

# Living Care presentation

4 April 2019

Independent Healthcare  
Providers Network  
NHS CONFEDERATION



The public and private  
sectors working together for  
the benefit of NHS patients

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Network (IHPN)

## Main areas of focus for today

- Key facts and figures
- Brief history of the independent sector's role in the NHS
- Recent reform initiatives
- Where we are today
- Discussion

# Independent Healthcare Providers Network

- Trade association representing independent sector providers of clinical services
- Since June 2018, this includes providers of privately funded services as well as of NHS clinical services
- Members deliver a diverse range of services - acute, primary, community, homecare, diagnostic & dental
- Members are both 'for profit' and 'not for profit' – from large international hospital groups to small specialist providers

IHPN membership 2019



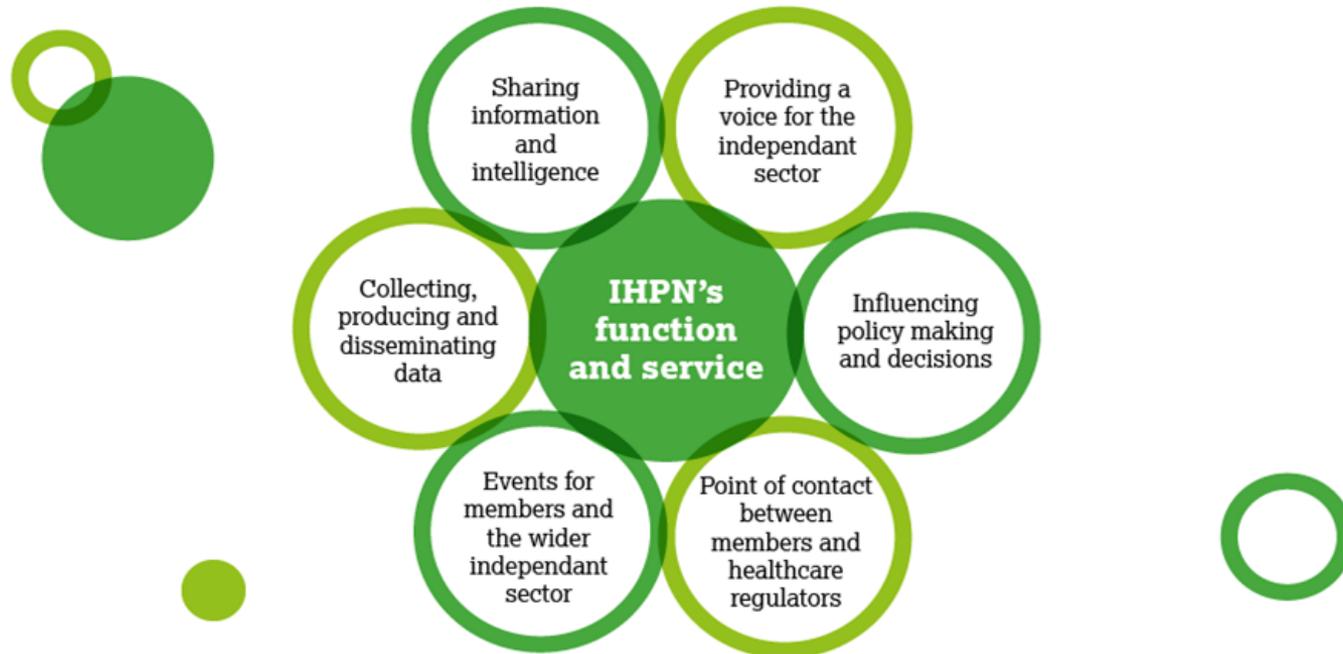
People caring for people





## Our work

As the single representative body for independent sector healthcare providers, IHPN's functions and services focus on six key areas:





