

# Why we must defend our National Health Service



# Some background

Dr Benjamin Moore, a Liverpool physician, was probably the first to use the words 'National Health Service' in 1910. He established the State Medical Service Association which held its first meeting in 1912 and continued to exist until it was replaced by the Socialist Medical Association in 1930

Before the National Health Service was created in 1948, patients were generally required to pay for their health care. Free treatment was sometimes available from Voluntary Hospitals. Some local authorities operated hospitals for local ratepayers (under a system originating with the Poor Law)

# More background

In 1944 Henry Willink prepared a white paper endorsing a National Health Service. This White Paper includes the founding principles of the NHS: it was to be funded out of general taxation and not through national insurance, and services would be provided by the same doctors and the same hospitals, but:

- **Services were provided free at the point of use;**
- **Services were financed from central taxation;**
- **Everyone was eligible for care (even people temporarily resident or visiting the country).**

# The creation of the

Bevan quickly came to the decision that the 1944 white paper's proposal for local authority control of voluntary hospitals was not workable, as the local authorities were too poor and too small to manage hospitals. He decided that "the only thing to do was to create an entirely new hospital service, to take over the voluntary hospitals, and to take over the local government hospitals and to organise them as a single hospital service".

This structure of the NHS in England and Wales was established by the National Health Service Act 1946 which received Royal Assent on 6 November 1946. Bevan encountered considerable debate and resistance from the BMA who voted in May 1948 not to join the new service, but brought them on board by the time the new arrangements launched on 5 July 1948.



# There were always rising costs...

By the beginning of the 1950s, spending on the NHS was exceeding expectations, leading in 1952 to the introduction of a one-shilling charge for prescriptions and a £1 charge for dental treatment; these were exceptions to the NHS being free at the point of use.

Prescription charges were abolished in 1965 and reintroduced in 1968. New drugs came to the market improving healthcare, including polio vaccine, dialysis for chronic renal failure and chemotherapy for certain cancers were developed, all adding to upfront costs.

# ...and always tampering with the structure

In 1990, the National Health Service & Community Care Act (in England) defined the "internal market", whereby Health Authorities ceased to run hospitals but "purchased" care from their own or other authorities' hospitals. Certain GPs became "fund holders" and were able to purchase care for their patients. The "providers" became NHS trusts, which encouraged competition but also increased local differences. The cost of administering the "internal market" is believed to cost between £5Bn and £10Bn each year!

Labour in 1997 promised to remove the "internal market" but by his second term in office Blair reneged on this...

# Private Finance Initiative (PFI)

Initiated by John Major's Government in 1992, the PFI uses private money for major public sector capital projects. Private companies build and own the facility, which is leased back to the state for a regular fee. PFI was massively expanded under Labour and remains popular with the current government, because the money owed is not calculated as part of the national debt.

The Blair Government, whilst leaving services free at point of use, encouraged outsourcing of medical services and support to the private sector. Under the Private Finance Initiative, an increasing number of hospitals were built (or rebuilt) by private sector consortia; A study by a consultancy company which worked for the Department of Health showed that every £200 million spent on privately financed hospitals resulted in the loss of 1000 doctors and nurses. The first PFI hospitals contained some 28 per cent fewer beds than the ones they replaced.

Hundreds of new hospitals have been built under PFI. But it remains controversial because it costs more for the private sector to borrow money than the government. The result is that the new facilities cost taxpayers much more when the additional borrowing costs are included in the leasing fee.

PFI deals will cost taxpayers £209bn over next 35 years – The Independent  
3<sup>rd</sup> April 2016

<http://www.independent.co.uk/news/uk/politics/pfi-deals-will-cost-taxpayers-209bn-over-next-35-years-a6966986.html>

PFI scheme cost around SEVEN times more over the lifetime of the investments than paying for them from the public budget!



