

HOW TO DISMANTLE THE NHS IN 10 EASY STEPS

1 Create an internal market

When the Purchaser/Provider split and commissioning were introduced in the 1980's administrative costs rose from 5% to 14% by 2003. Around 10% of NHS budget or £10 billion a year is therefore spent on running an internal market. The Health and Social Care Act could push these administrative costs to 30%, which is similar to the US.

2 Introduce public private partnerships

New Labour had pledged to abolish the internal market but went full throttle in the opposite direction. New Labour's NHS Plan (2000) and NHS Improvement Plan resulted in the internal market being extended. These public-private partnerships took many shapes, the first of which were Independent Sector Treatment Centres (ISTC)...intended to 'unbundle' the high-volume, low risk, lucrative NHS works, such as cataracts and knee and hip replacements. As the BMA has shown, ISTC contracts were paid an average of 12% more for each patient than the NHS tariff cost. They were also paid for a pre-determined number of cases – regardless of whether procedures were carried out or not.

ISTCs were small fry compared to Private Finance Initiatives (PFIs). New Labour expanded PFIs to build *and run* infrastructure projects....The completed PFI projects have been leased back to the NHS with repayment, usually over 25 to 30 years, at high interest rates (some over 70%). The bill for hospitals alone is projected to rise about £79 billion. This exceeds the original capital cost (i.e. actual value) of £11.4 billion seven-fold.

If you wanted to think up a way to bleed the NHS dry then you would struggle to do better than PFI. If you wanted to keep it simple then the PFI drain would cover the entire NHS budget for over 2 years. The toxic PFI debt has led to hospital mergers with consequent bed reductions, staff lay-offs and service closures...As Allyson Pollock astutely points out, the great irony is that ***PFI was hailed as the largest hospital-building programme ever; in fact, it is the largest NHS hospital closure programme.***

3 Facilitate the corporate takeover

The introduction of Alternative Provider Medical Services (APMS) contracts meant that Primary Care Trusts (PCTs) could commission care from companies employing salaried GPs rather than traditional contracts with GPs themselves. Amongst the winners were UnitedHealth, Atos and Virgin.

The corporate takeover of Out of Hours Care (OOH) saw companies like Harmoni, Serco and Take Care Now win contracts to provide OOH care... On at least one night, it is alleged that Serco had only one or two GPs covering most of Cornwall. It was also claimed that Serco had falsified data to meet targets. ((*The Guardian* 25/5/12).

Foundation trusts were introduced from 2003. Foundation trusts are allowed to go bust as they are no longer eligible to be bailed out by the Department of Health. This was the paradigm shift as it forced hospitals to prioritise the bottom line over patient care. They have therefore needed to balance their books, which has often meant cutting front line staff. This was one of the main factors behind the Mid Staffs scandal, involving the deaths of hundreds of patients at Stafford Hospital.

As a result, trusts up and down the country are running into the red. More than a third of NHS trusts in acute deficit are hospitals build under PFI. (*British Medical Journal* 13/12/13)

