NHS myths and the 2017 election

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NHS Myth / Fake News
Your health is safe in our hands – say the Tories

Comment

- Life expectancy showed a steady increase since the mid 1990s although inequalities have grown.
- However according to PwC rates in the UK have just (May 2017) been revised downwards – hailed in the money markets as good news for those concerned with pension deficits.
- Death rates have increased since 2011/12. An unprecedented rise in mortality in England and Wales, where 30,000 excess deaths occurred in 2015, is likely to be linked to cuts to the NHS and social care, according to research by London School of Hygiene & Tropical Medicine, Oxford University and Blackburn with Darwen council.
- The researchers say the increase in mortality took place against a backdrop of “severe cuts” to the NHS and social care, compromising their performance. The researchers ruled out other possible causes of the increase, including cold weather, flu and the relatively low effectiveness of the flu vaccine that year, noting that fatalities from the virus rose “but not exceptionally”.
- The Department of Health (DH) responded by accusing the authors of the paper and accompanying commentary, published in the Journal of the Royal Society of Medicine, of bias. Deaths in 2016 were 20000 fewer.
- The decline in the suicide rate until 2010/11 has been reversed.

NHS Myth / Fake News
The NHS is getting more money than it has asked for

Comment

- Simon Stevens – “That’s stretching it”
- Nuffield Trust. Even the promised £10b is at the most £4.5b over 5 years.
- 2018-19 will see a real terms cut of 0.6% with growth of 0.2% and 0.9% to follow. Wider health budget will have more cuts (HC written answer)
- “We are clear that a tax-funded, free-at-the-point-of-use NHS should remain in place as the most appropriate model for the delivery of sustainable health services. In coming years this will require a shift in government priorities or increases in taxation. We are also clear that health spending beyond 2020 needs to increase at least in line with growth in GDP in real-terms.” House of Lords Select Committee April 2017

NHS Myth / Fake News
Rising spending is because there are more older people

Comment

- Yes there are more older people, with over 40% spend on 65+ and the highest proportionate of NHS use is 85+
- But even the Office for Budget Responsibility considers demographics are actually less responsible for rising costs than “income effects” (the propensity of health spending to rise in line with GDP) and, even more importantly, other costs, including more expensive drugs, more prevalent new treatments and technological advances.
- In 2013 OECD found that of the 4.6% annual growth in UK health spending between 1995 and 2009, only 0.2 percentage points was down to the effect of ageing, while 1.5 percentage points was the “income effect” and the rest was down to other costs such as technology and new treatments.
NHS Myth / Fake News

**Comment**

- 57,000 EU nationals have been working in the NHS
- 17,197 left during 2016 (13,321 left in 2015). 40% of EU doctors are reported to be thinking of leaving.
- Nursing applications from EU have dropped by 92%
- European Medicines Agency is leaving London and other European links are threatened.
- DH sacked 500 staff in Feb 17 but recruits an extra 300 for Brexit issues
- Rising inflation is increasing NHS costs
- The estimated general costs of Brexit are mounting higher and higher
- UK will not longer be subject to European Competition Law but will also not automatically have EU protections for workers or for public services.

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**Comment**

- 36% of UK doctors initially qualified in other countries (the largest number in India).
- Hunt promised additional training places in medical schools but any increase depends on take up and retention.
- 500 GPs are to be recruited from Poland, Lithuania and Greece, given 12 weeks training in Poland and parachuted into England on £90k salaries. (Daily Tel)
- "We are concerned by the absence of any comprehensive national long-term strategy to secure the appropriately skilled, well-trained and committed workforce that the health and care system will need over the 0–15 years. In our view this represents the biggest internal threat to next 1the sustainability of the NHS." House of Lords Select committee

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**Comment**

- 6 routes to privatisation – Big Sell Off, Asset sales, Patient Choice; letting the NHS deteriorate; open tendering; disguised tendering (e.g. Subcontracting and use of the NHS logo). Need to be clear which is meant
- From 2012 the amount of money going to for-profit companies rose by 76 per cent in just two years, an extra £770 million.
- £910m of the 2016 £2b extra cash for front line services in 2016 went to private providers.
- In the financial year 2015/16, the private sector won contracts worth just over £2.1 billion for providing clinical services, compared to £2.7 billion won by the NHS and £955 million by the not-for-profit sector
- Most NHS private hospital care is in orthopaedics
- The largest contracts are in community care. Private providers hold more contracts than NHS providers but the NHS contracts are generally of higher value (ave £3.5m) NHS providers hold over half (53%) of the annual financial value of the contracts for community care awarded by the health service.
- Private providers were awarded 15% of the total value of the contracts, the third sector (charities) were awarded 2% and GPs were awarded 1% of the value. The remainder went to ‘other’ providers (16%) – a diverse group made up of community interest companies, social enterprises, local authorities and others reported as non-NHS.
- In Sheffield payment to non NHS providers dropped last year by about 9%
- SCSG spent £83,000 pro rata on procuring 10 competitive tenders in 2016-17

