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The new NHS: heaven or hell for the practising physician?

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The 'public sector values' issue

➤ No ownership of input

- ◆ invisibility of tax spending

- ◆ no limits to expectations

 - ✓ compare insurance 'victimless fraud'

➤ No ownership of output

- ◆ 'Jobsworth' mentality

 - ✓ 'sorry, gov, I just work here'

➤ Bureaucracy of probity

'doing things right'

or

'doing the right things'

The dangerous 1980s

- Until 1980s, funding coped with developments
- After that, possibility > feasibility
 - ◆ technology led revolution
 - ✓ hospital supply side driving the system
 - ◆ NHS inflation politically unacceptable
 - ◆ 'black box' funding unsustainable
- 'The only constant is change' started then

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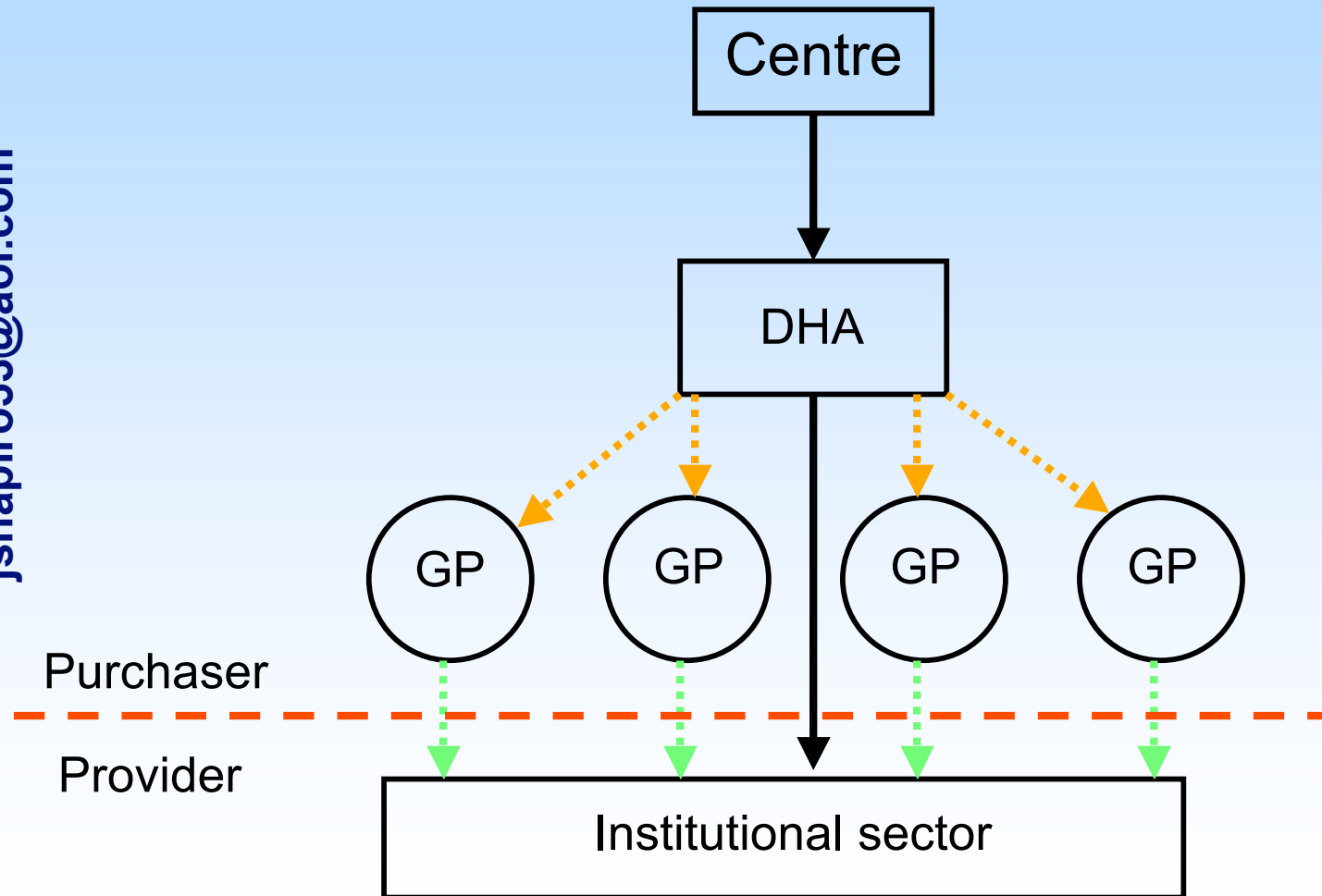
NHS development: 1990s

