SOM
Society of Occupational Medicine

Suggested steps to take when commissioning an occupational health service

January 2019

This document has been designed to support companies who wish to commission an occupational health (OH) service.

1. Introduction

OH services keep people well at work – physically and mentally. Research shows that good health is good for business and the longer people are off sick, the less likely they are to make a successful return to work. As a byproduct of making people well at work, OH professionals enable better interaction out of work with sports, hobbies and family activities.

OH services reduce absence costs, help people return to work successfully post illness, reduce claims against health insurance, and reduce legal risks associated with non-compliance of employment, Equality Act and health and safety legislation. They can also increase staff retention – saving time, money and effort recruiting, retaining and training staff – and improve productivity and therefore profitability (*see the SOM's report "Occupational health – the value proposition"*). OH services can be used as part of an engagement strategy with employees, evidencing the company's commitment to keeping their health physically and mentally.

2. What occupational health services are best for your business?

a) Know your own organisational needs

Risk Assessments need to be completed by the organisation to identify workplace risks and direct what actions are needed to prioritise the appropriate interventions and controls. Additionally, data on the rate and reason for absence across the organisation is beneficial when understanding your organisational needs.

Your organisation should have a policy for attendance management with parameters for making reasonable adjustments and Duty of Care arrangements for your employees. Your organisation should also have an annual target for absence agreed, that has a defined owner within the business.

It can't be left up to the OH service to decide what work adjustments are practical for an organisation to accept, such as minimum timescale for return to work or ability to support adapted duties. With regards to the Equality Act, it is for any organisation to decide how far it is willing to go to support their employees, such as making decisions on:

- Compassionate leave
- Care leave
- Adjustments to equipment or work tasks
- Shift patterns to accommodate caring responsibilities
- Travelling times to and from work
- Resolving work-related stress issues
- Personality conflicts and harassment issues
- Training needs
- The imbalance between work performance and deficits in skills, behaviour or knowledge
- Linking with Government agencies such as Access to Work.

In this respect, it is important that OH services understand the organisation, its policies and culture, but OH services can only make recommendations. It is the organisation that must make the management decisions on how or if it can apply those recommendations. Within these parameters, OH services can offer recommendations on:

- Timescale for returning to normal duties following illness or accidents
- Adjustments or restrictions to duties following illness or accident
- Adjustments or restrictions to duties following positive results from drug and alcohol tests
- Adjustments to work equipment
- Temporary and permanent adjustments or restrictions to work and working patterns to accommodate disability or long-term illness
- Redeployment to accommodate disability or long-term illness
- Retirement / leaving the business on grounds of ill health.

Where possible all of these recommendations should be time bound to assist the organisation to plan staffing levels and operational needs of the business.

b) OH services need to understand the organisation's unique needs

In general, OH services help to reduce workplace risks by reducing the impact of health on work by reducing sickness absence and 'presenteeism' (a person who is physically at work, but less productive) and delivering health surveillance and fitness for task medicals that ensure your employees are safe and able to work in their current or future role.

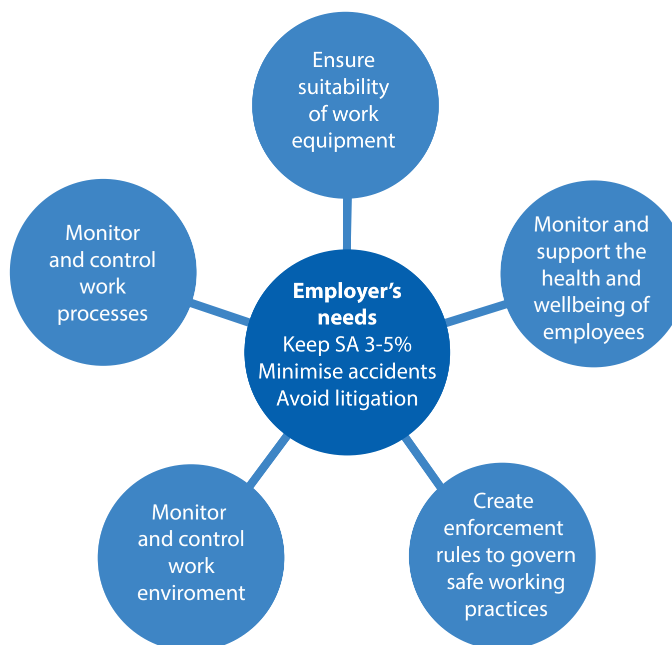
The service provided could include:

- Health surveillance – a system of ongoing health checks which may be required by law for those employees who are exposed to work-related factors such as noise, vibration, ionising radiation, solvents, fumes, dusts and biological agents, other substances hazardous to health or work in compressed air. Health surveillance is directed by statute and the Health and Safety Executive (HSE) provides guidance and regulatory oversight. Examples include:
  - > Hearing tests
  - > Hand-arm vibration syndrome (HAVS)
  - > Lung symptom questioning and lung function tests.

