

Healthy outcomes....



.....are good for the Economy!

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Mission statement

Healthcare research uk ltd

is a study group comprised of interested businessmen, whose aim is to influence public policy with respect to Government legislation in the area of health and wellbeing



Healthy outcomes....

PREFACE

Reforming the NHS in tough times to be more patient-friendly and cost effective at the same time is undeniably a huge but urgent challenge for the Coalition Government.

This article examines ways (some rarely discussed) in which both the efficiency and the effectiveness of the NHS can be improved in the context of changing the Healthcare Culture of the Nation.

We welcome the intentions of the Coalition Governments' vision of "Liberating the NHS" and expect measures to be included so that the introduction of "Any Qualified Provider" has a positive impact on the "Doctor-Patient" relationship in Primary Care.

In the words of John Appleby, at a Kings Fund summit - get language right, obsess less about costs/cuts/savings, and focus on how to obtain with greater clarity what actions will generate genuine benefits for patients. ⁽¹⁾

As the title suggests, we firmly believe that positive growth in the economy is directly related to improvement in the health and well-being of the nation as a whole. Several initiatives are examined in the context of how benefit is conveyed to:

- 1. The NHS.**
- 2. The Nation's Health.**
- 3. The Economy.**

We would like to see the NHS as a "**Prevention Service**" rather than an "**Illness service**" and that where acute care becomes necessary: **Fast rate referral to high quality healthcare** is enhanced by including a level playing field of providers.

We also applaud the Coalition Governments' intentions for Public Health but would like to see more employer incentives strengthening their responsibility to maintain a fit and healthy workforce.

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Healthy outcomes....

NHS Reforms

The present NHS reforms have indeed reached choppy waters and evoked many confrontational and challenging responses particularly on the issue of the free market. However, support for changes in how the NHS is run, has emerged from an unlikely source, Lord Warner, a previous health minister under Tony Blair.⁽²⁾

He states in his new book - A Suitable Case for Treatment:

- The acute sector's model of care is outdated for Britain's ageing population.
- Simply increasing the influence of clinicians without changing the way the NHS does its business will not deliver the desired change.
- Having given people a reasonable chance to remedy their defects - you have to be able to remove them and let some new players come in. Whether they are from the NHS, social enterprise or the private sector - I don't think I care.
- He wants to see evidence of failure being penalised.
- He wants to see an end to the resistance of the leadership to approach the NHS as a business.

Whilst agreeing with the above and supporting the present reforms, we believe tight financial control using business management methods will be a key factor in delivering healthy outcomes from a reformed NHS.

It is also very clear that now the Health and Social Care Bill has cleared the commons committee, the Government shouldn't lose its nerve in pressing ahead with the envisaged reforms and include only essential amendments which will assist in delivering better quality healthcare to the patient at better value to the taxpayer.

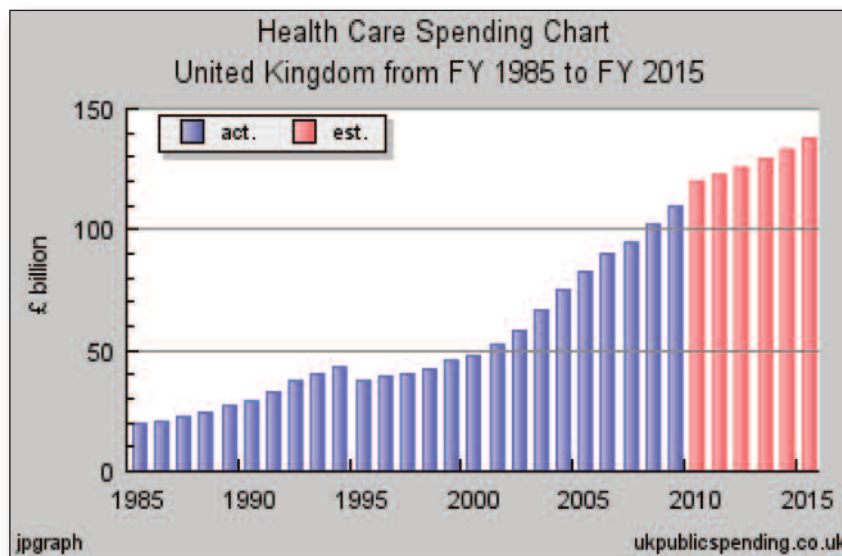


The Nicholson Challenge

The "Nicholson Challenge" was first set out in the Department of Health Annual Report for 2008 - 2009. Sir David Nicholson, the chief executive of the NHS, established QIPP (Quality, Innovation, Productivity, and Prevention) programme designed to deliver efficiency savings of £15 - £20 billion between 2011 and 2014.