# Key Facts and Figures



# % NHS budget spent on the independent sector

## PURCHASE OF HEALTHCARE FROM NON-NHS PROVIDERS, BREAKDOWN



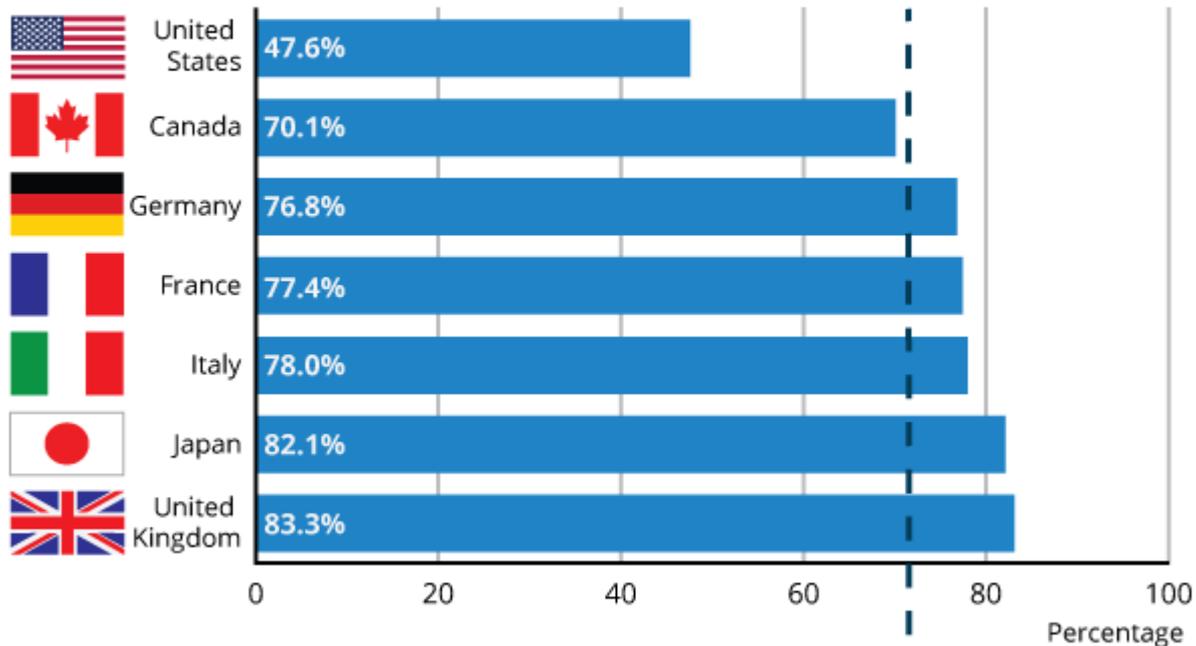
## **% NHS budget spent on orthopaedics, general surgery, MRI, community services and mental health beds**

- 19% of NHS trauma and orthopaedics
- 12% of NHS gastroenterology
- c.10% of NHS MRI scans
- c.1/3 of all NHS community services
- 25% of all NHS mental health beds
- Around 100,000 staff and contractors
- Over 550 hospitals, clinics and surgeries + extensive at home care
- Regional variations

# Public vs private spend (source: OECD)

The public sector accounted for a larger share of total healthcare expenditure in the UK than in any other G7 country

Share of total healthcare expenditure derived from the public sector for G7 countries



Note: Figures for 2012 for Canada, France, Japan and USA.  
Figures for 2013 for Germany, Italy and the UK.