➤ 1990: *Working for Patients*

- ◆ separation of purchaser and providers
 - to help prevent complacency and collusion
- ◆ free-standing NHS Trusts
- ◆ fundholding GPs
- ◆ the *internal* market

The shape of services: 1990

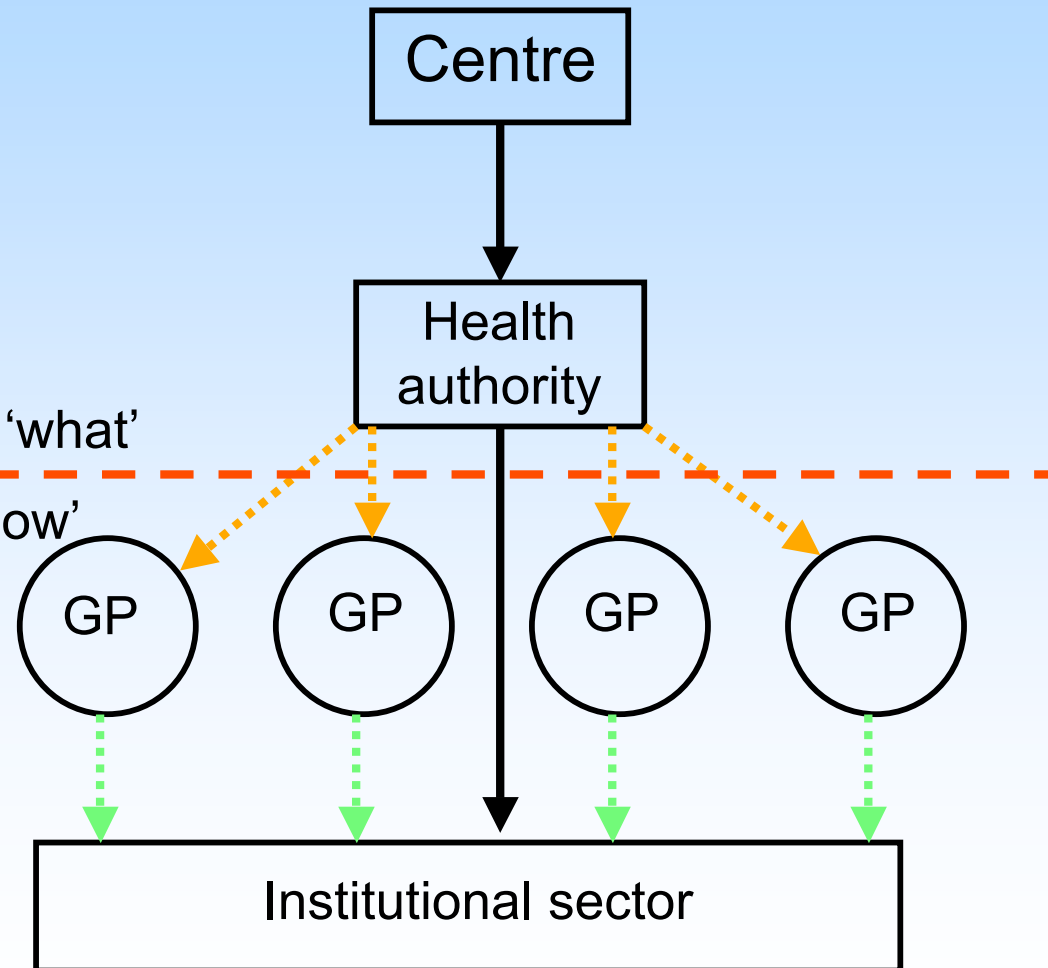
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The shape of services: 1996

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Purchaser: the 'what'
Provider: the 'how'



Impact of *Working for patients*

- ✓ Better provision of information
- ✓ Distance between strategy and delivery
- ✓ Clinical networking improved
- ✗ Problems of scale
- ✗ Loss of morale
- ✗ Little impact on acute sector
 - ✗ market reforms could never have worked under a Conservative administration

