

# **The NHS after the 2010 general election: where the policy scene has been, and may go next**

Andy Cowper

Editor, *Health Policy Insight*

[www.healthpolicyinsight.com](http://www.healthpolicyinsight.com)

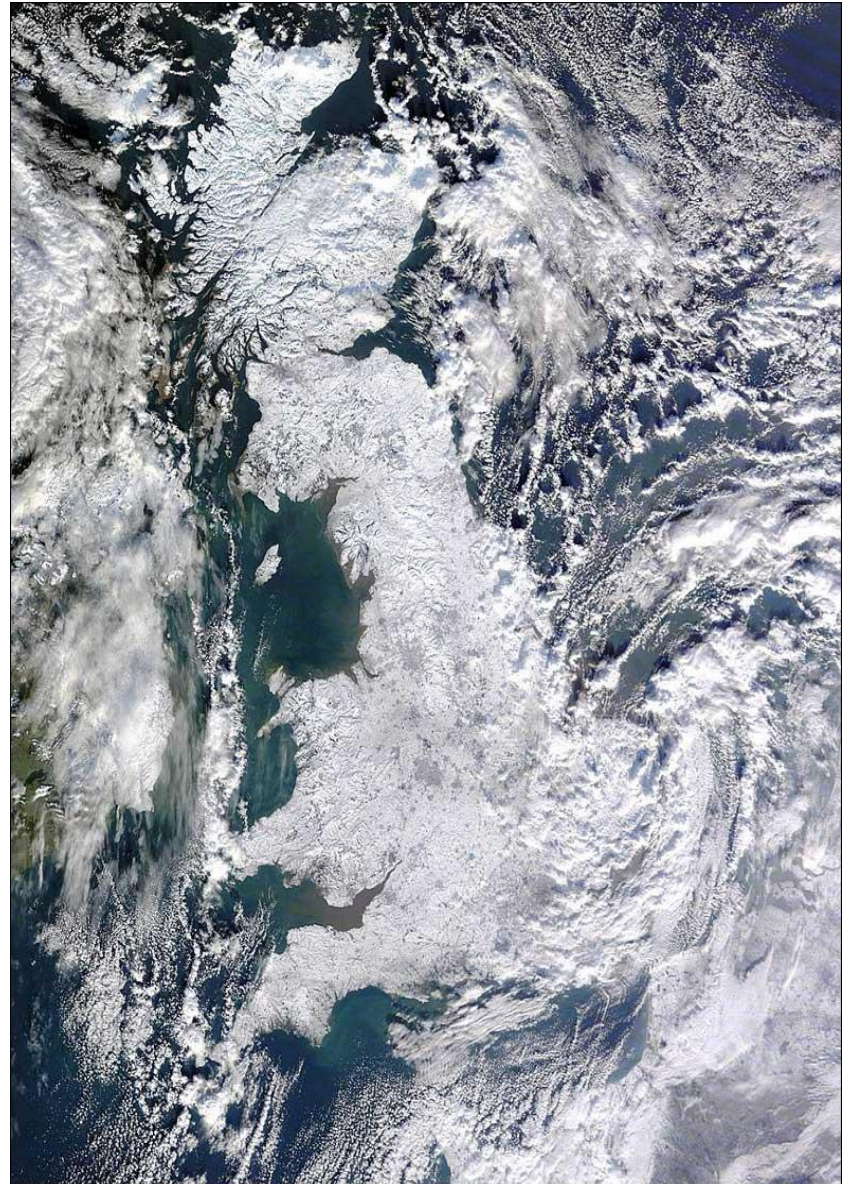
Freelance journalist

[editorial@healthpolicyinsight.com](mailto:editorial@healthpolicyinsight.com)

[andycowper@hotmail.com](mailto:andycowper@hotmail.com)

# (Economically) Cool Britannia

- *How cold will it be?*  
(Kings Fund / IFS report, 2009)
- Nicholson - NHS must save £15-20 billion over three financial years
- Austerity and low-to-no growth could be with us for some time to come





# Coalition Government

- Coalition Agreement promises 'Freedom, Fairness, Responsibility'
- Three Cs of Conservative health policy - choice, competition and commissioning
- White Paper released in a hurry, following disputes with Treasury on financial governance
- Coalition Agreement promised "no top-down reorganisation" - but White Paper abolishes PCTs and SHAs, replacing with GP commissioning consortia and Independent NHS Commissioning Board (and regional offices)