# THE HISTORY

## Timeline of private sector NHS involvement

- 3118 hospitals, care homes and clinics nationalised in 1948
- General Practice, dentistry and community pharmacy all independent sector since 1948
- 1980's *ad hoc* use for waiting list work
- 1990's planned use, controlled centrally
- 2000's centrally led procurements for capacity
- 2000's and 2010's use of existing private sector capacity via choose and book and market based reform in non-acute settings

## Labour party manifesto 1997

- *New Labour because Britain deserves better*
  - *We will save the NHS*
    - *100,000 people off the waiting lists*
    - ***End the Tory internal market***
    - *End waiting for cancer targets*
    - *Tough quality standards for hospitals*
    - *Independent food standards agency*
    - *New public health drive*
    - *Raise spending in real terms every year*

## Frank Dobson MP (Health Secretary) - 1999

*“The difference between us and the Tories on health is clear.*

*They want a safety net. We want a universal service.*

*They say privatise. We say modernise.*

*They say no NHS. We say a new NHS.”*

## New Labour's conversion

Newspaper headlines in 1999 ran:

- 'Crisis as the NHS runs out of beds'
- 'Crammed hospitals warn of New Year mayhem'
- '230 a day who need not die'
- 'Flu outbreak leaves only 11 beds free for intensive care [in English hospitals]'
- **'The government must ditch its ideological baggage and realise that people would rather live in the private sector than die in the NHS.'**

## The Concordat

- Concordat between the Department of Health and the Independent Healthcare Association – October 2000
- *‘There should be no organisational or ideological barriers to the delivery of high quality healthcare free at the point of delivery to those who need it, when they need it.’*

## Labour party manifesto 2001

- *Ambitions for Britain*
  - *World-class public services*
    - *Waiting lists are down by over 100,000*
    - *Mixed sex wards will be abolished*
    - *Mental health wards will be modernised*
    - *We will give patients more choice*
    - *Specially built surgical units – managed by the NHS or the private sector*
    - *We will use the spare capacity in private-sector hospitals*

## Concordat delivery (1/2)

- “The relationship between the NHS and the private sector is not a one night stand. It is a long term relationship in the interest of NHS patients receiving better NHS services”
- Where we can use private sector capacity to improve care for NHS patients that is what we will do... we are doing it through the Concordat with the private sector that is giving more NHS patients treatment in private hospitals”

Alan Milburn MP, DH press release 2000/010

9 January 2002

## Concordat delivery (2/2)

- Milburn concluded:
  - *“The NHS is not its bricks and mortar. It is not a set of structures...We should be resolute in our defence of the values of the NHS but not of its outdated structures.”*
- Milburn firmly re-cast the NHS as being a funder and regulator – but not an automatic provider of health services - in the future.
- The result – waiting times for planned operations such as hips and knees is now lower than the OECD average

## Subsequent reform

- Conclusion of the commissioner/provider split
- Private capital used to build 'polyclinics' and Walk-In Centres
- Tendering of large-scale community services contracts
- Development of the NHS national tariff
- Creation of the 'choose and book' system
- The Department of Health's 'Commercial Directorate'

# WHAT DOES THE PUBLIC THINK?

## Public perceptions (1/2)

- 79% of people agree that it is fine for the NHS to use private companies providing they meet NHS standards, the cost is the same or lower and the service remains free at the point of use.
- 77% of people believe waiting times are shorter in the private sector
- 72% of people want to be able to choose a private sector hospital for treatment paid for by the NHS

## Public perceptions (2/2)

- 60% of people believe that private sector organisations will be delivering more NHS services in future.
- Just 23% of people believe that the private sector is bad for the NHS....
- ....BUT 64% of people believe that private providers shouldn't be able to make a profit.



# RECENT REFORM

## Health & Social Care Act 2012

- New architecture including Clinical Commissioning Groups and new national NHS bodies
- ‘Autonomous system’ guided by a ‘Mandate’
- Existing EU procurement law brought into UK statute
- Public health budget transferred to Local Authorities
- Fair playing field
- Painted as the ‘NHS Privatisation’ Act