While since its inception in 1948, the NHS has been subjected to many reforms and reorganisations, it has also grown into an almost unmanageable uncontrollable over-bureaucratic system. Indeed some have questioned how much longer such a system can be funded solely from the tax system. In a compulsory insurance system of part payment where patients fund part of their healthcare, this commitment encourages them to value the treatment so obtained.

Furthermore, despite the truly massive increases in funding (see below), productivity in NHS hospitals has actually fallen since 2001 ⁽³⁾.



Hence the case for the present reforms.



Towards a more sustainable NHS

How the Health and Social Care Bill finally emerges prior to it becoming law, bears little relevance to the unacceptable reality that the NHS in its present form is now hardly sustainable as a solely tax-funded system. ⁽⁴⁾

Can the NHS 63 years on from its inception now afford to provide the nation's healthcare?

The culture in the UK is a far cry from the Britain emerging from WW2, when many forms of ill health were accepted as the norm until the advent of medical treatment "free at the point of use and not dependent on the ability to pay". This original core principle is now firmly enshrined in the NHS Constitution today.

However, the present economic and social backdrop is in stark contrast to today's sedentary lifestyles, relative affluence, a rapidly ageing population and a huge advance in innovative medical treatments. Interestingly enough, statistics for 2007 show 12.5% in UK having Private Medical Insurance and over 2.5 million with healthcare policies provided by their employer ⁽⁵⁾, confirming that people are now more inclined to pay for additional healthcare to augment their right to free treatment on the NHS.

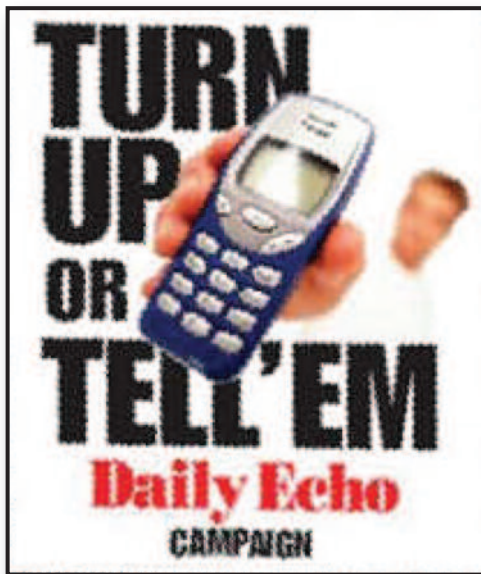
NON ABUSE OF A & E FACILITIES

Situations of abuse in the NHS now abound and afford the media almost daily delight in negative reporting. The Daily Mail has recently reported a mother dying after waiting 5 hours for admission to A & E clogged-up with drunks ⁽⁶⁾.

Because the NHS is free it is abused. A & E is an example where the service still lacks policies which prioritise patient care.

Introduction of such policies would not only benefit the NHS as a whole but improve the perception of the A & E service too.





MISSED APPOINTMENT POLICIES

In view of public demand that money saved should go to the front-line - why aren't there more missed appointment policies in place?

There were 6.5 million skipped appointments in Britain between 2007 and 2008, with hospitals losing around £100 every time a patient does not show up. ⁽⁷⁾

Elderly people are the most diligent, while young men in their 20s are the least conscientious. Patient groups brand this waste of NHS resources as "unforgivable".

1 missed appointment costs £100!

MEDICINE WASTAGE POLICIES

Medicine wastage policies should be paramount in this age of austerity - the North East Riding of Yorkshire recently calculated ⁽⁸⁾ that their medicine wastage (£2.5M) if saved could have paid for 500 hip-replacement operations.

This saving culture needs to be embraced by both GPs and Patients alike.

The advent of GP Consortia should help this idea forward.



Improve your health....
without wasting medicines

Tax Relief for Private Healthcare

Historically, the concession of providing tax relief on personal private medical insurance premiums was introduced in 1989 and subsequently withdrawn in 1997. However, with today's debt crisis and a 4-fold increase in Healthcare spending since 1985, we suggest there may be good reason for its re-introduction.

As previously mentioned, with 12.5% of the population already contributing to private medical schemes, the demand for this provision is clearly significant.


We believe the benefits to both patients and the economy would far outweigh the cost of any tax cut as shown in table 1.