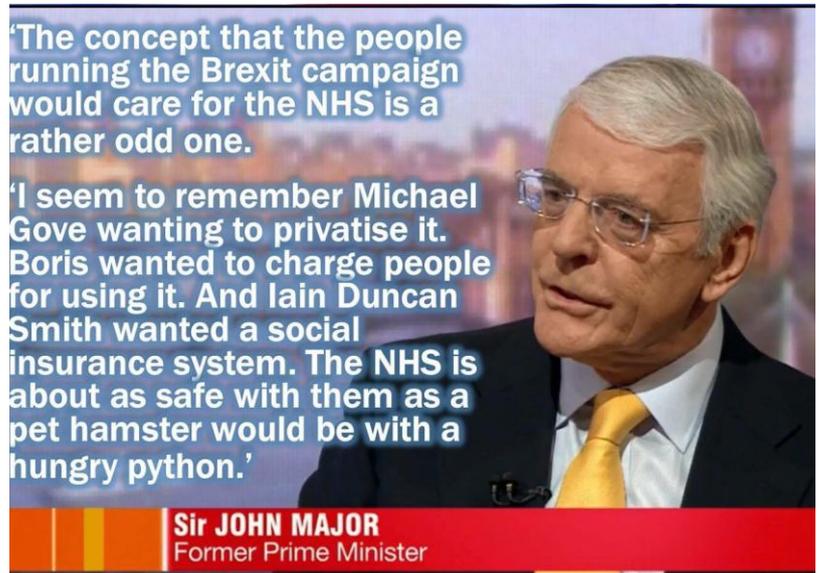
4 Install a revolving door

Simon Steven, Blair's senior health policy advisor, who went to work for UnitedHealth in the US (as an executive vice president) eventually came back to haunt us (through said revolving door) as no less than the chief executive for the NHS. The revolving door turns smoothly in both directions. Management consultants from McKinsey, KPMG, Deloitte and Atos, to name a few, infiltrated the top tiers of the DoH. A similar pattern emerges across NHS management. This is how the health policy community was hijacked.

In 2009, it was estimated that spending on management consultants alone was upwards of £300 million a year.

Nick Seddon was Cameron's health advisor. He has openly called for an end to the NHS as we know it, and promoted the idea of an insurance-based system. (open Democracy and Social Investigations). He has said that Clinical Commissioning Groups (CCGs) could be used as the basis to move towards a 'mixed funding insurance model.'

Over 200 parliamentarians have recent past or present financial interests in companies involved in private healthcare.



5 Organise a great big sell off

Here are some of the winners (ref to Colin Leys and Stewart Player *The Plot Against the NHS*):

- Private healthcare companies, both British, such as Care UK and Tribal, and international, such as Netcare (a South African hospital chain, which opened several ISTCs and UnitedHealth)
- NHS information technology contracts e.g. the Connecting for Health fiasco
- Big Seven companies in hospital cleaning, catering and laundry (with annual revenues totalling £2 billion)
- PFI consortia (£7.1 billion due in 5 years 2010/11 – 2015/6 corresponding to almost half the savings the NHS is expected to make in the same period).

6 Run a PR smear campaign

The relentless anti-NHS smear campaign, run by various sections of the media, is now escalating, softening up the public in preparation for the introduction of universal health insurance coverage.

Is the NHS affordable? There are two keys points. First, rising healthcare costs are a fact across the world. Second, the NHS is one of the most inexpensive healthcare systems in the developed world.

On international comparisons, NHS performance is good. The US-based Commonwealth Fund's large study of 20,000 patients in 11 industrialised countries found the NHS to be almost the least costly and to have almost the best levels of access. This report was updated in 2014 by the Commonwealth Fund finding that, 'The United Kingdom ranks first overall, scoring highest on quality, access and efficiency'. On the other hand, the US was castigated as the worst of the 11 countries despite putting the most money into health.

In recent years, there have been a number of scandals involving hospital care. Whilst the media is very good at exposing NHS deficiencies, there is only glib analysis of the factors behind this. Take the A&E crisis splashed across the front pages every winter. The reality behind the A&E crisis is that it has largely been manufactured due to long-standing problems. For starters, a quarter of walk-in centres have been closed since 2010. This is compounded by a reduction in bed numbers of over 50% since 1987-7.

Local councils have tightened eligibility criteria for social care due to massive cuts. The number of elderly and disabled people receiving care at home has been slashed by a third in the past 5 years. These patients are thus more likely to end up in A&E. By the end of the 1990s free long term care provided by the NHS had largely been replaced by private sector care homes charging fees.

And what of the public? As Nicholas Timmins points out, public satisfaction with the NHS was at its highest ever (*as recorded by the British Social Attitudes Survey*) just as the white paper for the Health and Social Care Bill was launched.

7 Legislate for the dismantling of the NHS.

The Health and Social Care document weighs in a door-stopping 473 pages. But there are only three words that really matter – ANY QUALIFIED PROVIDER. It means that competitive tendering of NHS contracts will be opened up to providers from the voluntary and more importantly private sectors. The NHS is basically being converted into a state insurance provider like Medicare in the US with CCGs, based on US-managed care organisations, acting as healthcare insurers.

