NHS England

Specialist Advice Cost Ratio Tool Frequently Asked Questions

Purpose of this document:

This document provides answers to frequently asked questions on the Specialist Advice Cost Ratio Tool for Integrated care systems.

Context:

The government priority is to return to the 18-week referral to treatment standard through reforming elective care by March 2029. To support this, NHS England has published a plan for [reforming elective care for patients](#), in which advice and guidance is a key intervention.

The Specialist Advice Cost Ratio Tool is designed as a cost comparison model to help systems to better understand the financial impact of advice and guidance across referral pathways and to inform system leadership, commissioning, and delivery of high-quality Advice and Guidance (A&G) services.

Frequently Asked Questions

Q1: What is the purpose of the Specialist Advice Cost Ratio Tool?

A. The Specialist Advice Cost Ratio Tool enables assessment of the cost ratio of Advice and Guidance and comparison of the average unit cost of pre-referral A&G with the average unit cost of a referral pathway (to secondary care).This tool allows scenarios to be modelled using local inputs of specialist advice activity data, costs, and estimated allocations of time to generate a cost ratio.

Q2: What is a cost ratio?

A. Cost comparison analysis is an economic evaluation tool to compare the costs of alternative options. It measures the costs of interventions in monetary terms and presents results as a cost ratio.

The Specialist Advice Cost Ratio Tool uses inputs of activity and cost to generate a cost ratio = cost of average referral pathways ÷ cost of average A&G pathways. Interpretation of the cost ratio:

- If the cost ratio is greater than 1, the average costs of A&G pathways are less than the costs of average referral pathways.
- If the cost ratio is less than 1, the average costs of A&G pathways are more than average referral pathway costs.
- A cost ratio of exactly 1 means the average costs of both pathways are equal.

Q3: How does the Specialist Advice Cost Ratio Tool work?

A. The tool enables you to produce a cost ratio comparison between the average unit cost of an A&G pathway (pre-referral) and the average unit cost of a referral pathway (post referral).

The tool is pre-populated with a sample of England-level baseline activity data, broken down by a range of Treatment Function Codes (TFC). These are provided to use as a benchmark or starting point.

You can enter local data in any of the yellow cells within the tool – including pre-referral and post-referral specialist advice activity data and assumptions relating to costs and estimate allocations of time. The tool allows up to 20 scenarios to be generated, which you can toggle between within the 'Model' tab.

Q4: How do I access the Specialist Advice Cost Ratio Tool

A. The Specialist Advice Cost Ratio Tool is available to download from the Specialist Advice workspace within the FutureNHS Collaboration Platform along with a User Guide to support NHS colleagues in using the tool.

Q5: What do I need to do to start using the tool?

A. Before you begin using the tool, please ensure you have:

- downloaded the Specialist Advice Cost Ratio Tool (Microsoft Excel file) from FutureNHS and saved the tool locally to retain the scenarios you generate;
- access to your local data (details described below in Step 1); and
- familiarised yourself with the Instructions in the tool and User Guide.

Q6: How do I access help and support if I have queries when using the tool?

A. If you would like help or support in using the tool, please email the Referral Optimisation team: england.electivepmo@nhs.net, with the subject: Specialist Advice Cost Ratio Tool. Please include in the body of the email details of your query or request, your role and contact details. The Referral Optimisation team will review and be in touch.

Q7. How can I use the tool to create and test different scenarios?

A. Firstly, to create your own custom analysis, start by using the 'Scenario' rows highlighted in yellow in the 'Activity Input' tab. You can edit the name of the scenario and enter local data for activity inputs for:

- o A&G Conversion – A&G requests that led to a first outpatient appointment
- o A&G Resolution – A&G requests resolved without further referral
- o Triage Conversion – Direct referrals assessed and converted to outpatient
- o Return with Advice – Referrals triaged back to the GP
- o Average number of interactions (Weighting) – the average number of interactions for an A&G request

Secondly, within the 'Cost Input' tab, enter your local data on costs (actual, forecast or assumptions), and/or estimated time allocations (in minutes) for steps in pathways. These inputs will automatically feed into the decision tree within the 'Model' tab.