The table below shows some projected costs for a trust benefit fund being set up for a community group in the UK ⁽⁹⁾. **If the Government were to introduce Income Tax relief on the first £500 of an individual's annual private health cover, using the contribution levels given at the expected take-up, there is actually a net gain for the Treasury.**

A. AS INDIVIDUALS – Individual pays	
Total annual contributions from 1000 members	£1,800,000
Average individual contribution	£1,800
Assume Government allows tax relief on first £500, total cost to Treasury	- £100,000
Assume 85% of trust fund spent on Private Healthcare	£1,530,000
Assume Healthcare Companies operate @ NP 25%	£382,500
Net corporation tax @ average 28%	+£107,100
Assume 10% members access additional Health Screening @ £300	£30,000
Assume Health Screen Company operates @ NP 25%	£7,500
Net corporation tax @ average 28%	+£2,100
Net gain to Treasury	£9,200
B. AS EMPLOYEES – Employer pays	
Total Employees income tax on contributions @ 20%	+ £360,000
Total Employers National Insurance contributions	+ £248,000
Business Tax savings on contributions and N.I. @ average 30%	- £614,000
Net gain to Treasury	£3,200
SCHEME IS SELF FINANCING	



Table 1. Tax Relief for a Private Healthcare Trust Fund



So imagine if part of the cost of these schemes could be offset against an individual's income tax - the take-up from middle class families would be significant. The benefits are multiple:

- Scheme is self-financing for the Government.
- If 10M have private healthcare cover, the Treasury set to gain around £30M.
- Everyone is fitter and more healthy and Employees work more effectively.
- Less sick days, more profitable businesses and SME growth stimulated.
- Growth of private healthcare sector encouraged.
- NHS has more chance of making £15 Billion - £20 Billion efficiency savings.
- Significant numbers freed from the NHS thereby creating more access and shortening waiting times for those who do need to use it.

We believe that if Private Medical Insurance and Private Health Benefit trusts were tax incentivised, access to the NHS for those that really need it most would be greatly improved.

Healthy Incentives for Employers.

As the above tax relief scheme begins to flourish, we suggest savings gained be reinvested by the introduction of further health incentives.

Small businesses are the lifeline of the UK and need every incentive to grow in these difficult times.

- A modern employer cannot disassociate from the health and well-being of its workforce.
- It is in everyone's mutual interest to speed an employee's return to work through timely medical intervention.
- Offering health benefits is a tangible way of demonstrating that an employer has the best interests of employees at heart with positive impact on morale and peace of mind.
- This is an important part of a modern remuneration package in a competitive employment marketplace.

Objective is to stimulate growth in the Small & Medium size business sector by providing tangible healthcare products for Employers to offer to their Employees.



- Gym membership
- On-site Exercise facilities for employers
- Healthy Eating produce in company canteen
- Weight Loss programmes
- Financial reward for cycling or walking to work.
- Health Screening

Private sector and the NHS

As the Health and Social Care Bill proceeds through parliament, the debate as to the undesirability of the competitive market continues to rage unabated with the word "privatisation" used by some to describe a fearful lowering of the sometimes (unfortunately) delusionary high standards of quality care found in the NHS. Several speakers in a recent Lords debate were witness to this deterioration in the NHS. ⁽¹⁰⁾

However, against a rising tide of opposition from the medical sector and in particular the BMA, Andrew Lansley, the Health Secretary has recently said he will amend his health bill to stop hospitals and other healthcare providers undercutting each other on price but maintain competition for quality. ⁽¹¹⁾



It is interesting to note, that Optical Healthcare has been run by opticians privately now for at least two decades without any deterioration in quality standards or efficiency of service.

From the patient's perspective, private hospitals and clinics tend to be newer buildings which are better maintained. They have enough staff to care for each person adequately and are able to offer a private room with en-suite facilities.

Menu options are generally of a better standard.

Waiting lists are very much shorter and infection rates tend to be lower.

Whilst accepting that NHS hospitals are better equipped to manage emergency surgery and can offer a greater choice of equipment, we would suggest that there could be much better collaboration with the private sector thus increasing the efficiency of the NHS.



Indeed, the Health Secretary, Andrew Lansley ⁽¹²⁾ has recently quoted Dr Howard Stoate GP, chairman of Bexley's shadow GP consortia and, until the last election, Labour MP for Dartford, as saying in the Guardian,

"We have found the idea that services can be offered by any willing provider can actually strengthen the ethos of the NHS rather than weaken it".