## The response....?





Never Again?  
Or  
The story  
of the Health and  
Social Care Act 2012

A moderne drama  
In Five Incompleted Acts



By Command of  
Her Majestie's Governance

*Imprinted for The Institute for Government  
and The King's Fund 2012*

# The Act's legacy

## The legacy

- ‘Re-toxified’ the NHS for the Conservatives
- Fragmented national leadership and accountability
- Perceived ‘privatisation’ and ‘compulsory tendering’
- Almost no appetite for further legislation
- The Act is now largely just being ignored, but with what consequence?
- Jeremy Hunt almost silent on the role of the private sector in the NHS
- Move away from competition to ‘partnership’

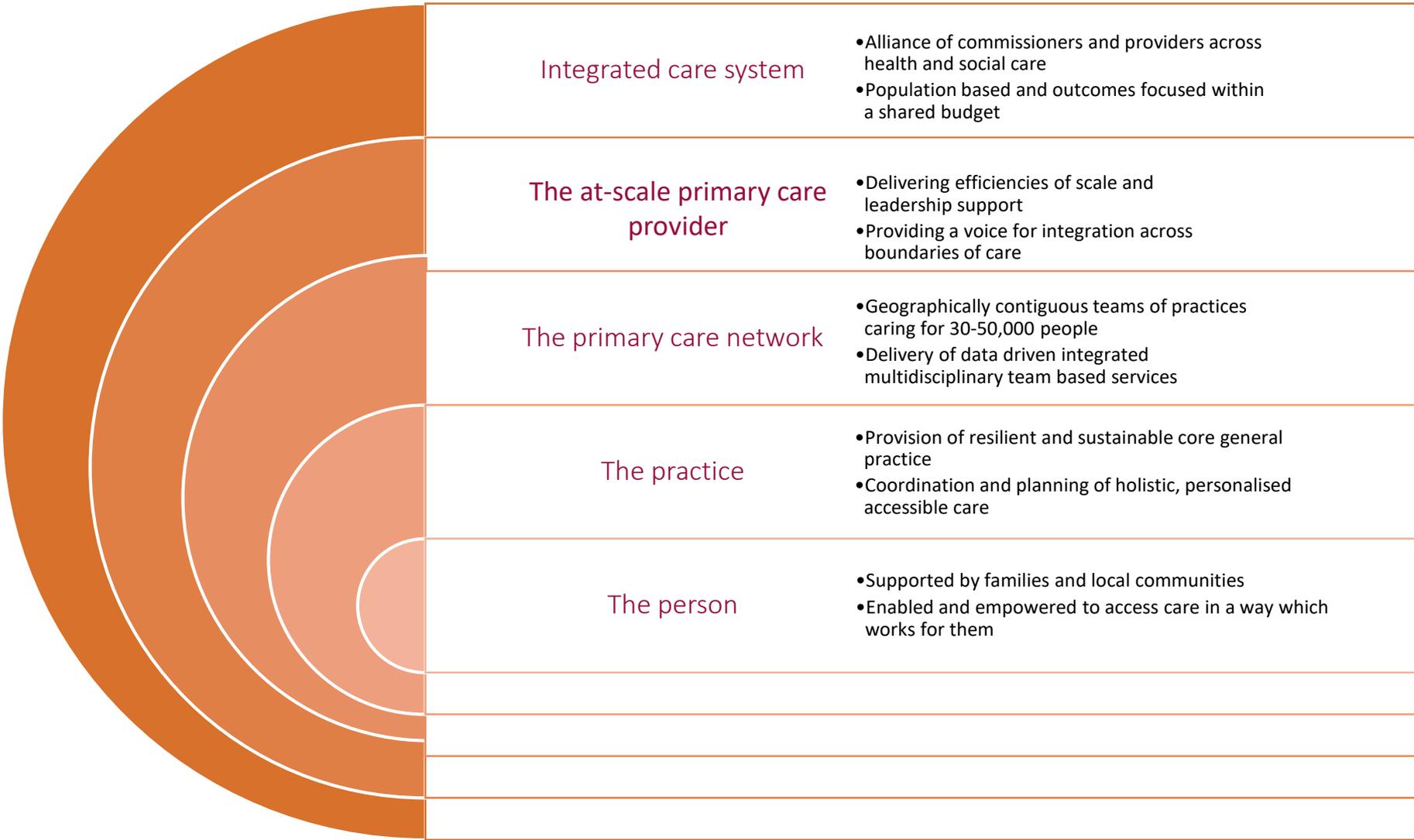
## 2015 Spending Review commitment

*“The government will **encourage** long term partnerships between the NHS and the private sector to modernise buildings, equipment and services, and deliver efficiencies, especially where these **partnerships** support the upgrade of diagnostics capabilities and the development of new models of care, such as Accountable Care Organisations and hospital groups.”*

## What does the NHS Long-Term Plan say?

- Evolution not revolution
- Ongoing push into developing Integrated Care Systems
- Increased funding for primary and community care services
- Develop Primary Care Networks
- Earlier cancer diagnosis and modernised/expanded diagnostic capacity
- Local Five-Year Plans
- Proposed changes to competition and procurement rules
- No firm commitment on meeting 18-weeks
- Strong re-commitment to patient choice
- Express reference to using the independent sector

# PRIMARY CARE NETWORKS



# The Care Model in Summary – the opportunity?

## COMPLEX CARE and LTC

- Wrap-around LTC management teams embedded within PCN practices or hubs for those at high risk- health, MH and social care
- Risk stratification, case finding and care planning for anticipatory care for those at rising risk
- Virtual or co-located hub MDTs with shared care records and multi professional workforce

## ROUTINE AND PLANNED CARE

- Routine access for patients either via on-line or telephone or at appointment – right person first time
- Continuity care through usual GP as consultant of the team
- Enhanced primary care team
  - Integrated nursing team
  - Systematic planned care
  - Longer appointments