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**Comment**

- Under 5% of the NHS workforce are managers, compared to up to 15% per cent in the UK economy as a whole. 1 in 35 people. BUT definitions vary. This excludes clinical managers. Other definitions included all manner of administrative staff
- It’s not the numbers – it’s what they do. (e.g. Administering the market)
- Many people think the NHS is undermanaged and over-administered with too many organisations, too much regulation and too many transaction costs.
- Conservatives have boasted that they culled managers but many were rehired and spending on management consultancy has shot up. At least £17.6m has been spent on management consultancy by 36 of the 44 STP footprints. And this does not include central spending by DH
- Sheffield CCG spent £1.13m on consultancy fees in 2016-17 but some of this was contributed by the Council and by Trusts. The CCG net spend was £607k
- £524k of the CCG gross spend was on the Sheffield Plan and the STP
NHS Myth / Fake News
Too many managers?

The health service workforce in England
NHS Hospital and Community Health Service workforce, August 2013, thousands full-time equivalents. (Including GPs and GP practices)

Comment

- Immigrants make up at least 11 per cent of the NHS workforce.
- Research from 2011 also suggests that probable immigrants actually used hospital care at around half the rate of third-born people of the same age and sex – the “healthy migrant effect”.
- But a) research elsewhere suggest that migrants make more use of GPs and primary care (and possibly A&E). Often this is because they are unaware of other resources or because of cuts to other services. This increases their visibility in services which would be crowded anyway. (Alcohol is a far bigger source of pressure)
- b) conversely there is evidence that migrants seek care too late causing themselves damage and the NHS more expense. Reasons include fear of bills or being reported to the Home Office. Hundreds of pregnant women are staying away from antenatal care even though they are entitled to it. Increasing use of NHS staff as extension of border force including access to records.
- DH estimates the cost of straight health tourism to be £60-80m pa, plus perhaps from £50m to £250m for unintentional treatment – visitors who fall ill (less than 0.1% of budget). It’s right that there should be a system of claiming back from other countries e.g. through EHIC and travel insurance issues should be explored but often rigid charging systems end up by costing more.
- Permanent migrants account for far more use of the NHS but they also make a contribution through tax, national insurance
- The cost of health tourism etc would be dwarfed if a hard Brexit led to pensioners abroad returning to the UK for health care.

NHS Myth / Fake News
Too many immigrants and health tourists

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NHS Myth / Fake News
The NHS is full of waste

Comment

- Not peculiar to the NHS – different systems have different example of waste, some economic, some just ineffective
- NHS more efficient than many – especially administrative costs. But the costs of running the market are enormous having risen from 5% to 14% since 1997. USA spends over 30%. All insurance systems have expensive administrations.
- Many different types of waste – every one has their own favourite. NHS is trying to tackle them – from operating procedures, through prescription waste to procurement.
- But in a system where demand fundamentally exceeds capacity, efforts to rapidly reduce costs can also increase inefficiency and be counterproductive.
- If the system does not have the spare capacity to deal with surges in demand over winter highly trained NHS staff are unable to treat patients because beds, operating theatres and intensive therapy units are fully used.

NHS Myth / Fake News
We can’t afford so many hospitals

Comment

- What we can afford is a political decision not a given truth.
- Treating people out of hospital has its own costs
- Removing hospital care will weigh most heavily on the disadvantaged
- Hospitals are an expensive and often inappropriate way of providing care. They are concerned with their own needs
- There are real issues about staff shortages which the NHS has a duty to address
- People don’t want to die in hospital but many do because of the lack of alternatives
- Hospitals create supply-led demand without much evidence of positive health effects
- There are also other sorts of unnecessary referral. Historically GP rates have varied enormously between practices often without reasonable justification.
NHS Myth / Fake News
The STP will reduce elective admissions by 30%
Moving care out of hospital will reduce costs

Comment

• Preventive health measures are desirable but not sufficiently proven to justify premature facility closures.
• Shifting the balance of care from the hospital to the community is unlikely to be cheaper, certainly up to the medium term. (Nuffield Trust)
• The 30% admissions reduction in many STPs is based on false modelling (Nuffield Trust)
• Current attempts at integrating services provide no evidence that integration will save money and reduce hospital activity. NAO
• Community based services are easier to cut
• Once hospitals have gone, they have gone

NHS Myth / Fake News
Accountable care is the way to go

Comment

• South Yorks and Bassetlaw is being fasttracked into an Accountable Care System which may or may not include local Accountable Care Organisations some of which (e.g. Barnsley) may have significant private sector connections
• Accountable to whom? Originally insurance companies. Now some as yet to be identified commissioner. Public accountability and transparency will be lost
• No statutory basis
• The ACO presides over a network of providers. Who will these be?
• While some ACOs in some contexts have slowed the rate of health care spending and delivered improvements in quality of care, other ACOs in other contexts have not done so.
• Although many CCGs are in trouble, taking poor decisions or rubber stamping CSU decisions Sheffield CCG is not. Nevertheless it is being fast tracked into an AC system.
• STHT has recently reorganised its top management possibly to help cement its role in the STP and the lead for the ACS even though CCGs are nominally in charge.