

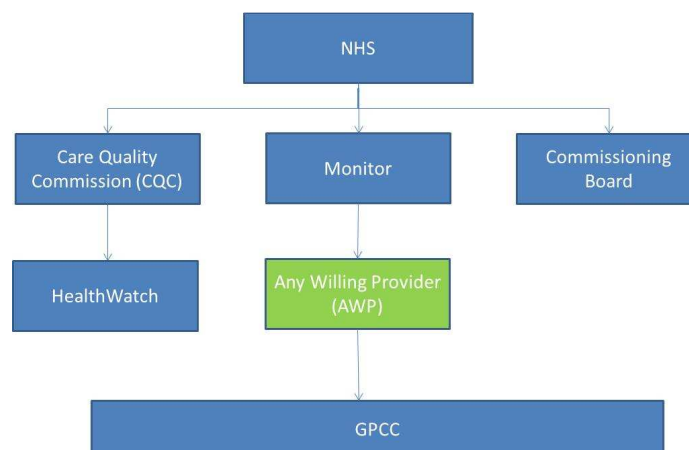
Kingsley Manning Presentation Summary

OHA Meeting Oct. 27 2010

- White paper from Andrew Lansley is 99% based on England
- Conditions for the NHS stay the same as before the CSR
- There will be a capital cutback but the NHS is under budget
- There will be a growth in funding in real cash terms
- An increase in PCT allocation will occur in 2011/12

A view of Andrew Lansley

- Lansley has demonstrated decisiveness, has put forward strong views
- Has shown a fundamentalist streak
- Tories are planning on being in power in 5 years
- He is pro competition but not pro private sector
 - o He is not convinced about the private sector
- He is somewhat isolated politically as he has a protected budget
 - o Creates a political risk
- The white paper was initially rejected, but he has made it clear that he runs the show
- He doesn't take advice from others readily
- He is determined about reform and change
- This is the most significant reform of the NHS since it started
- He commands support from managers in the NHS, but has problems gaining it
- There is no Plan B when it comes to the changes announced in the NHS
- Funding to the NHS is projected to be £109billion in 2011
- Andrew has complete belief in the power of information
 - o Believes in choice of all services – including hospitals and consultants
- £400million transferred to private providers
- A website is planned to help people choose their services by showing clearly variations in risk from hospital to hospital, consultant to consultant



- The Care Quality Commission is the new health and social care regulator for England. They look at the joined up picture of health and social care. Their aim is to ensure better care for everyone in hospital, in a care home and at home.
- Monitor is to become a regulator like OFCOM
 - o They will license all providers
 - o Promote competition
 - o Provision of services
 - o Set tariffs
- Everyone will become a Foundation Trust
 - o Trusts must move to FT or they will be merged or privatised
- Foundation trusts will become mutuals
- They are moving 1.5million people out the public services and off the balance sheet
- Any Willing Provider (AWP) – any regulated provider who is willing to sign an NHS contract can provide services
 - o There will be no protection of existing suppliers
- This will bring in new suppliers and services
- NHS prices are planned to fall 20% - 30% in the next 5 years
- Savings of 5-7% per year required by all providers
- The reforms will create empowered consumers
- There will be a reduction in workforce of 150,00
 - o 20% of beds will be reduced
- This will make some suppliers non-viable
- Andrew has stopped all reconfiguration of services
- Possibly some hospital closures, but some will run out of cash
- Supply problems that have been masked by cash injections will cease
- 65% of people would rather die at home, but only 17% do so today
- £3billion per year is spent on people dying in hospitals today
- Alternate support required for end of life care
- There will be many newly qualified doctors and not enough places for them in the NHS

NHS commissioning board

- Will distribute money to the GPCC based on population and age
- Control £80billion
- GPCC membership will be mandatory
- They will also hold the contracts for GPs and dentists

GPCC

- Will be primarily geographically based
- Common unit among GPS
- Money will be allocated to the consortia – a statutory body
- There will be approximately 200 of them

- Each will manage 50,000 to 1million patients
- They will receive a management allowance
 - o Buy commissioning support services
- NHSCB will set targets for the consortia
- Suppliers will be able to advertise
- Referrals will be tied to payments to the consultants who receive the referrals
- Future of primary care is unclear
- Consortia can promote one GP practice over another
- Some consortia will specialise – i.e mental health
- 25% of patients in hospitals shouldn't be there
- Consortia will change the models of care
- A&E services will be commissioned by the GPCC
- The tariffs set will be the upper price that can be charged for services
- No block contracts will be issued

Points around questions from the Alliance members

- Information that is collected to be made available to the patients will be managed by the Information Centre
- They will be John Lewis style employee owned organisations, mutual enterprises but not profit distributing
- They will form JV and partnerships with private sector providers
- Where services become unviable, Monitor can provide a subsidy or require a neighbouring provider to offer the service
- The Director of Public Health moves to the Local Authority
- School nurses will be provided by the LA from Private providers
- Health Visitors will be funded by the GPCC
- IT procurement
 - o Hospitals will have a hard time of it
 - o Margins will be under great pressure
- Provisioning
 - o GPCC will be very thin on money
 - o It is unclear who will own provisioning
- Most IT will be outsourced i.e. local HIS
- GPCC will be supported by a small number of organisations
- Standards need to be established
- Unclear what will happen to PAS suppliers but PAS replacement will be rare
- Goal is to improve productivity and consumer experience
 - o Dept level systems i.e. outpatient appointment systems
- Pathology systems need to be reformed
 - o NHS has 5x the pathology capacity that it needs
- Mobile solutions are seen as efficiency improvements

- GPCC will not be spending a lot of money
- Capacity provision will be high priority
- There won't be 200 customers, only 10 - 20