SIR GERRY ROBINSON & ROTHERHAM HOSPITAL

In 2007, Sir Gerry Robinson ⁽¹³⁾, business guru famed for his ability to turn round failing companies, intervened in poorly performing Rotherham General Hospital and succeeded in a transformation by:

- Advising the hospital manager to maintain regular contact with staff to improve morale.
- Maximise operating theatre space for greater efficiency.
- Using them 6 days a week to increase productivity.



He maintained that operating on these simple basic business principles could only produce good results - and after 1 year on - he was proved to be right. He also advocated the NHS should have inspirational leadership at the top.

ISTC INITIATIVE - POSITIVE FEATURES

This policy of opening up the Private Sector to the NHS provider network was introduced by the previous Labour Government by their Independent Sector Treatment Centres. These were run by private companies under contract to the NHS. Unfortunately, due to an arbitrary percentage of services being set to be run by these centres, there was an unfair bias towards the providers, resulting in some overpayment for work never carried out! However, in principle, they were

particularly applicable to orthopaedic surgery for example hip and knee replacements and scored highly with many patients. We suggest that the many positive features of these units and the very positive patient experience recorded at some of them ⁽¹⁴⁾ be noted in future hospital planning policy.



An account by the author who was a patient at one of these centres conveys the following positive features:



- Only 4½ week waiting time.
- Small unit with 36 beds and free accessible car park.
- Small single sex wards.
- Minimum distance policy operating.
- No record of H.A.Infections.
- Excellent staff morale.
- In house high dependency unit.

Further opening up of healthcare to the Private Sector will, we believe, be beneficial to the NHS provided safeguards are introduced to prevent the free market from adversely affecting the "Doctor-Patient" relationship in primary care.



WHERE HAS FLORENCE NIGHTINGALE GONE ?

A recent disturbing account of very poor standards of nursing care for the elderly ⁽¹⁵⁾ is a timely reminder that the standards of nursing and hygiene set by Florence Nightingale as long ago as 1851 need to be constantly reiterated during the training of modern nursing professionals, so that the personal aptitude for caring is assessed and identified early in the potential medical employees career.

It is sad to see basic care and compassion in hospital care at variance with that expected under the NHS Constitution ⁽¹⁶⁾ still being reported. We would expect to see an increase in quality of care following the publishing of - Principles of Nursing Practice - in 2010 following incidents akin to Mid-Staffs situation.

The traditional respect associated with an SRN seems to have been replaced by an emphasis and preference for academic qualifications so that rather than becoming specialist nurses, persons are lured away to become managers ⁽¹⁰⁾.



Achieving the Cultural Shift

Nobody likes "Nannyng" and It is difficult to quantify "Nudging" - so how is the Nation to adapt to a healthier lifestyle? Dangerous upward trends in child obesity and all the related poor health outcomes that accompany them have been with us now for the last decade with no obvious signs of improvement. In fact, it has been reported ⁽¹⁷⁾ that whereas obesity rates were levelling off in children aged 2 to 10 from wealthier backgrounds, they were likely to be significantly higher among lower classes by 2015 - and for girls may even double.



WHO IS RESPONSIBLE FOR MY HEALTH ?

Asking this question in a deprived area - the answer is "The Doctor" whereas in a rural area the answer will be "Me".

It becomes clear therefore, that for any progress to be made education is vital to promote the latter concept.

Recent research ⁽¹⁸⁾ shows that what a woman eats while pregnant could increase her child's risk of developing potentially life-threatening diseases in adulthood.

MP Graham Allen ⁽¹⁹⁾ recently called for early years intervention to improve lives of vulnerable children and help break the cycle of "dysfunction and under-achievement" The Avon Longitudinal Study of Parents and Children ⁽²⁰⁾ has shown there to be a possible link between Junk Food diets in early childhood and a lower IQ and that a diet high in fats, sugars, and processed foods at the age of 3 is also associated with a lower IQ at age of 8.

Two doctors have recently reported evidence ⁽²¹⁾ suggesting that by encouraging self-care the NHS could save around £2 Billion a year.



Self-care.....



...helps you & others

If the NHS is going to meet the challenges of the next few years, then GPs are going to have to encourage patients to take more responsibility for their care

GPs Dr Simon Fradd and Dr Amir Hannan state that "We are sure we have all had those frustrating surgeries filled with headaches, upset stomachs and other ailments that could be dealt with at home".