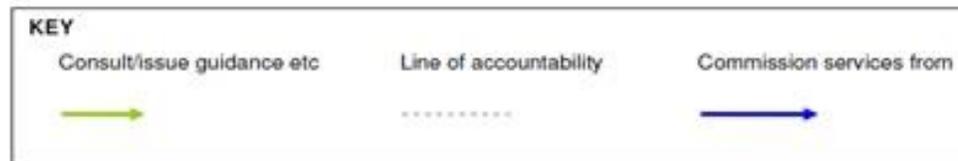
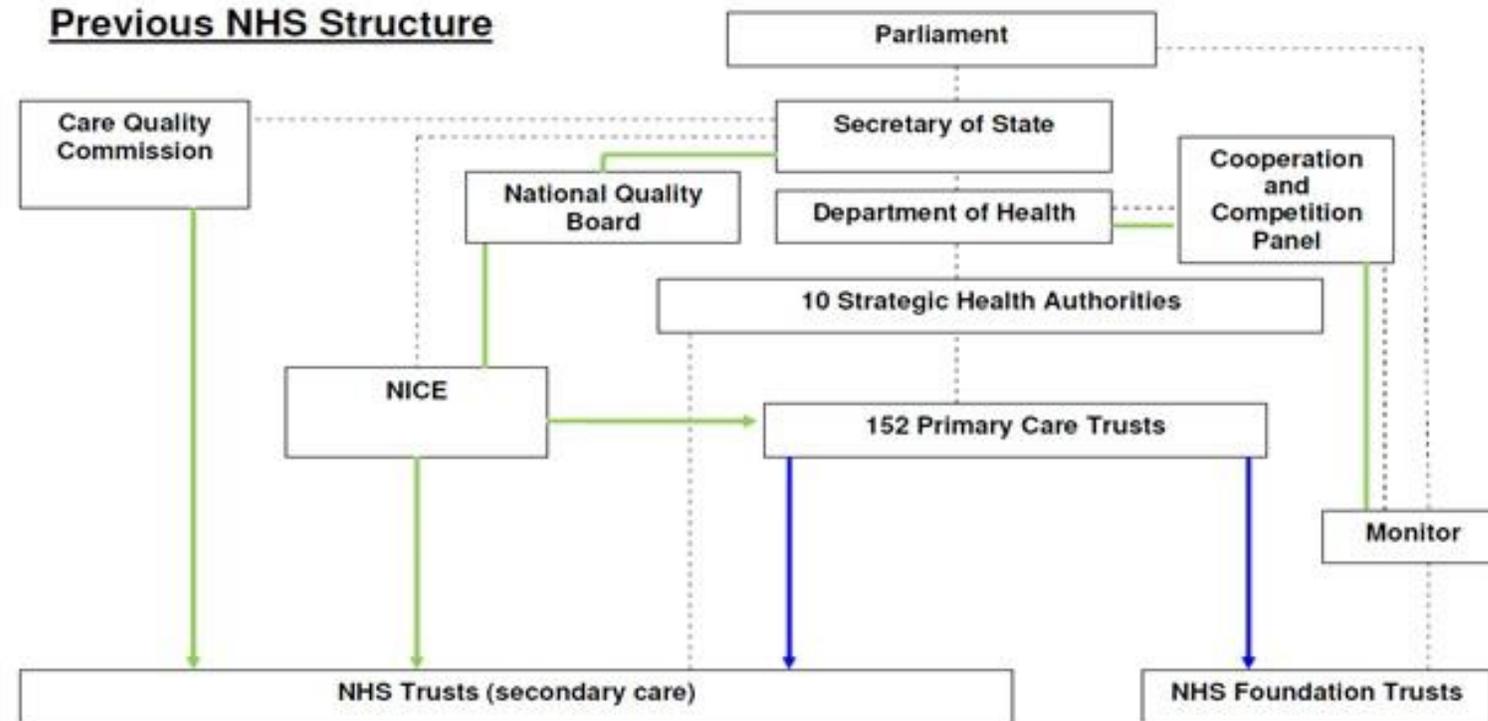
# The 21<sup>st</sup> Century

The Coalition government introduces the Health & Social Care Act 2012



Takes the NHS structure from the relative simple to the incredibly complex...

# NHS Structure prior to HSCA 2012





The Health & Social Care Act 2012 abolished the Secretary of State for Health's over-arching duty to provide key health services in England – meaning the government can outsource health services to others *who will take the blame for failures in health services*.

The Act also established free-standing Foundation Trusts (self-governing accounting centres) answerable to their Boards of Governors and **not to the communities**. They can make up to 50% of their income from non-NHS work.