- Case management / management referrals for physical health (musculoskeletal disorders) or mental health conditions (stress, anxiety, low mood) that may occur in a workforce that impact on work
- Reducing stress at work – carrying out stress audits and developing training and management support programmes to help reduce stress-related absenteeism
- Immunisations – having an effective vaccination and recall system provides a duty of care for those workers who are exposed to vaccine-preventable diseases as part of their role and provides reassurance for management should you be inspected by HSE or the local authority
- Health promotion and wellbeing – including behaviour change around physical activity, smoking, alcohol and substance misuse. As part of this strategy an OH service can consider activities such as flu vaccinations or health checks e.g. BMI, cholesterol and BP.

In order for an organisation to understand their requirements and for OH services to recommend the most appropriate provision, it is best practice for a "Needs Assessment" to be undertaken. This is a full review of your organisation environment, roles and associated health risks, your absence, accident reporting and employee satisfaction results. Completing your organisational OH Needs Assessments will allow a provider to tailor services specific to your organisation and will provide a basis on how to monitor the impact of a future OH service.

The diagram below shows the components of an OH Needs Assessment:



- OH services can support in an employee journey by:
  > Assessing suitability for role, post-offer of employment or change of role
  > Protecting the impact of work on health by undertaking health surveillance
  > Protecting the impact of health on work through case management
  > Supporting in the return to work by vocational rehabilitation
  > Assessing whether employees meet the requirements for ill health and retirement
  > Providing wellness and resilience programmes.

3. Ways of obtaining occupational health services

Services can either be delivered "in-house" or procured from an external outsourced provider.

a) Deciding on "in-house" or "external"

OH services can be offered "in-house" by an employer's own staff or delivered through an external outsourced supplier. There may also be a hybrid or multi-supplier model. If it is to be provided by an external outsourced supplier you could consider the scale of your operation and likely demand for your service and then consider providers who can meet your requirements, from a sole trader to an international provider.

b) The procurement route

This may be a competitive tender / competition from accredited providers; a direct award or a negotiated tender. You can decide on the successful provider based on criteria such as:

- Quality accreditations
- Technology solutions
- GDPR protocols
- Health professional qualifications
- Sector experience
- Geographical coverageappropr
- Financial capability e.g. via a Companies House check for solvency
- Breadth of supply capacity and geographical coverage
- Experience, client referencing and benchmarking
- Value for money

You should award the contract to the supplier that offers the optimum proposed solution against all of the evaluation criteria, which should be weighted appropriately. You can then negotiate terms and conditions and draw up contracts, agree service levels, set KPIs and set the criteria for how to monitor and review contracts. You will need to work out the procurement timescales and be sure to allow sufficient time for implementation, particularly where the service requires the deployment of a new technology solution or where the supplier would need to 'resource up' in order to deliver the new contract.

4. Commissioning occupational health – required service elements

Before you commission an OH service, in-house or outsourced, you may want to prepare a business case for the service required which would look at your Needs Assessment.

If you are commissioning externally, you may want to set a specification for contractors and standards for evaluating bids. A specification includes a statement of what OH services are to be, for example:

a) Skill mix – How many staff do you need and what qualifications should they have?

The qualifications and experience of staff and any requirement for accreditation with the relevant professional bodies need to be transparent e.g.

- Nurse e.g. what OH qualifications do they have?
- Doctor e.g. are they a member of the Faculty of Occupational Medicine (FOM)?
- Chartered physiotherapists e.g. are they members of ACPOHE?

- Other professionals e.g. counsellor, cognitive therapist, health promotion specialist, OH technician, fitness adviser or someone else?

b) Building a model of delivery provision of cover

For example, are services required for 52 weeks of the year? Does the service require face to face delivery or can it be delivered remotely e.g. teleconference or videoconference? Or does the contract require the combination of the two?

c) Clarity of clinical governance and procedures to follow

A definition of the clinical governance framework that will help the clinician(s) improve the quality of the service and safeguard patients' care, as well as the structure in place for monitoring clinical standards and professional development of staff. Safe Effective Quality Occupational Health Services (SEQOHS) accreditation should be a key requirement.