# 'Equity And Excellence - Liberating The NHS'

- (beware the White Paper with an alliterative title - 'Necessity, Not Nicety'; 'From Good To Great')
- End to central performance management of most national targets "without clinical justification" - 4 hr A&E, 18 weeks, etc
- Cut spending on NHS management by 45% from level in 2008-9 by 2014
- 70-80% of £105 bn NHS to go via Independent Commissioning Board to new GP commissioning consortia
- Commissioning consortia's management allowance unclear

# 'Equity And Excellence - Liberating The NHS'

- Independent NHS Board to be free from “day-to-day political interference” - so, who hires and fires its CE?
- All provider trusts to become FTs by 2014 (as they were previously by 2008 ...)
- Monitor gains huge power - though FT accreditor role wanes - economic regulator, NHS tariff setter, quality assurer (with CQC), competition regulator, failure regime role
- Possibility of FTs able to take debts off balance sheet (denationalisation)

# Challenges for GP commissioning consortia

- Each must have 'accountable officer' for financial governance by April 2013, when PCTs axed
- What to do with inherited PCT deficits?
- How to control overspenders? (BMA wants consortia democratically accountable to practices - potentially lively)
- What happens to practices which don't follow Commissioning Board treatment guidelines? Lansley told *HSJ* 80% mandatory, 20% "comply or explain" - top-down rides again?
- How frequently can people change choice of GP (and thus of commissioner)?

# Patient choice and information

- Much more publication of information and data at all levels, and by next summer, will compel hospitals to report when care goes wrong or mistakes are made
- Patients will have increased choice in the new system, which promises choice of consultant-led team “where clinically appropriate”, and also choice of any GP anywhere whose practice lists are open.

# Pre-election - New Labour

- Incumbent government since 1997; seeking unprecedented fourth term
- Leader Gordon Brown - elected by party unopposed in 2007 to replace Tony Blair
- Majority of 60 (3 MPs lost Labour whip this week, due to pending criminal charges)
- Went into election c. 9% behind in opinion polls
- Were NHS (and NCS) 'Labour issues?'  
Conservatives now style themselves "the party of the NHS"

# New Labour health policy since 1997

- Spending a lot of money (after 2000) on “more staff, working differently” - the NHS’s annual budget has risen from £34 billion in 1996-7 to £110 billion in 2010-11
- “Targets and terror” (Bevan and Hood) - new regulation and national targets have significantly reduced waiting times, HCAI rates, but with many unintended consequences
- Market mechanisms and contestability - patient choice, plurality of provision, commissioning, foundation trust status
- Focus on quality and outcomes post-Darzi
- Better care, closer to home

# New Labour health policy promised at the election

- Front-line budgets to be protected (define 'front-line, please ...) - NHS has got used to 7% real-terms annual cash growth since 2000: inflation-only will *feel*/like cuts
- New rights on treatment access times (legally enforceable? This is crucially unclear)
- NHS as "preferred provider" (Andy Burnham) - a massive policy U-turn - CCP to rule on this in early March
- National Care Service - funding method and eligibility thresholds are as clear as mud
- QIPP / *Better Care, Better Value* / quality accounts / PROMs / C-QUIN
- Downwards pressure on tariff and upper quartile pricing

# New Labour policy to come

- Provider registration with CQC (not going so well so far ...)
- Free choice of GP and abolition of practice boundaries
- Better case management for LTCs (again) and trials of individual budgets
- Polyclinics / polysystems all round!
- Cutting NHS Connecting For Health? Alistair Darling thinks so, in pre-Pre-Budget Report interviews
- Free hospital car parking for outpatients (how will you tell who is who?)
- Innovation Pass for new high-tech, high-cost medicines

# Conservative health policy

“The party of the NHS” (unlike 2005 patient’s passport)

“We will never change the idea at the heart of our NHS, that healthcare in this country is free at the point of use and available to everyone based on need, not ability to pay.

“We’ll say to the doctors: those targets you hate, they’re gone. But in return, we’ll do more for patients. Choice about where you get treated. Information about how good different doctors are, how good different hospitals are. Information about the things that really matter, cancer survival times – the rate of hospital infections – your chances of surviving if you have a stroke.

“We will give doctors back their professional responsibility. But in exchange they will be subject to patient accountability. That’s why we can look the British people in the eye and say this party is the party of the NHS now, today, tomorrow, always.”