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The Labour government

- 1997: creation of PCGs
 - ◆ fundholding writ larger and blander
- 1999: new political brooms sweep clean
 - ◆ accelerated moves to PCT status
- **PCTs still not controlling secondary sector**
- 2001: *Shifting the Balance of Power*
 - ◆ strengthened commissioning role of PCTs
- **But system *still* not effective**
- 2004: moves towards a market

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The tea leaves

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- Choice agenda
- Foundation Trusts
- Payment by Results
- New contracts
 - ◆ nurses, GPs, consultants
- Rising profile of the independent sector
 - ◆ PFI, LIFT, ISTC, etc
 - ◆ ...not forgetting general practice itself

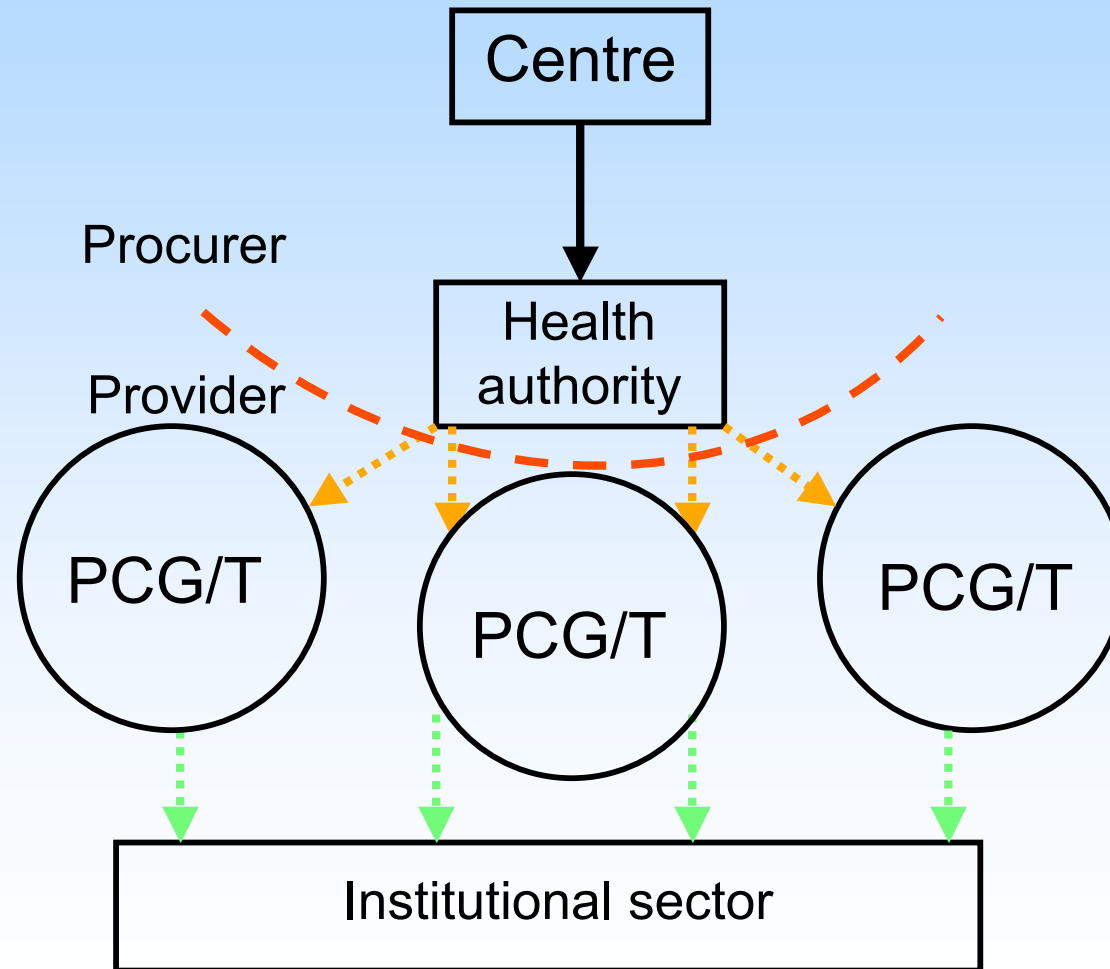
Increased supply:

- Contestability
- Flexibility
- Choice
- (Costs)