## URGENT ACCESS

- Improved access, M-F 8-8 and weekend access seamlessly integrated with out-of-hours services and U&EC networks
- Patient contacts managed with digital front-end, with direct referrals to the PCN , or triage and care navigation to the most appropriate service – enabling a shift from the default 10 minute GP appointment for routine and straightforward care

## DIGITAL FRONT-END

- Technology-enabled apps for self-care (e.g.myCOPD, myDiabetes), symptoms checkers and care navigation
- Direct bookings / referrals to most appropriate service, e.g. physio for MSK
- Repeat and acute prescriptions, interface with community pharmacy
- NHS portal for patients to access their care records and initiate contact with the network (e.g. appointment bookings)

## SERVICE INTEGRATION

- Care that spans physical health, mental health and wider wellbeing through MDTs (either virtual or physically co-located with practices or in hubs)
- Real-time shared read/write care records, with PHM-data driven BI systems to direct care and address unwarranted variation
- PCN hubs fully integrated with U&EC networks and secondary care for admissions avoidance and discharges
- Shared PCN back office for HR, finance and estates management

## POPULATION HEALTH MANAGEMENT

**New workforce models** – care navigation, health coaches, pharmacist, physio, mental health, health care co-ordinator roles

## What does the independent sector think?

- Remains keen to support the NHS – capital, capacity and capability
- Not wedded to existing rules but concerns over ‘framing’ of proposed legislative changes
- Supportive of integration but not where it is ‘selective’
- Where is the accountability in ICSs?
- Need confidence rules will be enforced
- ‘Privatisation’ narrative deeply unhelpful to progress
- Growth in self-pay relevant to the NHS

## Where next?

- More managed system
- Stronger role for Primary Care?
- Differences in system maturity within ICSs
- Private sector role more focused on partnership and less on competition
- Cap/rev switches to start having a major impact on infrastructure
- Workforce squeeze to worsen
- Legislation likely – but what? And when?
- Self-pay market likely to continue to grow



**Questions?**



[www.ihpn.org.uk](http://www.ihpn.org.uk)

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