the ability of a Telecare Service by improving reporting functionality and equipment recognition.
6. Now that the pilot is well embedded, consideration needs to be given to future charging policies.

Recommendation

7. It is recommended that :-

- (a) To agree the implementation of a Telecare Charging Policy of £1.50 per sensor per week (**see Appendix A**), with effect from 1 November 2009 for existing clients and with immediate effect for new clients.
- (b) The proposed charge is included within Adult Social Services Charging for Home Care and Other Non-Residential Social Services Policy as a new chargeable service.
- (c) The Housing Division Lifeline Services administer the proposed Telecare Charging Structure.

Reasons

8. The recommendations are supported by the following reasons :-

- (a) To enable the cost of providing and monitoring of assistive technology to be recovered
- (b) To bring the proposed Charging Policy in line with the current Charging Policy for recovering service costs where reasonably possible.
- (c) To allow sufficient time to advise service users of the introduction of the charge.

Cliff Brown
Director of Community Services

Background Papers

Darlington Telecare Strategy
Darlington Telecare Disability Impact Assessment Report
Darlington Telecare Independent Evaluation – Newcastle University

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S17 Crime and Disorder	There is no impact on Crime and Disorder
Health and Well Being	The use of preventative technology is an important element in maintaining health and well being.
Sustainability	There is no impact on sustainability
Diversity	There is no impact on diversity
Wards Affected	All wards are potentially affected
Groups Affected	This will mainly concern elderly people
Budget and Policy Framework	The proposal is within current budget and policy frameworks.
Key Decision	This is a key decision
Urgent Decision	This is not an urgent decision
One Darlington: Perfectly Placed	The use of assistive technology links to the Healthier Darlington theme.
Efficiency	The use of assistive technology has efficiency benefits for both Social Care and Health Service providers

MAIN REPORT

Information and Analysis

The Preventative Technology Grant

9. The Preventative Technology Grant (PTG) was launched in July 2005 by the Department of Health. Nationally £30 million was made available in 2006/7 and £50 million 2007/8. This two-year grant was based on the notion that it will produce savings. In line with government guidance¹ it was to be used to pump prime Telecare solutions into mainstream social care provision and was primarily aimed at older people.
10. The Department of Health confirmed an allocation for Darlington Borough Council of £58,878 for 2006/7 and £97,791 for 2007/8 (total £156,669). The aim was for 160,000 people to benefit nationally i.e. it is based on a cost of approximately £500 per person over two years. The guidance informed that funding may be spent on implementation and support costs, not simply on equipment.
11. In March 2008 a project was commenced covering use of the Preventative Telecare Grant (PTG) in line with key priorities as outlined below:
 - (a) Client groups – increased availability to individuals across all assessable service areas being realistic in relation to project resources available;
 - (b) Commission an Independent Evaluation – Outcomes & Possible Efficiencies;
 - (c) Replacement of the Lifeline Service Call Handling Software;
 - (d) Create clear process maps / procedures for new service;
 - (e) Extend areas to demonstrate / train Telecare equipment;
 - (f) Develop a charging policy for Telecare;
 - (g) Undertake communication & marketing activities to promote Telecare in Darlington.

Telecare Budget 2009/10

12. The total PTG received in 2006/07 was £156,669. The Department for Health allowed local authorities to carry forward up to 100% of their PTG from 2006/07 and 2007/08 to help support build a local Telecare Service. All costs to date have been met by the PTG and best use of existing staff resources within both Adult Social Care and Lifeline Services.
13. At the end of 2007/08 we had used £21,498 to build a local pilot Telecare Service for approximately 22 clients and £135,170 was carried forward to continue to build the service. There were 85 telecare referrals and 46 removals over 2008/09, meaning around 61 people are benefiting from Telecare in Darlington around mid March 2009. An underspend of approximately £20,000 can be carried forward to support the continuation of the Telecare Service in 2009/10. This, along with Council investment of £17,000 and £23,000 from NHS Darlington will ensure that the service is sustained over 2009/10 with a budget of approximately £60,000.
14. Beyond 2009/10, any future roll out will be dependant upon the efficiencies generated by the use of the technology, combined with income raised from charging.

