Liberating the NHS (?) – The next stage of NHS reform

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Overview

› Ambition for reform

› Key elements of the reforms

› What does the future hold?
**NHS Health and Social Care Act**

- The most radical reforms since the inception of the NHS
- There is continuity with Thatcher, Blair and Darzi
- But the Act goes much further and faster
- It was Andrew Lansley’s plan with some concessions to the Liberal Democrats

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**The big difference.......**

**Current Structure**

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[Diagram showing the current structure of healthcare and social care, including departments, authorities, trusts, and providers.]
Liberating the NHS - Key ideas

- Choice and competition the main drivers of improvement
- Level playing field - NHS and private providers
- Major reform of commissioning structures - “removing bureaucracy”
- Aligning commissioning with clinical decision making - GPs
- New home for public health services and new (old) role for local authorities - Health & Wellbeing Boards
- Greater focus on outcomes - increasing transparency of data on performance
- Liberating NHS - “duty to promote autonomy” - breaking direct line of accountability from SoS to front line
Impact of “the pause” and parliamentary debate

- SoS explicit duty to promote comprehensive health service
- Duty of “autonomy” mediated by duty wrt provision of a comprehensive health service
- Cooperation and Integration - explicit duties
- Greater scrutiny of Monitor’s application of competition rules
- Higher profile for health inequalities - access and outcomes
- More support for patient and public engagement - greater independence for Healthwatch
- Stronger governance around conflicts of interest in CCGs - to cover members from Commissioning Support Organisations
- Education and training now explicit concern of CCGs and NHS Commissioning Board

The NHS Constitution – new legal force

- 7 overarching principles – comprehensive, available to all on basis need, not ability to pay – partnership, accountability, VFM
- 37 rights and pledges to patients – waiting times and NICE approved drugs
- 10 patient and public responsibilities – health and use of services
- 10 staff rights – pay and conditions, equality and 11 responsibilities – professionalism, development and improvement

Enshrined in statute
New Commissioning Framework

- **Secretary of State**
  - Arranges for the provision of health services
  - The Mandate

- **NHS Commissioning Board**
  - **Clinical Networks**
  - **Commissioning Guidance**

- **Local Authorities**
  - **Health & Wellbeing Board**
  - **Local Healthwatch**
  - **Sexual Health**
  - **Community & MH**
  - **DGH Services**
  - **Primary Care**
  - **Specialist HIV**

- **CCGs**
  - **Seek views**
  - **Commissioning Plan**

- **Providers**
  - **Providers of NHS Services**
    - **Private providers**
    - **Not for profit providers**
    - **Foundation Trusts**

- **Other payers**

- **NICE**
  - **Compliance with competition law & support for choice**

New Provider Framework

- **Local Authorities**
  - £££

- **CCGs**
  - £££

- **Other payers**
  - £££

- **Contract with**

- **Providers of NHS Services**

- **CQC**
  - **Quality Regulator**
  - **Compliance with choice, competition & procurement law**
  - **Manages Failure**
  - **Sets National Tariff**
  - **Monitor**

- **Governors**
  - **Foundation Trusts**

- **Economic, Efficient & Effective,**
  - **Maintains or improves quality (including supporting integration)**
Some Key Issues

› There are major risks in the transition – as evidenced in the risk register
› Restructuring is a distraction from key task of addressing the financial challenges while safeguarding and improving quality
› Operational pressures are increasing and financial pressures could drive provider failure & greater not less central control - NB FT Pipeline
› Major developmental challenge for GP commissioners - will all rise to it?
› NHS has lost a locus for regional planning and leadership - replaced by complex lines of accountability

What does the future hold?
Scenario 1: Stasis

› GP commissioning groups resemble PCTs but with more clinical leadership
› NHS Commissioning Board drawn into a performance management role over CCGs, with “Field Forces” akin to SHAs
› Weak links between GP commissioning groups and LAs
› CCG leaders distant from other GPs
› Relationships between CCGs and providers are mainly transactional

Scenario 2: Market-orientated system

› Competition both on commissioning and provider side
› Chains of CCGs align to large private insurance companies
› Choice of GP becomes choice of commissioner
› Rulings by Monitor are powerful in shaping the supply side
› European Court rules that agreements between providers and commissioners must be subject to competition law
Scenario 3: Integrated system

- CCGs develop close relationships with GP provider federations & also groups of secondary care clinicians
- Evolution into integrated delivery systems
- Strong links between health & social care, with use of pooled budgets
- Strong LA leadership on public health

Scenario 4: Disintegration

- CCGs unable to control expenditure. Many face losses, some catastrophic
- A few CCGs make windfall gains
- Growing divisions between primary and secondary care as CCGs attempt to control demand by requiring prior authorisation for all referrals
- CCGs refuse to fund social care services and take little interest in public health
2010 Simulation - Key Messages

‣ Could be major catalyst change - dynamism and energy – with support for shared clinical vision of more integrated model of care, but will they be allowed to deliver it?

‣ The scale of the CCG development challenge – number of “blind spots” - with vacuum of support ultimately filled by NCB

‣ Risk that behaviours from the old system simply transferred to the new – NHSCB adopting SHA role – The Daisy syndrome

‣ Uncertainty about system rules and leadership – collaboration or competition?

‣ Who trumps who – NHSCB, Monitor, CQC?

‣ What trumps what – Money, competition, quality?

Yes Minister?
Conclusion

› There are major risks in the transition
› The outcome is highly uncertain
› The opportunities
   – Clinical leadership and engagement
   – Removing the “dead hand” of the bureaucracy
   – Disruptive innovation
› The risks
   – Fragmentation and confusion
   – Service financial and quality failure
   – Clinical and staff disengagement

Resources

› A collection of King’s Fund materials on the Health and Social Care Act and Bill:

Questions?