David Cameron,  
speech to Conservative Party Conference 2009

# Conservative health policy

- Independent board to run NHS
- Abolition of all national targets (to be replaced by “results” on 1- and 5-year cancer survival; no avoidable emergency acute admissions; zero HCAI tolerance). How are “results” not targets?
- More patient choice
- DH becomes Department for Public Health
- No cuts to NHS budget, but management costs (“health service bureaucracy”) to be cut by 1/3
- Single economic regulator (under Monitor) and all providers to become FTs
- ‘Health premium’ for poorer areas, part-paid to local authorities

# Conservative health policy

- Hard budgets for PBC GPs (who will own contracts, rather than PCTs, as at present): Lansley - ***"this will not be just about individual practices, but collective locality commissioning (the last Conservative administration was moving towards that in 1996), as responsibility for total purchasing budgets needs scale for commissioning purposes"***
- PBCs to commission emergency & out-of-hours care
- £8,000 premium to insure need for residential care
- national tariff becomes a maximum price and is unbundled; payments linked to quality and no payment for 'never' events
- End to NHS Connecting For Health; patient health records to be stored online (Google?)

# Liberal Democrat health policy

***"The Lib Dems would turn every NHS hospital into an employee owned trust - so that people working in the NHS have a stake in it as well. This makes a reality of Jo Grimond's great vision of employee involvement. All the evidence shows that this approach will improve quality and save money".***

Norman Lamb MP, Lib Dem health spokesman  
speech to Circle Healthcare conference January 2010

## **Four main principles:**

1. To dismantle centralised bureaucracy and create real local accountability
2. To use NHS money much more effectively to do agreed objectives (such as better care for long-term conditions, out-of-hours and prevention of ill-health)
3. To liberate the remarkable NHS workforce, making staff part of solutions and explore the possibility of mutual, John Lewis Partnership-type approaches
4. To extend the sense that patients' rights are accompanied by real responsibilities to use the NHS appropriately

# Lib Dem health policy

- Turn provider hospitals into employee-owned trusts
- Direct elections to PCT boards, and local choices to raise extra council tax funding
- a significant reduction in size for the DH
- abolition of strategic health authorities (SHAs)
- dramatically reduce the numbers employed in quangos, and the amount of regulation
- reduction of central targets, backed by a legally enforceable 'guarantee that you get your treatment on time'
- incentives in the GP quality and outcomes framework (QOF) that determines payment should be more aligned to outcomes, and incentives for commissioners
- end further uncommitted spending on failed NHS IT programmes

# Those answers to the problems ahead



## **COUNT VON COUNT**

Measurement of delivery  
per healthcare pound will be non-negotiable

Other government departments' budgets will be  
cut deeper if NHS funding is to be protected  
(probable cost-shunting with social care)

Collect data once, use it multiply

Avoid Berlusconi syndrome

Create a culture of comparing, challenging  
and proving



## **THE BABEL FISH**

The 'two cultures' of managers and clinicians will have to come together, and acknowledge one another's legitimacy

Devolving budgets to clinical teams  
(late Darzi - 1950s)

This will require translation services ...

and diplomacy, and ...



## **INDIANA JONES**

It will require trust

Trust has got somewhat buried

We may need to go digging for it,  
and be able to speak other languages,  
and learn about other cultures

If we find it, it will be of great value



## **JOHN LEWIS PARTNERSHIP**

Defined its business ethos in six phrases:

be honest  
show respect  
recognise others  
work together  
show enterprise  
and achieve more



**NIKE**

Just do it - this is coming very fast

Think about the value of the NHS brand and protect it

General Eric Shinseki, former Chief of Staff of the US Army (and current Secretary of Veterans Affairs):

“If you don't like change, you're going to like irrelevance even less”



# THE BEATLES

Love is not all you need, but it is important

Better together than separately

Beware rotten Apples

One of the great British unifying institutions

# Martin's briefing note

- “We are not really agreed by what we mean by socialism. Nor is anyone else.”
- “Easy to be pushed into being a voice for the staff rather than a voice for the patients.”

# Some thoughts

- 'Big Society' interesting concept - and one to appropriate.
- Where does SHA draw boundaries around individuals' responsibility for determining their own health?
- Opportunity to define 'socialism' for new system exciting and challenging
- Is there an issue SHA could 'own' - an annual survey?