

The NHS

Sweetened pill, no cure

The coalition's retreat on health-care reform looks like a backward step for the NHS

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DAVID CAMERON and Nick Clegg were this week subjected to an ear-bashing by an irate surgeon. He interrupted a hospital visit by the prime minister and his deputy that marked their climb-down on reforms to the National Health Service. It turned out that the surgeon was upbraiding cameramen for breaking hygiene rules; but the coalition duo might have reflected that hospital doctors have a way of getting their own way, no matter how hard politicians try to get a grip on the NHS.



Getty Images

OK, you got me

After a bizarre consultation process conducted as the relevant legislation was making its way through Parliament, NHS professionals, allied with Mr Clegg's mutinous Liberal Democrats, have managed to revise or rebuff key elements of the health-care reform plan. For Mr Cameron, and especially for Andrew Lansley, the health secretary, it has been a humiliating process.

The messy bill needed some adjustments. Mr Lansley's bid to transfer more control over budgets and the commissioning of care to family doctors (GPs) was hasty; it will now be slower and voluntary rather than rushed and compulsory. Less sensibly, hospital doctors and nurses will have a say in commissioning too.

That worries critics such as Julian Le Grand of the London School of Economics (LSE), a

former adviser to Tony Blair's government. The split between purchasers of care (GPs and their representatives) and providers (ie, hospitals), introduced by the Conservatives in the 1990s, is being weakened, he says. Mr Le Grand thinks that involving hospital doctors in commissioning "could well lead back to cartels of local providers, keeping out competition".

Competition was at the heart of the argument over Mr Cameron's reforms. As with previous NHS rows, the basic dispute was between those who want to raise standards through more patient choice, and Lib Dems and others who want the NHS to remain standardised and avoid the supposed taint of "privatisation". And the result, says Mr Le Grand, is that the hard-fought battle to open up the NHS to patient choice and diverse providers, stepped up under Mr Blair with innovations such as privately run but NHS-funded treatment centres, "seems to have ground to a halt".

For competition enthusiasts, perhaps the most worrying change is that Monitor, the health regulator, will no longer focus on promoting competition; nor, the government now says, will competition be "an end in itself". The new version of the plan outlaws "any policy to increase the market share of a particular sector of provider". That might simply sound like ensuring a level playing field, but for some market-minded Tories it signals a retreat.

Much depends on how such opaque wording is interpreted. Ali Parsa of the Circle Partnership, which manages the first big hospital within the NHS system to be run by a private firm, is upbeat: "I can't see anything explicit that would stop a private provider bidding to offer a service. It will depend on how the bill is implemented." But to others the revised plan looks like a fix to pacify NHS professionals and the Lib Dems. The impression is that competition and innovation will be tolerated at the margins, rather than actively promoted.

Yet with an ageing population, rising demand and the NHS's need to find £20 billion (\$32 billion) in efficiency savings over the next four years, a fudge now may well lead to more dissatisfaction and shortfalls in the future. Meanwhile, the rejig has spawned new layers of bodies to ensure accountability. There will be "clinical networks," "clinical senates" and a central, powerful commissioning body with local arms. So much for the bureaucratic cull Mr Lansley once promised.

Beside its many strengths (national coverage, services free at the point of delivery), the NHS remains overly bureaucratic; productivity has lagged behind the generous investment in it. England still trails behind comparable countries in its treatment of respiratory diseases and cancer. Scandals over the care of vulnerable patients and hospitals that fall below acceptable standards suggest the service is more prone to failure than its uncritical admirers admit. These re-reforms have offered a short-term palliative to a government in distress, but no long-term cure.

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