The Model tab then brings together your activity and cost inputs to estimate the financial impact of different Advice & Guidance outcomes. It calculates the expected cost per case and an overall cost ratio based on the selected parameters.

Lastly, navigate to the 'Model' tab. At the top of the 'Model' tab, you can select the "Use Reference Costings" dropdown to select:

Yes – to use the model's built-in default cost and time values; or
No – to use the cost assumptions you entered in the 'Cost Input' tab.

This function allows you to toggle between the England-level Reference Costs and assumptions adopted for the purposes of the tool, and your own figures.

Q8. What is the default data I can see when looking at the 'Model' tab?

A. The default view in the 'Model' tab applies:

- ▪ the Reference Costs as detailed within the 'Cost Input' tab
- ▪ All Treatment Functions
- ▪ the Total Activity from the England-level sample data (i.e. the Total Activity for All Treatment Functions data in the 'Activity Input' tab)
- ▪ the national average number of interactions (Weighting) of 1.092.

Q9. How can I view the different scenarios I have generated?

A. When modelling scenarios, if you have entered local pre-referral and post referral specialist advice activity data in the 'Activity Input' tab, the tool automatically calculates the probability - the proportion (%) of the total activity by outcome:

8 - A&G Resolution	A&G requests resolved without further referral
9 - A&G Conversion to Outpatient Appointment	A&G request made; request converted to Outpatient First Appointment (OPFA)
10 - Referral triaged to Outpatient Appointment	Direct referral made; Referral Assessment Service triaged to Outpatient First Appointment (OPFA)
11 - Referral triaged – Return with Advice	Direct referral made; Referral Assessment Services triaged back to GP (post referral specialist advice)

Q10. Where can I access ICB specialist advice activity data to enter into the tool?

A. The System Elective Recovery Outpatient Collection (System EROC) requires ICBs to coordinate and submit monthly specialist advice activity data from all organisations raising specialist advice requests from within their ICB, and details relating to the organisation responding to the request. Statistics » Specialist advice activity data - The data is available by 'type of specialist advice'. For the purposes of this data collection, the different types are categorised as:

- Pre-referral Advice & Guidance (A&G)
- Post-referral triage services that offer specialist advice
- Other equivalent models.

Q11. Where can I source local ICB data on the average number of interactions (weighting) for A&G requests to use in the tool?

You can extract data on the number of A&G interactions and the average number of interactions (weighting) from the e-Referral System (e-SR). Refer Annex 1 of the Specialist Advice Cost Ratio Tool User Guide for instructions.

Q12. What is the source of the Reference Costs applied within the tool?

A. The source of the Reference Costs used within the tool is: The unit costs of health and social care 2024 (for publication) Final.pdf produced by the University of Kent. As part of the Unit Costs of Health and Social Care Programme (PSSRU), the estimate unit costs for health and social care are produced annually to provide consistent and reliable cost information for decision-makers in health and social care, and for research. This is a free resource available online in the Kent Academic Repository: www.pssru.ac.uk/unitcostsreport/

Q13. How do I enter local staffing costs within the 'Cost Input' tab?

A. Navigate to the 'Cost Input' tab. You can enter local data in any of the yellow shaded cells within the Primary Care Reference Costs and Secondary Care Reference costs for staffing costs, working days, and working hours per day. For any yellow field where you prefer *not* to enter your own data, the model will apply the sample England-level data inputs by default.

Q14. Does the estimated time allocation (Minutes) need to be in units of 5 or 10 minutes?

A. No – for any of the yellow shaded cells, you can enter units of time (Minutes) as relevant to your local service(s). For the England-level sample data, units of 5, 10 and 20 minutes have been used.

Q15. Can I use varying units of time in the Adjustable Cost: Estimated Time Allocation (Minutes) table?

