



PRESS STATEMENT

23 March 2016

Monitor and NHS England publish 2016/17 National Tariff Payment System

Commenting on the [publication](#), Chris Hopson, chief executive of NHS Providers, said:

“Finally, after five years of an NHS tariff with undeliverable savings assumptions, which has played a key role in driving the NHS provider sector into a near £3 billion annual deficit, providers are set a realistic headline 2% efficiency factor. However, we should be under no illusions on how difficult the task for the provider sector in 2016/17 will be. Despite the welcome uplift to tariff prices next year and the extra £1.8 billion of sustainability funding, our members tell us that, following the control totals exercise, they are still facing extremely stretching savings targets that carry significant risk. Our latest view is that there will still be a provider sector deficit of at least £500 million by the end of next year.

“2016/17 is a crucial year for the sector. NHS trusts and foundation trusts are being asked to return to balance and improve quality and access targets. A more realistic tariff was essential in supporting providers to deliver this task. It is particularly important that CCGs use the increased tariff settlement to support mental health and community services that will not receive sustainability funding,

“We recognise and welcome the minimal changes to the tariff – for example the delay to introducing HRG4+ and the decision to not use a specialised service marginal rate. But we would urge NHS England and Monitor to continue supporting the development of new payment options, in particular for mental health services and new models of care.”

Ends

Notes to editors

About NHS Providers

- NHS Providers is the membership organisation for NHS acute hospitals, community, mental health and ambulance services
- NHS Providers acts as the public voice for those NHS trusts, helping to deliver high quality care by promoting shared learning, providing support and development and shaping the strategic system in which our members operate
- NHS Providers has 94% of all NHS foundation trusts and aspirant trusts in membership
- Follow NHS Providers on twitter @NHSProviders and Chris Hopson, chief executive, @ChrisCEOHopson
- A full list of NHS Providers’ press releases can be viewed in the news section of our homepage www.nhsproviders.org
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