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Lifestyle diseases alone will bankrupt the NHS within a decade

Think tank ResPublica calls for radical overhaul of the UK health service tackling the lifestyle and long-term conditions that will cause a £19 billion deficit and bankrupt the NHS in a decade

A surge in complex chronic illnesses such as obesity, cancer and dementia, coupled with an ageing population and tightening health budgets, mean that the NHS faces a potential funding gap of £19bn per annum within ten years. These are the disturbing findings of the think tank ResPublica's latest report, **Power to the People: The mutual future of our National Health Service**.

ResPublica argues that the solution to the NHS funding crisis lies in radical institutional reform and a return to the NHS' mutual roots. We need to move away from the current system that is based primarily on acute care in hospitals, as this structure fragments healthcare and cannot deal with the chronic long term conditions that are the biggest drive of costs and demand. Everyone accepts that we need to move towards an integrated healthcare system based in the community, but nobody knows how to do it. ResPublica believes a new institutional solution is required and that cannot be delivered by either the state or the private sector. Instead health mutuals that already provide care that caters for the holistic needs of the patient, can step into the gap. The rewards of institutional reform are real: successfully integrating current health care provision would drastically reduce A&E admissions and save the NHS at least £4.5bn over the coming decade. These savings ignore the additional gains that could be had from integrating and tackling unreformed residential care and unaddressed public health. This would help to ensure that the NHS remains free at the point of use without the need for additional taxation or charging.

Health mutuals represent a balanced solution between public and private models and this report recommends they should play a much needed new role helping to deliver 'whole-person care' and making the necessary institutional and cultural changes that

integration of health care services demands. The £4.5bn savings would be made from treating more patients in the community, at home and in more specialist settings.

Today, 25 per cent of all patients in England have a long-term condition, accounting for 70 per cent of total NHS spend, 50 per cent of all GP appointments and 64 per cent of all hospital outpatient appointments. Established to combat acute diseases like tuberculosis and polio, the NHS is simply not designed to treat those with modern complex conditions.

Phillip Blond, Director, ResPublica said: *“Moving away from fragmented and failing public service provision, and towards a system of whole person-care, is the only way to deliver the holistic healthcare, NHS patients so desperately need.”*

“The NHS is simply not designed to treat modern chronic conditions associated with ageing and lifestyle and diet related illnesses, such as obesity, diabetes, heart disease, depression and cancer. Currently 15 million people, or 25 per cent of all patients in England have a long term medical condition, accounting for 70 per cent (£72m) of total NHS spend, 50 per cent of all GP appointments and 64 per cent of all hospital outpatient appointments. This is pushing the NHS to the point of collapse and is only set to get worse over the next decade as those with multiple long term conditions is set to rise to over 3 million by 2020 from 1.9 million in 2008. Unless a radical institutional and cultural change takes place in both how we live our lives but also how our illnesses treated, these long term conditions will bankrupt the NHS within the next 10 years.”

Marc Bell, Chief Executive, Benenden Health, said: *“This report confirms what we, as a mutual healthcare provider, see every day: the NHS is being crippled by the current epidemic of lifestyle diseases and non-essential procedures. The public pays for and deserves a free national health service, but the harsh reality is that this is only now viable if a complementary healthcare provision is put in place that supports the NHS.”*

“As ResPublica recognises, mutual healthcare providers such as Benenden Health offer this ideal complementary provision, which would help keep the NHS free at the point of entry. The benefits of the report recommendations are significant – they give the

Government the Holy Grail: a truly sustainable national health service that does not cost the Government more or involve taxing the public further.”

The report also calls on the Government to re-cast Monitor (the current regulator for healthcare in England) as the inspector and enforcer of NHS integration in order to shape NHS provision through Ofsted-like inspections. The think tank also argues for the Department of Health (DoH) to scrap its flagship privatisation scheme, Any Qualified Provider, because it undermines NHS integration and hinders the fight against long-term conditions.

Other recommendations from the report include:

- *The DoH to instigate an independent review on patient engagement;*
- *The introduction of a Right To Holistic Care to enable more personalised care; so that patients can actively choose integrated services*
- *Requiring Clinical Commissioning Groups (CCGs) to prioritise prime or alliance to promote more collaborative approaches to healthcare.*

A brief Q and A

Savings

1. Explain the £19 billion funding gap

If NHS funding grows in line with GDP and the ambitious efficiency savings are made, then there is a chance that the funding gap will narrow.

However, if as expected, funding remains frozen in real terms, then we can expect a funding gap of £19 billion within a decade. In other words, the NHS will be bankrupt within 10 years.

If the NHS does not find these savings, then the future of our free-at-the-point-of-use health system is in jeopardy.

2. How does your model deliver £4.5 billion of savings?

Via:

Shifting care in the most appropriate and cost-effective setting;

Preventing unnecessary hospitalisations through integrated care;

Better utilisation of the NHS estate;

Teaching patients to take care at home.

3. What about the other £14.5 billion?

The NHS needs to discover cost effective solutions in three key areas; **NHS services, social care, and public health.**

This report demonstrates how the NHS can make savings through better service integration. This will ease the burden caused by the rise in long-term and multiple long-term conditions.

In social care, solutions such as co-payments are needed to reduce the funding gap. In the public health sphere, policies to prevent conditions from arising, to encourage lifestyle changes and promote general health and wellbeing could save the NHS billions.

Once these have been found, the funding gap will narrow and spending can be unfrozen. There is no 'one-size fits all' solution.

If the necessary savings are not found, the NHS will cease to exist as a free-at-the-point-of-use service.

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Please call David Fagleman on 020 7222 6552, or mobile 07912665257 or email david.fagleman@respublica.org.uk for further information, embargoed copies of the report and interviews with Marc Bell from Benenden Health or Phillip Blond from ResPublica.

Notes to editor

1. *Power to the People: The mutual future of our National Health Service will be available for free download from www.respublica.org.uk on Thursday 8 May 2014.*
2. The ResPublica Trust (which operates under the trading name ResPublica) is an independent, non-partisan think tank. We focus on developing practical solutions to enduring socio-economic and cultural problems in the UK. Our practical recommendations for policy implementation seek to strengthen the links between individuals, institutions and communities that create both human and social capital.
3. Benenden Health was founded in 1905 and is based in York. It is one of the UK's longest serving and most respected mutual healthcare societies. It offers affordable, discretionary healthcare services that complement rather than replace the care offered by the NHS. For £8.19 per person, per month, members can request a range of healthcare services, with no exclusions for pre-existing medical conditions or upper age restrictions. Benenden Health has a membership of around 900,000 people across the UK and in 2013 provided over £63 million of healthcare services to its members. Benenden Health is a trading name of The

Benenden Healthcare Society Limited. It is the winner of 'Most Trusted Healthcare Provider' in the 2011, 2012 and 2013 Moneywise Most Trusted & Customer Services Awards.