Markets in health care: the benefits

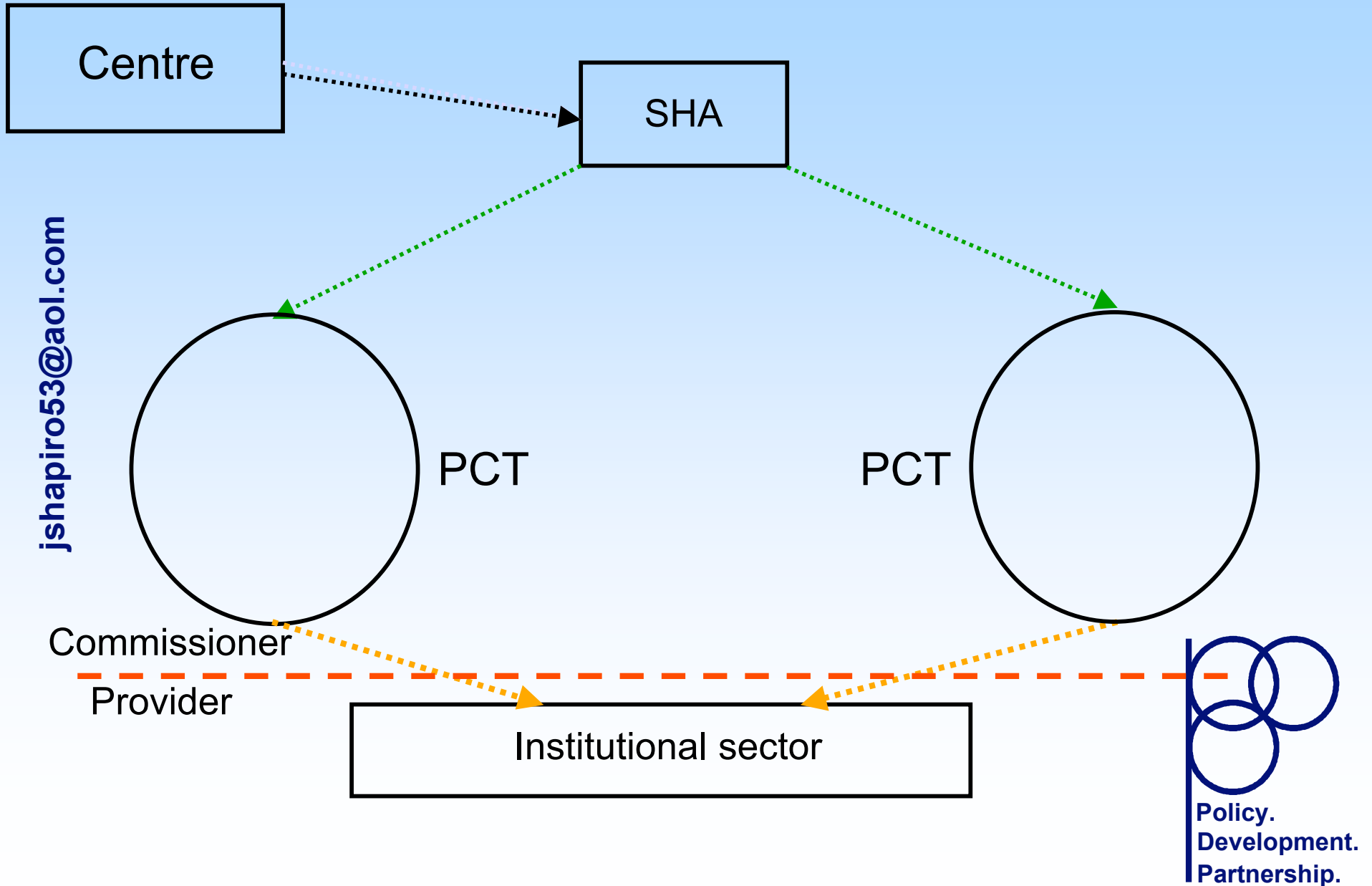
- Distinguish procurement from provision
- Capitalises on human nature
 - ✓ the super-ego and the id
 - ◆ commissioning based on public sector values
 - ✓ the super-ego: comprehensive, local, free and fair
 - ◆ provision based on entrepreneurialism
 - ✓ the id: 'my' organisation, customers and reward
 - ◆ an *external* market
 - ✓ fitness for purpose is the only requirement