¹ Building Telecare in England (2005)

Income and Financial Assessment

15. During 2008/09 a client in receipt of a Telecare Service made no financial contribution for the Telecare element. However, current clients have been made aware that it is a pilot project at present and that a charge could be introduced in the future. Clients have however paid for the Telecare connection to the well established Lifeline Service operated by Housing Services. The charges for this are reviewed annually and agreed by Council. If a client is eligible for Supporting People Grant (following a Housing Benefit / Council Tax eligibility criteria assessment), then the charge is reduced.

Statutory and Policy Framework for Charging

16. The Department for Health published “Building Telecare in England” on 19 July 2005. It set out their vision for the development of telecare services and outlined the purpose of the Preventative Technology Grant. The guidance regarding charging is as follows:
17. *“Where, as a result of a community care assessment, Telecare equipment is provided by a local authority as an aid for the purposes of assisting with nursing at home or aiding daily living, it should be provided free of charge.”*
18. *“A charge may be made for the service elements (revenue) of Telecare. Charging should be in line with local Fairer Charging and Fairer Access to Care Services (FACS) policies.”*
19. *“Where it is part of the local strategy to provide Telecare packages to people who are not assessed as requiring them as an aid for the purposes of assisting with nursing at home or aiding daily living*, for instance as a preventative service, a charge can be made for the equipment and the service (revenue) elements. In these instances the FACS means test can be used, in the same way as for Supporting People charging assessments.”*
20. The guidance clarifies that while some elements cannot be charged for, other elements may be. Although adding complexity to the development of the service, it was deemed important to consider the opportunities to generate revenue from Telecare provision, which would ultimately support (or contribute) towards the sustainability of Telecare provision beyond the life of the PTG.

Charging for Telecare

21. After considering national research² it is proposed to charge Telecare clients £1.50 per Telecare sensor per week.
22. A Level Two Disability Equality Impact Assessment (DEIA) was carried out to assess the impact this proposed charge may have on disabled people. The Department of Health guidance³ provided the basis for how the proposal may be applied.

² Doughty, K. (2007) “Review of strategies for charging service users for telecare”, Journal of Assistive Technology, Vol. 1, (2), pp. 22-25.

³ Department of Health (225) “Building Telecare in England”

23. This proposal maximises resource available and recoups some costs without making the charge prohibitive. This option would allow people to choose Telecare as well as have a formal assessment. It minimises the financial risk to the Council and maintains consistency with the Lifeline Charging Policy. It supports the move towards personalisation and self-directed support by providing assessed clients with a choice.
24. As Telecare is a new development, we need to continue to monitor and evaluate, using new methods, (*Jontek – Housing Call Handling Software*), its possible effectiveness for both the client and the authority, to determine the true cost of service provision and incorporate this into annual reviews of the overall Charging Policy, with a view to maintaining an objective of recovering the reasonable costs for the service.
25. Private clients (covers those who are not assessed for Telecare by Health or Adult Social Care) would be subject to all proposed Telecare charges. This includes the rental of the telecare equipment, the call monitoring and the cost of responding to an alert.
26. Clients assessed by Health or Adult Social Care would be subject to all proposed Telecare charges, except for the rental of the equipment. This will be provided by the service free of charge.
27. It is proposed that the aforementioned proposed charges for Telecare be implemented from 1 November 2009, to allow sufficient time for notice to be given to current clients. New clients would be charged from the date service is provided following the charging policy being adopted.
28. As explained above the only charge that can be made for a client professionally assessed for Telecare is for the monitoring and response provided by CCTV and the Lifeline Service. For private clients it is proposed that they pay for the cost of the Telecare equipment, the proposed charge of £1.50 per week per sensor for the monitoring and response and the existing lifeline charge of £4.57 per week (effective 1 April 2009). The new charges can be implemented from 1 November 2009.
29. The other side to Telecare is its ability for organisations to “invest to save”. Many evaluations nationally are starting to show the potential benefit for local authorities and local NHS Trusts. For example possible cost savings to both organisations could come from reducing hospital admissions, supporting early hospital discharge, reduction in ambulance call outs, less formal carer input, reduction in residential care admission or sheltered accommodation usage and a reduction in home care hours (see **Appendix B**).
30. To help demonstrate this point:-
 - (a) A client with a fall detector fitted for one year had three falls. The fall detector alerted the Council’s control centre, who on each occasion arranged for a Lifeline Officer to attend and help and support the client. On each occasion, the client was supported and did not need to attend hospital because the problem was resolved quickly and in the clients own home. Therefore, an ambulance was not called, because the client’s condition had not got to a critical stage due to early intervention of the Telecare. As a result, there were three potential avoidable admissions to hospital.