A. Yes – for each pathway stage, you can enter the average units of time for each staff group as locally relevant and applicable. The tool automatically uses the Adjustable Cost Summary per Minute and the Adjustable Cost: Estimated Time Allocation (Minutes) to calculate the Adjustable Cost: Pathway Cost (£).

Q16. What is the 'Other' cost fields for?

A. This is an editable cell where you can input costs for 'Other' staff groups involved in the delivery of A&G services not included within the default (pre-defined) categories.

Q17. How is the Adjustable Cost: Estimated Time Allocation (Minutes) calculated?

A. The adjustable Cost Summary per Minute is automatically calculated using data entered in the editable cells in the Primary Care and Secondary Care Reference Costs. For each unit cost, the relevant cost is divided by working days to calculate a cost per working day. This is then divided by working hours to calculate a cost per hour and cost per minute.

Q18. Does the Tool enable me to view both the national data sample and my locally generated scenario by Treatment Function code?

A. Not presently – you would need to toggle on the nominated Treatment Function Code (national or local) or another comparative scenario and save the tool locally.

Q19. How do I apply the Cost Ratio?

A. The tool is a cost comparison model to help integrated care systems better understand the financial impact of specialist advice activity across referral pathways and to inform system leadership, commissioning, and delivery of high-quality Advice and Guidance (A&G) services. All ICBs are asked to use this tool locally.

From April 2025, ICBs are required to use the [A&G operational delivery framework for ICBs for 2025/26](#) to understand and mature progress in delivering high quality Advice and Guidance. ICB leads are encouraged to use this tool for benchmarking and testing of different scenarios or assumptions to better understand how changes in activity, staffing, or pathway design could affect overall cost-effectiveness of delivery of Advice and Guidance to drive improvement. It is important to acknowledge that this is a cost comparison model and does not include any quality markers for either Advice and Guidance or a referral to secondary care.

For further information on the 'Evaluation of Specialist Advice':

The Specialist Advice Cost Ratio Tool for integrated care systems was developed by NHS North of England Care Commission Support (NECS) as part of a commissioned, national independent evaluation of specialist advice. The evaluation was comprised of quantitative, qualitative, and economic research. The presentations from [NHS England Referral Optimisation Network webinars](#) held in May and July 2025 on key findings from the evaluation are available within the Referral Optimisation workspace on FutureNHS Collaboration Platform.

Definitions:

Advice and Guidance (A&G) – is non-face-to-face activity delivered by consultant-led services which can be:

- Synchronous (for example, a telephone call)
- Asynchronous (enabled electronically through the NHS e-Referral Service, or through other agreed IT platforms or email addresses)

By providing a digital communication channel, A&G allows a clinician (often in primary care) to seek advice from another (usually a specialist) prior to or instead of referral. Reasons why a clinician may wish to seek advice and guidance include:

- Asking another clinician or specialist for their advice on a treatment plan;
- Asking for clarification regarding a patient's test results;
- Seeking advice on the appropriateness of a referral;
- Identifying the most clinically appropriate service to refer a patient into.

Specialist Advice – is an umbrella term for a range of specialist-led models which allow the sharing of relevant clinical information between a specialist and referrer prior to, instead of, or about a referral to support the management of patient care. The adoption and implementation of the type of specialist advice model(s) is for local system determination and should complement agreed standardised referral pathways.

Specialist Advice facilitates expert clinical input into patient care prior to or instead of referral, enabling patient care to be managed in the most appropriate setting, avoiding unnecessary outpatient referrals, or where a referral is needed, enable relevant investigations to be undertaken earlier and ensure that patients are seen by the right person, in the right place, at the right time.

Pre-Referral specialist advice – is specialist advice to support a clinical dialogue, enabling a referring clinician to seek advice from a specialist prior to, or instead of referral about a named patient. This can be synchronous, for example, a telephone call; or asynchronous, enabled electronically through the NHS e-Referral Service (e-RS) Advice & Guidance channel or other IT platforms / dedicated email addresses where there is agreement from all stakeholders that these will be used to leverage Advice & Guidance.