The Act severs the duty of the Health Secretary to provide a national health service by devolving this to the CCGs. CCGs, unlike Primary Care Trusts, will not have to provide health services for everyone living in their area but only those of the patient lists of GPs. This is an important distinction and allows exclusion of patients. CCGs can also decide on what services will be free at the point of delivery. The legislation states that they have the power to determine what is 'appropriate as part of the health service.' The only legal requirement for CCGs is to provide ambulance services and emergency care.

In October 2012 £262 million of NHS services (mainly community services) were drawing bids from 37 private companies...In 2013 the Coalition planned to force a further £750 million of services to be opened up to competitive bids.

An estimated £2.6 billion worth of contracts have been awarded to profit-driven companies, such as Bupa, Virgin Care and Care UK since the Act came into effect in April 2013.

'The regulations sweep all existing arrangements between NHS bodies, and just about all commissioning done by the CCGs, into a market framework. Once this is triggered, private providers gain rights which make halting their encroachment financially -and thus politically – virtually impossible.' (Keep Our NHS Public Parliamentary Briefing 21/2/13.)

Cost is the main consideration for CCGs in the tendering process. Larger companies tend to significantly under-cut on their bids.....Serco underbid the NHS trust's best price by £10 million on their £140 million contract for community health services in Suffolk. The result has been staff lay-offs and repeated concerns over poor performances.

Foundation Trusts are now allowed to earn 49% of their income from treating private patients. This was previously capped at about 2%. Across England, there has been a 10% increase in revenues from private patients compared with 2012.

Jeremy Hunt co-authored book calling for NHS to be replaced with private insurance



8 Plot against the NHS

Pretty much everything in this narrative was hatched in a series of think-tank documents from the 1980s. One study was published as a pamphlet entitled 'Britain's biggest enterprise' by Conservative MPs Oliver Letwin and John Redwood. Here is an excerpt:

'Might it not, rather, be possible to work slowly from the present system towards a national insurance scheme? One could begin for example, with the establishment of the NHS as an independent trust, with increased joint ventures between the NHS and the private sector.'

The *Independent* reported in 2001 that Letwin told a private meeting the NHS will not exist within 5 years of a Conservative government.

9 Brew the perfect storm

The looming NHS performance crisis is already unfolding, with projected NHS efficiency savings of £15-20 billion up to 2015. The Telegraph reports that as many as one in five hospitals are facing closures of some kind, A&Es and maternity wards are being shut down and thousands of NHS staff have been sacked, with waiting lists inevitably going up....Whilst the government cuts nurse training places, hospitals are forced to hire more expensive agency nurses.

The unravelling or how it will play out...

1 PFI debts will be a major factor in NHS trusts allowed to 'go bust'.

2 Cuts will be extended for years. Starved of cash, privatisation is conjured up as the unavoidable panacea
3 Compulsory competitive tendering of all contracts to Any Qualified Provider leads to cherry-picking. This means that high-volume, low-risk healthcare is picked off by private firms leading to unbundling of services and therefore a smaller pot of money to provide comprehensive healthcare, which in turn leads to increased rationing.

10 Introduce universal private health insurance-based

So we will have budget-holding patients under an NHS modelled on state insurance providers like Medicare in the US, with CCGs acting as insurance pools – able to exclude undesirable patients, buying healthcare from private companies and making funding decisions supported by privatised commissioning support units.

This is a synopsis of the chapters in the book of the same name by Dr Youssef El-Gingihy, a GP in London. The book itself is quite short at 70 pages & available from zero books price £7.99 from all good booksellers.

Resistance is NOT futile. This is a call to arms. The survival of the NHS is imperilled and it is on the verge of extinction. It's up to all of us.

Thousands of people are using GP surgeries and hospitals every day. If we can get the word out to them of what is happening, then the momentum of a national campaign to save the NHS will be unstoppable.

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