ROLE OF THE GP

The role of the GP is therefore crucial. Variations in performance for their various functions have been widely reported. A recent review for the Kings Fund ⁽²²⁾ by a panel of experts including Sir Ian Kennedy has found some worrying trends.

- Eight-fold variation in urgent cancer referrals - 35-fold difference in one area.
- Only 1 in 10 patients with long term illnesses having care-plans.
- Too many GPs unwilling to be performance measured against each other

The panel's recommendations included:

- General Practice is the bedrock of the NHS but the environment in which it operates is changing, **and the profession must change with it.**
- As Government hands responsibility to GPs - **support must be offered to those struggling to perform making sure those practices do not fall behind.**
- **Quality of GP practice must not be a post-code lottery of level of service.**
- Strike a new deal with patients. Get them more involved in decisions about their care. **Take more interest in healthy lifestyles by working more closely with local councils.**



HEALTH EDUCATION



Jamie Oliver, the celebrity chef ⁽²³⁾, in evidence to the Health Select Committee made the startling revelation that over 40% adults were incapable of cooking and preparing a main meal. It is abundantly clear therefore that much more emphasis needs applying to the early years school curriculum to include Food and Nutrition and how these features are connected with normal healthy body development. It may also be necessary to extend this tuition at local level into the community so that the parent generation do not remain at such disadvantage.

"We are what we eat"

Alcohol and its overconsumption among the younger generation remains a major cause for concern. The recent reporting of a three-year-old as being an alcoholic can only be described as horrifying in the extreme. ⁽²⁴⁾ We would strongly advocate that early years education contains a stronger message regarding this very worrying trend. It is also lamentable that the new "Responsibility Deal" ⁽²⁵⁾ with the Food & Drinks industry only plays into their hands with a voluntary code that falls far short of arresting the trend towards increased consumption of alcohol and unhealthy foods.

We need to increase awareness of irresponsible drinking of alcohol and the implications of damage to existing good health. It is strongly recommended that all alcoholic products display a health warning.

In order to encourage proper use of the NHS, we suggest that the basic principles of its operation are clearly defined and included early in the school curriculum, thereby preventing a tendency for its abuse being passed down from one generation to the next.





THE NHS AFTER 2010

It is clear that the new vision for the NHS as a "prevention service" rather than an "illness service" needs embracing across departments so that genuine "joined-up" government begins to emerge.



For example, if Health and Planning departments work in a collaborative way, we wouldn't see a surfeit of fast food outlets filling the streets in areas of high deprivation. Similarly with Health and Education, we could look forward to a new Healthy Britain where health and success are perceived as interrelated.

In the words of Sir David Nicholson in a recent letter ⁽²⁶⁾:

"Realising the savings needed to invest in improving outcomes means moving from a system configured to diagnose and treat, to one configured to predict and prevent"

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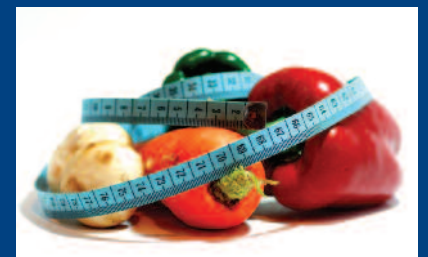


Conclusions

Initiative	Benefit		
	NHS	UK Health	Economy
A & E abuse protection	Positive - freed up for genuine emergencies	Positive	Positive
Missed Appointment Policies	Potential £650M saving	Waiting times shortened	Potential £650M saving
Medicine wastage policies	£2.5M potential saving in one example PCT	Improved availability of drugs	Positive Potential saving £375M
Tax incentivisation of Private Healthcare Policies	Waiting times shortened	Improved	Positive for business Extra income - minimum £30M for Treasury
Healthy Workforce incentives	Workload less	Improved	SME's growth stimulated
More collaboration with Private sector	Waiting times shortened	Positive	Private sector growth stimulated
More emphasis on basic nursing care in training	Quality increased	Positive patient experience	Positive
Achieving the Cultural Shift	Workload less	Positive Health Inequalities reduced	Positive - particularly in high deprivation areas
Encouraging self-care	Workload less potential saving £2Bn	Positive	Positive - NHS efficiency increased Potential saving £2Bn
Improving GP practice	Positive Productivity gains	Positive Public health benefit	Positive
Health Education	Workload less	Positive	Less sick leave
Redefining NHS as "Prevention Service"	Positive Effectiveness enhanced	Positive	Positive Longer term savings

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