Pre-referral Specialist Advice may be provided by appropriately trained and commissioned specialists including both consultant and non-consultant led services in secondary care community or primary care providers, interface or intermediate services, and referral management systems. This will typically be accessed via a digital communication channel and facilitate a two-way dialogue and sharing of relevant clinical information in relation to the management of a named patient where at the outset of the interaction there is no clear intention to refer to secondary care. This is non face-to-face activity, with no referral or booking having yet been made, and as such there has been no RTT Clock Start.

Post Referral Specialist Advice (e.g. post Referral A&G) – is specialist-led assessment of a patient's clinical referral Information to support a decision on primary care management or the most appropriate onward clinical pathway. Referrals may be returned to the original referrer with advice to continue to manage in the community, similar to specialist advice, but differ as a referral will have been created with the implicit expectation that onward care would be managed by the service receiving the referral.

Referral triage can be undertaken by secondary care providers through Referral Assessment Services (RAS) via e-RS, Clinical assessment and triage services (CATS) and referral management centres (RMCs) providing intermediary levels of clinical triage, assessment, and treatment between traditional primary and secondary care, or within primary care providers. This is non-Face to Face activity, but as a referral has been made there has been an RTT Clock Start. However, no booking, or ASI in lieu of a booking, will have been made, and the episode / patient is not automatically registered on provider PTL.

Referral Assessment Services (RAS) – A Referral Assessment Service (RAS) supports complex care pathways, where it is not always clear whether a patient needs a consultant appointment or a diagnostic test. A RAS set up by the provider will ensure patients' referrals are triaged correctly. Note: where a RAS is part of a consultant-led pathway, a referral into a RAS service will generate a referral-to-treatment clock start. A RAS service allow providers to:
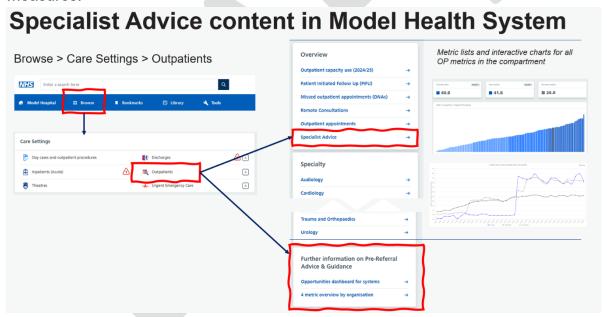
- assess the clinical referral information from the GP/referrer without the need for an appointment being booked
- decide on the most appropriate onward clinical pathway
- contact the patient to discuss choice (if an elective referral)
- arrange an appointment, where needed
- return the triage request to the original referrer with advice, if an onward referral is not needed

Source: Referral Assessment Services - NHS e-Referral Service - NHS England Digital

Additional Resources:

- System EROC technical guidance (including how we use the eRS data extracts) - System EROC - Outpatient Recovery and Transformation Platform - FutureNHS Collaboration Platform

- Published Management information (NHS England public facing website) - Statistics » Outpatient Recovery and Transformation (england.nhs.uk) and Specialist Advice Management Information – Source & definitions Specialist-Advice-MI-Source-data-definitions-v2.0.pdf

- For Model Health System Specialist Advice content, register or log in to Model Health System (www.model.nhs.uk). Registering gives you access to additional services, depending on the organisation where you work.

    The Specialist Advice Activity Dashboards in Model Health System/Outpatient Compartment provide benchmarking insights for optimising the use of Advice and Guidance as well as planning and commissioning of services. There are various levels of reporting within these metrics e.g. by type, specialty, different turn around measures.

    The two dashboards are:

    Opportunities dashboard for systems – At a system level, this dashboard provides potential opportunities to reduce unwarranted variation across pre-referral specialist advice services

    4 metric overview by organisation – This dashboard focuses on pre-referral advice and guidance across the top 18 specialities. It gives a one page summary of the 4 key metrics at provider and system level; utilisation rate, diversion rate, turnaround time and the number of unprocessed advice and guidance requests

    For support videos: **model.nhs.uk/videos**
    To contact Model Health System: **help@model.nhs.uk**