Individual Clinical Commissioning Groups (CCGs) take responsibility for ensuring the provision of health services – but they can *choose not to commission services!*

# Result

Management chaos and increasing management costs – of which a prime example was the closure of Bootham Park Hospital York with **5 days notice**

Neither the Clinical Commissioning Group, Care Quality Commission, Leeds & York PF Trust, NHS England, Secretary of State for Health would take responsibility due to lines of responsibility ending nowhere...

This closure resulted in inpatients being transferred to Middlesbrough and the resultant difficulties for their friends and families

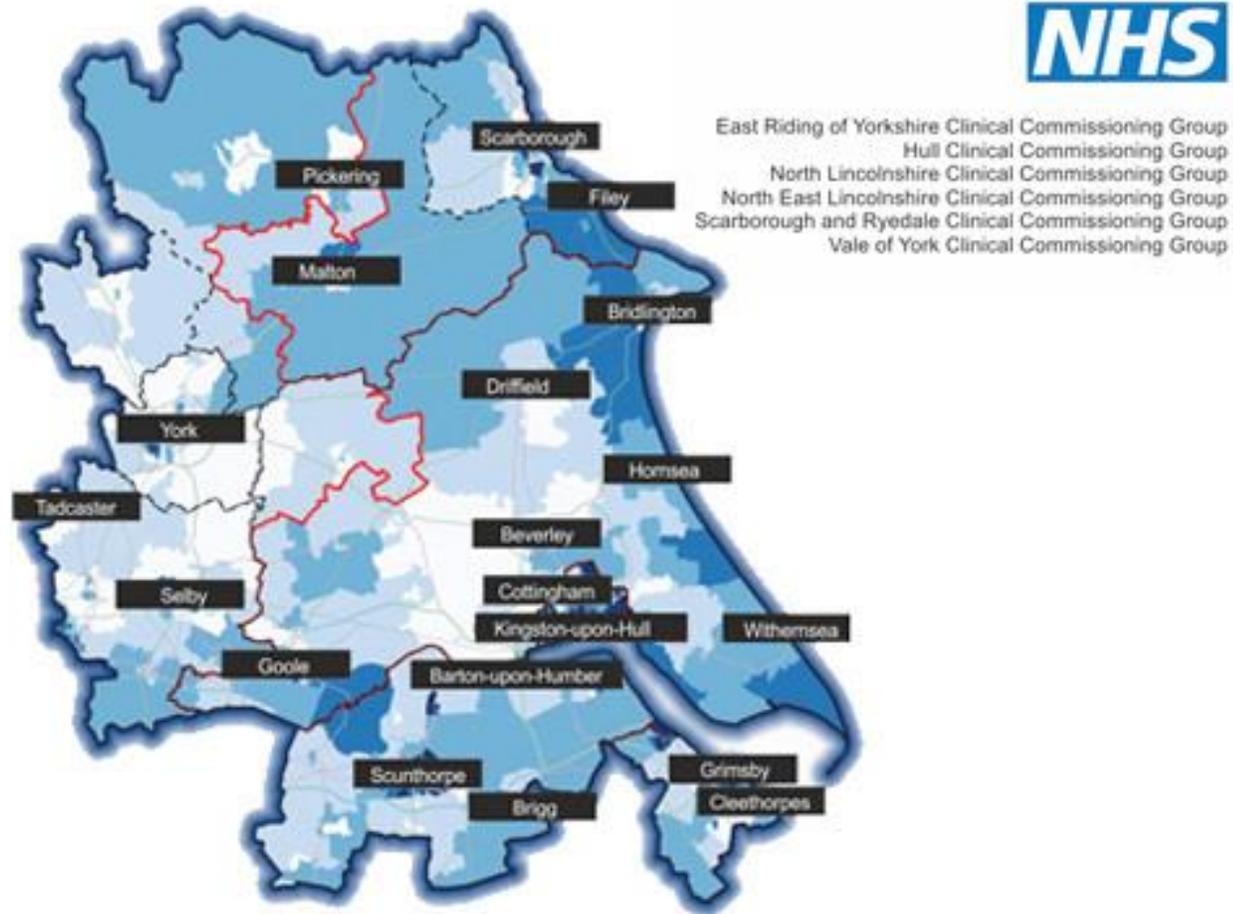
# Then came STP's...

