

Sunderland City Council – Telecare Efficiency Savings

1. Through the facilitation of timely discharges from hospital and prevention from inappropriate readmissions, prevention of inappropriate ‘999’ calls and residential care placements, this project will deliver efficiency savings which benefit not only the Local Authority but Sunderland Primary Care Trust and the North East Ambulance Service, the potential efficiency savings outlined below are based on 2008/2009 data.
2. The tables below outlines the efficiency savings that could be achieved at an individual level based on a cost of £3.20 per week for alarm service response per person for which this capital will purchase necessary equipment.

	Cost per person	Efficiency saving per person	Anticipated total annual saving (based on assumptions below)²
Residential care placement ¹	£311	£307.80	£5,697,994

	Cost per person	Efficiency saving per person	Anticipated total annual saving (based on assumptions below)
Ambulance response to ‘999’ call	£240	£236.80	£17,996.80

3. Anticipated total savings from Residential Care Placements is based on cost per person paid by Sunderland City Council (i.e. £311) less cost of £3.20 per week for alarm service response per person * 35% of people 85 and over in residential care in LA in 2008/2009 amounting to 356 people.
4. Between April 2008 and March 2009, the North East Ambulance Service responded to 343 falls associated ‘999’ calls at a cost of £82,320. Of these calls, 161 (monetary equivalent £38,640) were for assistance only which could have been prevented through the use of assistive technology and responded to by a mobile warden.
5. Information regarding assistance only ‘999’ calls does not include information surrounding age, however of 47% (76 people) of fall related calls requiring a response were for individuals aged 85 and over, if we apply this percentage to assistance only calls the number of people aged 85 and over would be 76.

¹ Average cost of residential placement 2009/10 paid by Sunderland City Council (i.e. less client contribution)

² Based on DoH (2005) Building Telecare in England

	Cost per person	Efficiency saving per person	Anticipated total annual saving (based on assumptions below)
Accident & Emergency admissions ²	£800	£796.80	£67,728.00
Overnight stay in hospital ³	£199	£195.80	£8,419.40
Overnight stay in hospital as a result of delayed discharge (per person, per night)	£199	£195.80	-

6. Those 85 ambulance responses between April 2008 and March 2009, may have been preventable had telecare equipment been in use. All 85 people will have been admitted to Accident and Emergency at a cost of £68,000 (£800 per person). If 50% of the people (43) who were admitted to accident and emergency then required an overnight stay for monitoring purposes, the total cost to the Primary Care Trust would be £76,147.40.
7. The Project also has the potential to make further efficiency savings through the facilitation of early and timely hospital discharge. In addition to the potential efficiency savings outlined above, the Project will deliver benefits such as added safety and security, peace of mind and greater independence. Elements such as these and overall wellbeing cannot be quantified or translated into efficiency savings.
8. The potential efficiency savings outlined above are based on both local and national assumptions, data will be collected throughout this project in order to calculate the actual efficiencies (both cashable and non-cashable) achieved at a local level (detailed in Section 5).

² Estimated cost, costs of A&E admissions are tariff based depending on need. For further information see the *HRG4 2009/10 Local Payment Grouper*

³ Estimated cost, costs of overnight hospital stays are tariff based depending on need. For further information see the *HRG4 2009/10 Local Payment Grouper*