The UK National Health Service approach to the economic crisis

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DECLARATIONS

Competing interests
None declared

Funding
None

Ethical approval
Not applicable

Guarantor
KCRP

Contributorship
Both authors contributed equally

Acknowledgements
None

With Government borrowing exceeding £175 billion, public spending is under scrutiny. The National Health Service (NHS) sequesters the largest public sector budget at £110bn per annum and must share demands for economic resilience. Following a decade of unprecedented growth in real terms, NHS funding, at 7.5% of GDP,[1] now matches most European countries. How does the NHS ensure the achievements of the past decade and aspirations to deliver a sustained focus on quality[2] are not jeopardized by the harsh economic climate? Are the demands of efficiency saving and quality improvement mutually exclusive or rewarding partners?

The 2009 Next Stage Review emphasized the importance of a core focus on quality and standards.[3] Given that delivering best quality care lies at the heart of clinical practice and poor quality care is costly, any compromise to the delivery of high quality care challenges the ability of the NHS to respond effectively to fiscal restraint. Adverse drug events, for example, cost at least £0.5bn[4] and preventable adverse events cost almost £1bn annually in additional bed-days. Confronting the economic crisis, therefore, requires quality and cost-efficiency to go hand in hand, with a focus on quality, innovation, productivity and prevention (QIPP).

What is the scale of the economic challenge? After 2010–2011, for the first time in NHS history, there will be no growth above inflation.[5] Even protecting NHS resources at 2010–2011 levels in real terms will threaten other public services, raise taxation or increase borrowing further without a dramatic economic recovery or brave policy decisions by Government. If NHS spending were to continue in accordance to recent trends, the gap between real and required funding requires a 'saving' of £15–20 billion over the next four years. Inertia to address this saving will by default give priority to existing patterns of usage, which are not only unaffordable but jeopardize the ability to embrace an ageing society, the information age, advances in diagnostics and treatment, and rising public expectation – a lost opportunity cost of £15–20bn.

Historically, the NHS has responded crudely to financial pressures, shutting wards, cutting prevention budgets, et cetera, as a cost-cutting exercise rather than a response to process change. Such temporising measures were detrimental in the long term and lowered staff morale too. The NHS must learn from these mistakes, think more radically, realistically, innovatively and long term, to deliver best care, first time. As Rahm Emanuel, President Obama's Chief of Staff said, 'never let a serious crisis go to waste … it's an opportunity to do things you think you could not do before'.[6]

First, maximizing efficiency gains overall requires partnership working, across organizational boundaries, to change resource utilization at a whole system or pathway level. This will require parts of the health system to relinquish resources to others parts. In sporting terms, the needs of club and country must resonate, with clinicians acknowledging the need to be cognisant of their responsibilities not only to individual patients, but to their organizations, healthcare economies, the treasury, and ultimately to the taxpayer and the population we serve.

Second, the value of clinical engagement cannot be understated. Clinicians decide how best to meet health needs of individual patients, allocating workforce time, institutional capacity and interventions, accounting for 90% of NHS expenditure. Each clinician must, therefore, appreciate their

NHS role as a custodian of value. With finite resources, using resources to best effect is critical to enabling as many patients as possible to receive best clinical care. The fundamental concept of 'opportunity cost' must become a core value – that resource wasted or misapplied in caring for one patient or group of patients denies others. Only when all staff can confidently say they are maximizing the quality of health and healthcare for every pound spent can the NHS offer all patients, staff and the taxpayer 'best value'. Partnerships between clinicians and managers, across specialties and organizational boundaries, are essential to deliver 'best value.'

Third, the focus on quality must be sustained and be a driving force in the NHS. Quality, defined by clinical effectiveness, safety, patient experience and equity, does vary in the NHS. Interestingly, if every organization improved performance to match the top quartile of Better Care Better Value indicators,[7] the NHS could liberate £3.6bn instantaneously. All clinical teams must measure what they do and achieve (the best performing teams are those who continuously measure what they do). All quality information must catalyse high performance. Nationally defined quality standards from the National Quality Board and the National Institute of Health and Clinical Excellence, along with regional Quality Observatories to measure and display institutional or Trust achievements, are all welcome tools.

Fourth, the NHS must be sophisticated and embrace innovation which improves quality while also improving value. The NHS commitment to deliver £220m of innovation funding over the next five years will ensure the economic crisis will not suppress innovation which might ultimately improve patient care.

Fifth, and probably most important, the NHS must make a transition from illness management to health preservation, with early identification and intervention in disease … a move from reaction to prediction.[8] Honest communication with the population must articulate the challenges faced by the NHS and instil realistic expectations and responsibilities for health preservation. Every healthcare encounter is an opportunity to promote self-care or preserve health. For most frontline staff, forays into the uncharted territory of social determinants of health need to be embraced, supported by strategic partnerships across agencies, not only to address determinants of healthcare service utilization, but also appreciate potential wider gains, e.g. economic benefits of keeping people healthy and in work.

By encapsulating each of these areas, the QIPP framework demonstrates that higher quality, prevention and early intervention at scale are all achievable and can save resources too. A national QIPP work programme,[9] fuelled by local conversations with staff, will ensure rapid sharing of good practice.

All NHS staff, institutions and healthcare economies, together with partners in industry, local government and the voluntary sector, must begin to appreciate QIPP as a strategy by which we will now do business within the NHS.

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