There must also be clear guidance for service users to follow regarding how and when to access OH service elements. As best practice, the OH service should supply information leaflets or intranet pages explaining about OH appointments, what to expect upon attendance and the various processes for appointments and outcomes.

d) Location of service

If the design of the contract requires face to face appointments, the OH service must be provided from a location acceptable to the partnership. It should be physically accessible to all employees, whatever their condition and means of transport. This may include suitable accommodation meeting these requirements, with properly equipped consulting rooms and potentially mobile units and telecommunications.

e) Methods of contact and communications

Electronic forms of communication would be required for the service users to submit referral documentation and receive reports securely via an electronic inbox that is General Data Protection Regulation (GDPR) compliant.

There should also be a web portal or intranet page for the OH service to publish relevant documentation, forms and information about the service. A designated contact email for OH would also be necessary. The detail of the communications methods should be agreed and evaluated in the course of the contract performance and review meetings.

Additionally, options should be explored on how best to obtain informal advice from OH professionals without compromising General Data Protection Regulations and recognising the importance of consent. These options usually include the many forms of case conferencing.

f) Records and monthly reports

Records must be kept of all referrals and other elements of work. Monthly reports, available historically, and predictively, should be provided to enable the volumes of work and timescales within the contract to be monitored. The detail of the reports should be agreed before the service begins. There should also be agreement that employee health and medical records will be kept by the OH service, and in accordance with all of the relevant legislation, including that relating to General Data Protection Regulations, and health and safety.

The responsibility to inform employees of the business about the procedure to transfer the OH records to a new provider rests with the business. At the end of the contract term, the OH provider should ensure that the individual records are passed on to the next service provider where this is necessary in a condition that enables the next service provider to manage that information effectively and in compliance with relevant statutory duties.

g) Contract performance review and monitoring meetings

The OH service is tasked with providing advice on matters of OH related policy and practice, to help the partnership to develop its arrangements. It should provide monitoring information, including statistical information, on a monthly basis to enable the activity, quality and performance within the contract to be monitored and evaluated. The detail of this information will be agreed between parties in the contract set-up and reviewed in monitoring meetings. A robust review and monitoring of contact system should ideally require attending quarterly monitoring meetings.

Within the contract, there needs to be a defined process with time scales for dealing with complaints. This process is usually part of ongoing account management by the provider and overseen with point of contact with the OH provider e.g. clinical lead or operations manager. A service level agreement (SLA) needs to be agreed for:

- Time to initial acknowledgement to the person who raised the complaint
- Time to the full investigation response
- Time for the complainant to respond to the response.

h) Performance measures

Key performance indicators (KPIs) help define and measure progress towards organisational goals. They should focus on a range of areas and be quantitative, qualitative and measurable, for example:

- The time between referral and consultation
- Sickness absence figures or any reasons for lost time
- Presenteeism figures based on restricted or adapted duty recommendations
- Rehabilitation for return to work
- Training completed
- Customer satisfaction; and service quality
- Overall, does the service improve worker health and ensure legal compliance?

i) Service level agreements (SLAs)

SLAs define the agreement between the supplier and the client organisation on service provision and standards. The terms of the SLA should allow for flexibility so that it can grow with the contract and can be used to measure performance. Once the contract has been awarded, the details can be finalised through the contract arrangements and the SLA. These may include:

- Timescales and procedure for arranging appointments and closing cases with and without 3rd party requests
- Details of the processes for how appointments and referrals are managed
- How the provider will work with the client’s own line managers, personnel and other relevant staff

- An outline of the specific activities or job roles of the client where OH input may be required such as:
  - > Post offer and recruitment medical examination
  - > Ill-health retirement
  - > Return-to-work fitness assessments
  - > Pregnancy health assessments
  - > Reasonable adjustments
  - > Health surveillance
  - > Agreement on the format of referral forms and reports to line managers
  - > Format of periodic reports and deadline for delivery (of OH activity) to the designated contact link person
  - > The implementation timeframe for the contract and how the contract is to be managed
  - > Objectives or goals the service is aiming to deliver
  - > How management information is shared, strategic guidance and advice on best practice
  - > Clauses on records management, confidentiality and data protection and intellectual property rights
  - > Roles and responsibilities – staff management, recruitment, absence management, disciplinary action and resources for professional development
  - > Agreement on computer systems and support, and the provision of data, statistics and reports
  - > Protocols for business continuity and emergency planning, health and safety, diversity and environmental awareness
  - > Agreement on policy, procedure and protocols, use and style of forms and other documentation
  - > The maintenance of adequate stocks and supplies of goods, to be agreed through client or contractor procurement.

