US healthcare industry sees NHS as “unopened oyster,” BMA conference told

Rebecca Coombes *London*

The BMA is to tackle ministers over concerns that NHS reforms are creating conditions in which international companies—chiefly from the United States—can intervene and run areas of health care.

A conference this week to debate the NHS Improvement Plan, published in June, heard fears that the new “payment by results” financial system, whereby hospitals are paid per patient according to a fixed tariff, could see units close if they failed to compete on price with alternative provision in the private sector.

Many delegates said they were doubtful whether the changes were in the interest of patient choice, as the government claimed.

Barbara Wood, joint chair of the BMA’s Patient Liaison Group, said patients did not necessarily want a choice of five hospitals in which to have their operation, as the government plans. “If one of the hospitals is 200 miles away then that is no choice at all,” she said. Patients instead wanted high quality local services and more time with their doctors, delegates heard.

But Dr Richard Smith, chief executive of UnitedHealth

Europe, said partial involvement of the private sector in the NHS was the only way forward.

The current system was flawed, he said: “There are still health inequalities. There is a 10-year difference in life expectancy between the rich and the poor in this country. It isn’t really patient centred. Using the NHS can be as dangerous as bungee jumping—there are incredible variations in standards.”

Maintaining the status quo could lead to a system where the rich paid for the best services at the top, the middle classes got a “Marks and Spencer”-style managed care system paid for by employers, and the poor were left with a “rump” system at the bottom, he said.

“Medical care is now delivered through complex systems—but we don’t have sophisticated management. I heard it said recently that when you negotiate with PCTs [primary care trusts] it is like playing chess with people who don’t know how to play chess.”

Dr Smith said the private sector did have competencies, such as innovation, the ability to make decisions faster, flexibility, and independence.

But Professor Allyson Pollock, head of the public health policy unit at University College London, said health management was a “trillion dollar industry” in the United States that regarded the UK health system as an “unopened oyster.”

She said that education and health accounted for up to a fifth of gross domestic product in Western countries and that a “trade race” was on to grab commercial opportunities.

“The export of managed health care is US foreign policy... The [UK] government is removing the barriers to the market through the redesign of the NHS.”

She cited the foundation trusts, delivery and treatment centres, and local pay bargaining as the final stages of opening the

NHS up to markets. She said the private finance initiative was an example of how the private sector made “competitor claims on scarce NHS resources.”

“If the BMA doesn’t put its marker down now, we will see more of our patients getting access to services based on their ability to pay.” As a BMA member she was “horrified” the organisation did not have a position statement on this issue.

James Johnson, chairman of the BMA’s council, said: “We will be discussing with the government about what is going into their election manifesto. Many areas of the NHS Improvement Plan have not been thought through—for example, will hospital surgical units close if they can’t compete with private providers?” □

From left: BMA chairman James Johnson, Professor Allyson Pollock, and Dr Richard Smith

Choice in the NHS is limited to waiting times, BMA chief says

Rebecca Coombes *London*

The government is using “patient choice” as a means to drive down costs and introduce competition between the NHS and other care providers, the BMA told MPs this week.

James Johnson, chairman of the BMA Council, told the House of Commons Public Administration Select Committee that the government’s claims to be giving patients more choice was in practice limited to a small area of policy:

the reduction of waiting times for inpatients.

From December 2005 patients will be given a choice of hospitals for elective treatment, which may include non-NHS facilities. Under the new funding system for acute hospital trusts, known as “payment by results,” the NHS loses money if patients opt to go to a private facility.

Mr Johnson told the committee: “At present, choice is too much centred on waiting times. Patients may be able to choose from five different hospitals to go to if they need an operation, but does that really matter to them?” He asked what choice there was for users of mental health services, elderly people, and users of children’s services.

“Patient choice is clearly being employed as an economic concept, and doctors worry the concept is being mis-sold in the NHS. Current policy seems more aimed at providers rather than patients and a belief that competition will drive standards up and waiting lists down as services try to attract patients,” he said.

Mr Johnson agreed that patients wanted choice but said this didn’t mean treating them like “supermarket customers” and offering them cheaper and quicker options of care.

“Recent research and polling consistently show that patients want more personal guidance, better continuity of care, and more time with professionals,” he said.

He said payment by results “hasn’t been properly thought through” and that ministers had admitted to him that more work was needed.

“You have an NHS outfit and

a private outfit competing for surgical patients. If the patient chooses the private outfit because it has a better lunch, or whatever, the money goes there. But the NHS hospital will also be providing a whole load of other services that no private hospital would want to do, such as A and E [accident and emergency]. But if you destabilise the NHS hospital because the money has gone to the private sector, how do you provide these core services?” Mr Johnson said.

Professor Allyson Pollock, of the Public Health Policy Unit, University College London, also gave evidence and echoed his view.

“The government has stated its intention to move 15% of elective work out of the NHS and into the independent sector.” □