The shape of services: 1998

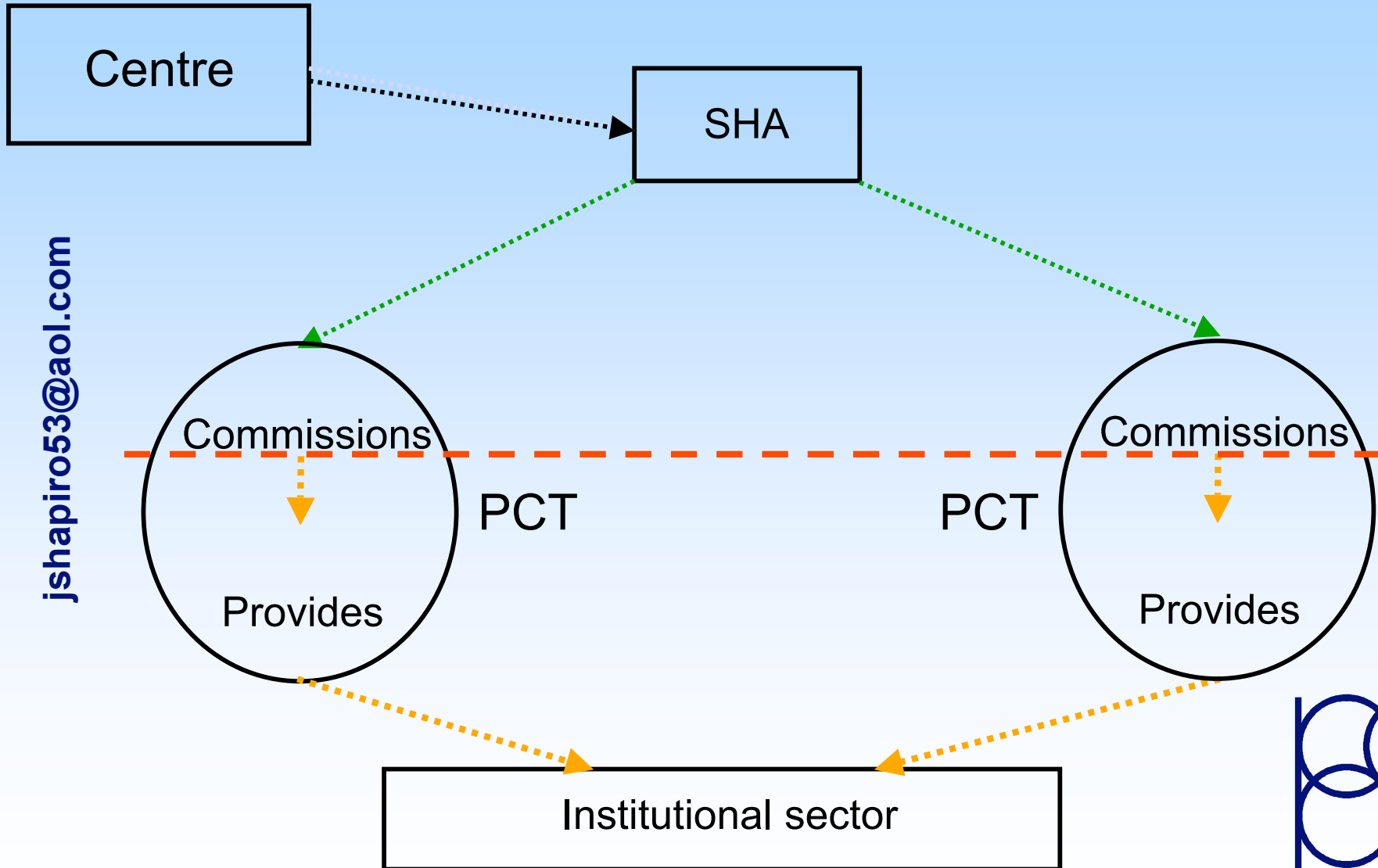


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The shape of services: 2001



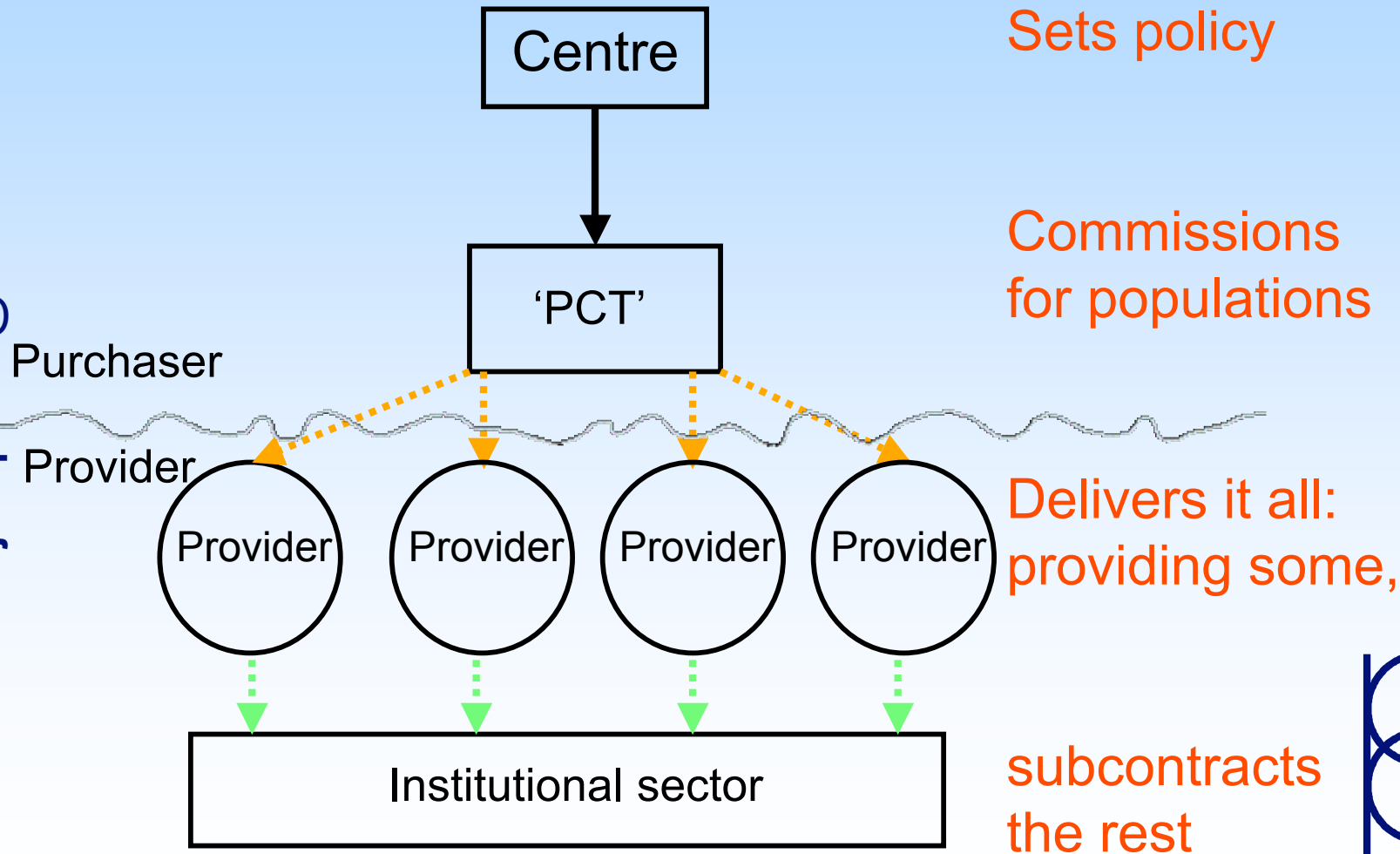
The shape of services: 2005



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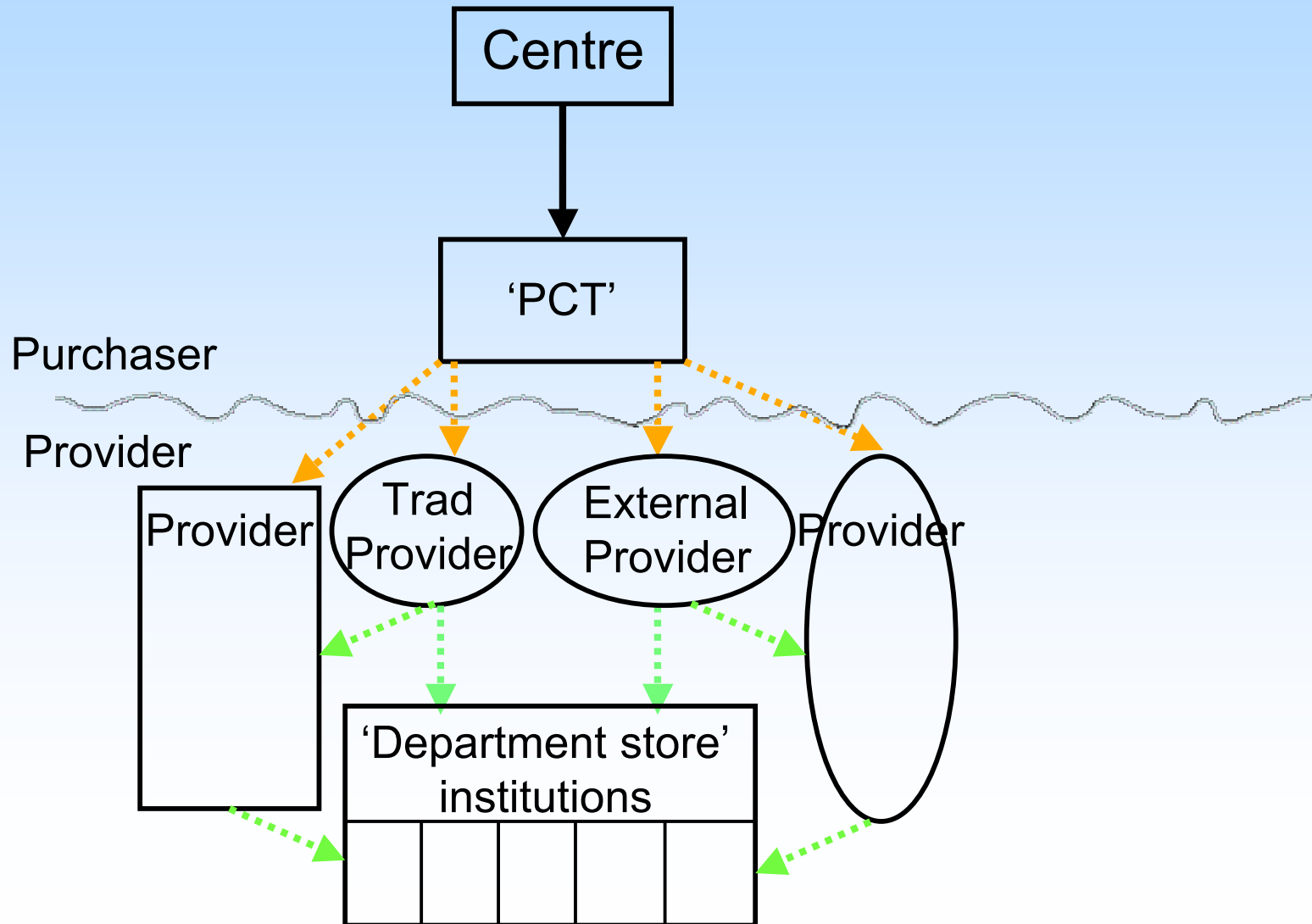
The shape of services: 2008?

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The shape of services: 2008?

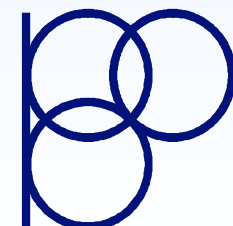
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So is this privatisation?

- It depends on your definition.....
- Provision will be pluralistic
 - ◆ is this just an extension of what we already do?
 - ✓ laundry, catering, buildings
- Funding will continue be tax based
 - ✓ ...for the moment
 - ◆ cheapest form of insurance
 - ◆ appeals to British egalitarianism
 - ◆ doesn't fit with consumerism
 - ✓ but if it changes, it'll be dearer and more divisive

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The impact on doctors

- Trained to be autonomous, self driven
 - ◆ very little sense of corporacy
- Now expected to conform and comply
- Consultants have not been enthusiastic
 - ◆ deities → institutional ghosts → technicians → corporate technicians → entrepreneurs?
- GPs' fortunes have also ebbed and flowed
 - ◆ acolytes → 'he who pays the piper' → governors → commissioners → entrepreneurs?

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The unanswered questions

- Can politicians manage not to micromanage?
 - ◆ what happens when hospitals face closure?
- Can NHS commissioning be effective?
 - ◆ task is enormous, capability embryonic
 - ✓ establishing need, regulating market, managing performance
- How will other sectors respond?
 - ◆ need policy consistency and reasonable returns
- Above all, can it work?

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