5. Plan to deliver the service

This should be made clear at the outset, so that agreements can be established before the service begins.

The example below is how on a day-to-day basis the workload in the OH service can be managed via an appointment system taking into consideration KPIs and SLAs:

a) Post-offer paper screen – processed within 72 hours of receipt

b) Post-offer examination – appointment offered within 72 hours of receipt of pre-placement health questionnaire

c) Initial management referral – appointment offered within 5 days of receipt of referral (60-minute assessment)

d) Single health surveillance – 20-30 minute assessments (forms completed in advance)

f) Complex health surveillance – 30-60 minutes (forms completed in advance)

g) Ergonomic assessments – from 1 hour.

Escalation protocols should be in place for all types of assessments.

6. Assessing the service quality of your OH provider

It is of great importance that the service quality meets the requirements of the organisation. The service must be delivered by professional staff qualified to an appropriate level and it must have arrangements for ensuring compliance with requirements related to confidentiality, general data protection regulations, health and safety, equality and other statutory requirements.

Where advice or opinions are sought, the OH service must be clear and unambiguous, and must take into consideration the organisational requirements related to the workplace, the practicality of any recommendations and the individual HR policies. The scope of the opinions should relate to the questions raised, but if the OH service believes that wider matters should be considered that may not be specific to the referral, then those matters should be raised separately to the individual referral response.

Where matters are raised within a consultation that are not apparent from the referral but which may have a material impact on the advice provided, the OH provider must, with appropriate consent, discuss these with the relevant HR or line manager before providing advice.

Delayed access to service or to reports can have a significant impact on the effectiveness of management action, and the benefit to employees: for this reason, the timescales indicated in the specification will need to be closely followed and monitored. The organisation could consider taking action through the contract in response to failure to meet the timescale or quality requirements, where attempts to improve have been unsuccessful. The detail of the monitoring and improvement planning (if necessary) will be agreed during the contract set-up process.

Service delivery must be innovative and based on building lasting and mutually beneficial working relationships with the organisation. The OH service should use the latest emerging technologies and electronic communications channels wherever possible. Good performance in respect of the quality and timescales should be taken into account by the organisation when considering renewing the contract.

7. Charging

If a rate for non-attendance to appointments is to be used by the OH service, this should be agreed at the outset. Charges should be benchmarked regularly against market rates to ensure value for money. Charging should apply to both OH service and organisation cancellations.

Different commercial models can be considered including fixed, variable or a combination of fixed and variable fees.

8. Establishing success criteria

The contract should detail:

- What is the length of an assessment/appointment if the charge is per appointment
- What are the charges for additional time e.g. account management charges
- What output is expected for the charge
- Provisions for ad-hoc work that may be required
- Day or hourly rate for ad-hoc work
- Service credits for poor performance

- Requirements for delivery of health surveillance assessments
- Improvement in attendance
- Provision of training to line managers around the use of OH service.

9. Contract end

The contract process only finishes once the contract has ceased or is to be renewed, in which case the process starts again. At this stage, the organisation should evaluate whether or not the contract has delivered on and has been value for money, and whether it has contributed to the organisation's strategic aims.

If the contract allows for renewal, this is the time to negotiate improvements or more stringent terms. If you are changing OH service provider or bringing the service in-house, there may also be issues to consider such as transfer of medical records and transfer of employees under TUPE regulations.

10. Summary

A contract will only be as good as the clauses within it. These will need to be matched to business needs and be a clear statement of what is to be expected, how it is to be delivered and a definition of the safeguards. Good planning and monitoring of performance throughout the course of the contract is essential. Skills in negotiation and managing the contract relationship are also key.

Key points of getting the most from an OH Provider

- Know what the organisation needs
- Know what the provider has 'sold' to the business
- Know who they are
- Know what they are qualified to do
- Know how they operate
- AND understand your role.

About the SOM

The Society of Occupational Medicine (SOM) is the largest and oldest national professional organisation of individuals with an interest in occupational health. SOM membership is for anyone working in and with an interest in occupational health. SOM membership demonstrates a commitment to improving health at work, supports professional development and enhances future employability enhancing our members' reputation and employability. Members are part of a multidisciplinary community – including doctors, technicians, nurses, health specialists and other professionals – with access to the information, expertise and learning needed to keep at the forefront of their role. Our members benefit from career development opportunities alongside practical, day-to-day support and guidance, through local and national networks that are open to all. Through its collective voice, SOM advances knowledge, raises standards and increases awareness and seeks to positively influence the future of occupational health.

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