- (b) There are approximately 43 clients in Darlington benefiting from low level preventative technology via the Telecare fall detector. If we applied the same scenario to each client over the year, this would potentially save NHS Darlington approximately £20,383 pa.
- (c) Other savings can be attributable to Telecare for both the NHS and DBC. Further details are highlighted in a report compiled by Newcastle Business School, (an Independent Evaluation of the effectiveness of Darlington Telecare Service 2008/09).

Outcome of Consultation

- 31. There has been regular marketing and communication activities undertaken throughout the project to inform residents about Telecare. In addition, consultation has taken place through a level 2 Disability Equalities Impact Assessment (**see Appendix C**) to understand the impact on disabled people of the proposal to introduce a Telecare charge.

Appendix A

Proposed Telecare Package Charging Model – Examples up to 3 Items of Equipment

Package type	Equipment	Weekly Charge	Potential financial relief						
Standard Lifetime Package		£4.57	Reduced to £2.97 – if eligible for supporting people						
Telecare Sensors Available <ul style="list-style-type: none"> - Fall detector - Bed sensor - Flood detector - Enuresis - Pill dispenser - PIR movement - Exit alert - Epilepsy alert - RNID smoke - Vibrating pillow - Smoke - Gas & CO2 - Panic switch - Heat - Temp Extreme - CO detector - Gas – mins 		<table border="0" style="width: 100%;"> <tr> <td style="width: 33%;">1 sensor (£1.50)</td> <td style="width: 33%;">2 sensors (£3.00)</td> <td style="width: 33%;">3 sensors (£4.50)</td> </tr> <tr> <td>£4.57 + £1.50 = £6.07</td> <td>£4.57 + £3.00 = £7.57</td> <td>£4.57 + £4.50 = £9.07</td> </tr> </table>	1 sensor (£1.50)	2 sensors (£3.00)	3 sensors (£4.50)	£4.57 + £1.50 = £6.07	£4.57 + £3.00 = £7.57	£4.57 + £4.50 = £9.07	Assessed clients given the option for a financial assessment. Telecare charge applied will depend upon financial circumstances.
1 sensor (£1.50)	2 sensors (£3.00)	3 sensors (£4.50)							
£4.57 + £1.50 = £6.07	£4.57 + £3.00 = £7.57	£4.57 + £4.50 = £9.07							

Appendix B

Cost Savings which Telecare might have on Health and Social Services

Date Effective – October 2008

Telecare Referral Toolkit Areas	Average Cost	Number of likely outcomes if not installed (from 6 month actual Based on 50 clients	Possible annual cost saving to DBC / DPCT (full year effect)	Number of likely outcomes if not installed (from referrals) annual forecast Based on 100 clients	Possible annual cost saving to DBC / DPCT (forecasting annual clients	Cost saving to DBC or PCT?
Admission to Hospital	£378 per client	18	£6,804	36	£13,608	PCT
Additional Care Package (Based on domiciliary Care ph)	£10.30ph	7	£3,749.20	14	£7,498.40	DBC
Admission to Residential Care	£375 per week	15	£5,625	30	£11250	DBC
Total			£16,178.40		£32,356.40	

Possible Cost Saving to Darlington Borough Council by supporting a Telecare Service = £18748.40

Possible Cost Saving to Darlington Primary Care Trust by supporting a Telecare Service = £13,608