Sustainability and transformation plans (STPs) were announced in the NHS planning guidance published in December 2015. NHS organisations in different parts of the country have been asked to come together to develop 'place-based plans' for the future of health and care services in their area. Draft plans were submitted in June 2016, and final plans are expected to be completed in October.

What are STPs?

STPs are five-year plans covering all areas of NHS spending in England. A total of 44 areas have been identified as the geographical 'footprints' on which the plans will be based,

# York is part of the Humber Coast & Vale Footprint



# And includes the following bodies

NHS East Riding of Yorkshire Clinical Commissioning Group

NHS Hull Clinical Commissioning Group

NHS North Lincolnshire Clinical Commissioning Group

NHS North East Lincolnshire Clinical Commissioning Group

NHS Scarborough and Ryedale Clinical Commissioning Group

NHS Vale of York Clinical Commissioning Group

Humber NHS Foundation Trust

North Lincolnshire and Goole NHS Foundation Trust

Tees, Esk and Wear Valleys NHS Foundation Trust

City Health Care Partnerships CIC

Hull and East Yorkshire NHS Foundation Trust

Navigo

Rotherham, Doncaster and South Humber NHS Foundation Trust

York Teaching Hospital NHS Foundation Trust

City of York Council

East Riding of Yorkshire Council

Hull City Council

North Lincolnshire Council

North East Lincolnshire Council

North Yorkshire County Council

The aim of the government is clear - Run the NHS into the ground and introduce American-style insurance (for those that can afford it)

One third of Accident & Emergency departments facing closure

Half of NHS authorities forced to cut the number of beds

40% of mental health trusts had funding cut in 2015

The NHS repairs budget was slashed by £1.1bn, in an unpublicised cut included in George Osborne's 2016 Budget.

In the USA in 2015 the following breakdown was for those covered by health insurance and how they were covered.

Location	Employer	Non-Group	Medicaid	Medicare	Other Public	Uninsured
United States	49%	7%	20%	14%	2%	9%

That leaves a total of 9% without any health cover which is in double figures in some states

As recently as 1981, only 8 percent of families filing for bankruptcy cited medical reasons. By 2010, when the Affordable Care Act was passed, medical bankruptcy was all-to-common. A 2009 study by Himmelstein et al, published in The American Journal of Medicine, revealed that 62.1% of all bankruptcies had a medical cause.

# In the York area

Bootham Park Hospital not restored – ongoing consultation regarding possible location of a ‘replacement’ and number of beds ongoing

Archways Intermediate Treatment Centre closed without consultation

Westerdale ward of Clifton House closed ‘temporarily’ due to lack of staff

Worsley Court, an inpatient unit for men with dementia in Selby, will closed by the end of 2016, two months earlier than planned.

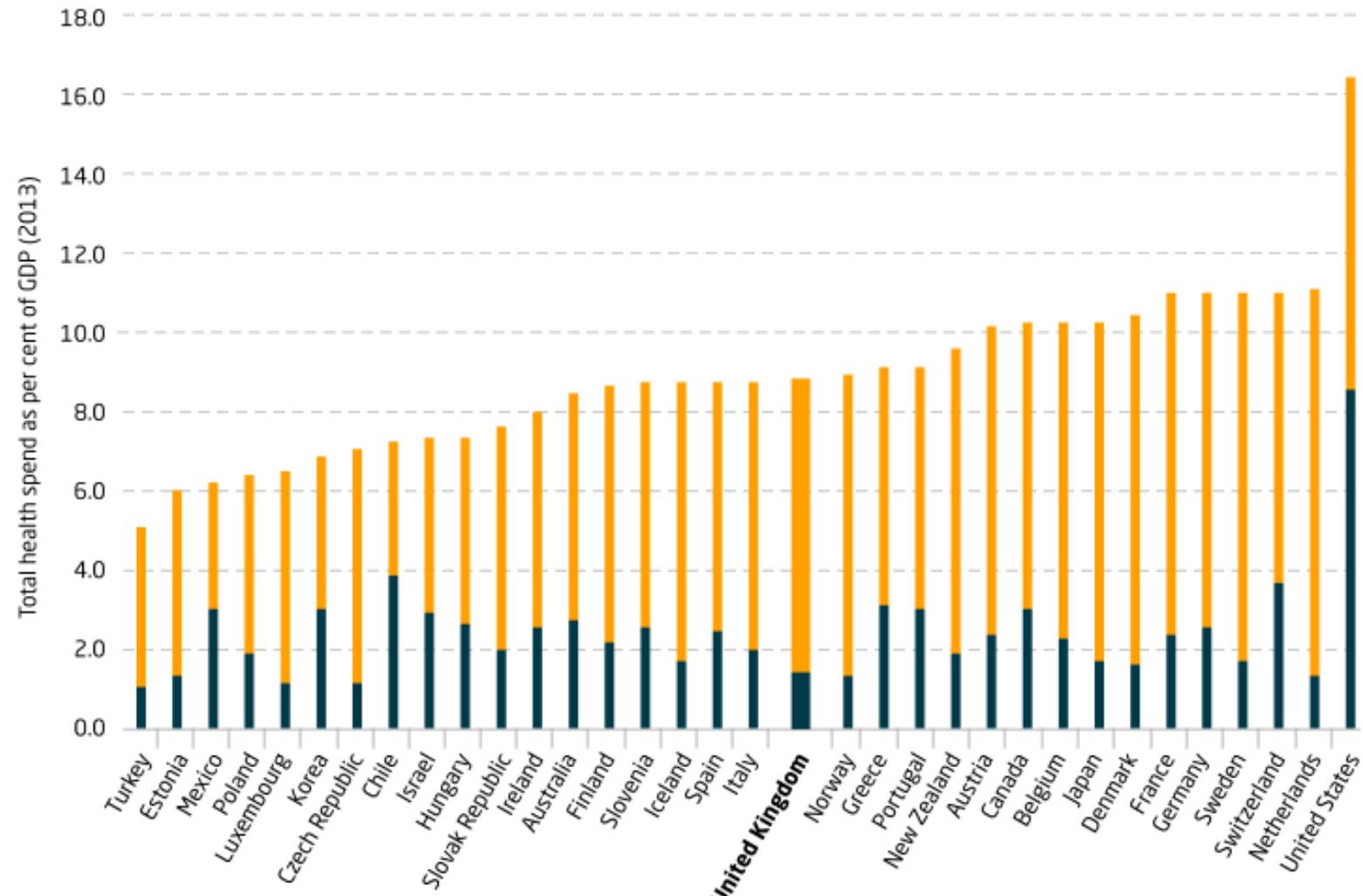
GP Practices merging and premises moving to reduce overheads

Hospital or related services repeatedly being tendered

Waiting times to see GP’s growing

...and more

# OECD health care comparative spending 2015



## **NHS comes top in healthcare survey**

"The United Kingdom ranks first overall, scoring highest on quality, access and efficiency," the fund's researchers conclude in their 30-page report. Their findings amount to a huge endorsement of the health service, especially as it spends the second-lowest amount on healthcare among the 11 – just £2,008 per head, less than half the £5,017 in the US. Only New Zealand, with £1,876, spent less.

The Commonwealth Fund, Washington, USA. 2014

## **Public satisfaction with the NHS in 2014**

Overall public satisfaction with the NHS increased to 65 per cent in 2014 – the second highest level since the British Social Attitudes survey began in 1983. Dissatisfaction with the service fell to an all-time low of 15 per cent.

British Social Attitudes survey 2014.

By 2020, NHS funding increases will have averaged 0.9% per year. This is catastrophic in the context of health inflation running at 4%

English outpatient cancellations at record high of 7.68m in 2015

The Humber, Coast & Vale STP expects the region to save £420M by 2020/21

**According to the World Health Organization. Americans spend \$8,362 per capita on healthcare annually, the Brits spend \$3,480. Here is a breakdown:**

### **NHS prices**

Doctor visit: £0

Specialist: £0

Diagnostic test: £0

MRI: £0

Total: £0

### **Typical US prices\***

Doctor visit: \$100

Specialist: \$150

Hearing test: \$72

MRI: \$1,000

Total: \$1,372 (Total payable by the patient in cash, or typically 90% from insurance and 10% as a patient copay.

Prices taken from Healthcare Bluebook.)

“Illness is neither an indulgence for which people have to pay, nor an offence for which they should be penalised, but a misfortune, the cost of which should be shared by the community.”

*Aneurin Bevan – founder of the NHS*

“The NHS will last as long as there are folk left with the faith to fight for it”

Minister of Health, Aneurin Bevan, 1948



Defend Our NHS York

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