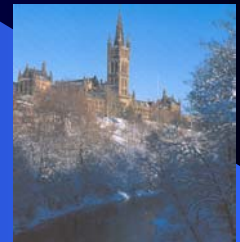


The NHS in Scotland: No More Repeat Prescriptions?

Presentation to the David Hume Institute
Royal Society of Edinburgh,
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Outline

- The impact of political devolution on health policy and the NHS
- Reflections on the nature of ‘Investment and Reform’ in Scotland’s health service.
- ‘It is increasingly necessary to speak of the UK’s national health services, rather than its NHS’.

Expectations and Inheritance

- Rapid results
- Innovation at the periphery
- A new style of politics
- Openness, transparency, accountability
- New Labour policy 1997-99
 - Resources
 - Unfinished business

YEAR 1: Changing the Making of Policy

- Partnership with a purpose – public health
- Scrutiny - in the chamber, committees and the media
- Inter-government relations – still in bed with an elephant?

Years 2 and 3: Distinctive Policy Directions?

- Money
- The Health Plans
- Governance
- Long term care of the elderly
- Public - Private Partnerships
- Legislation

The Future

- The NHS or national health services?
- Political control
- Policy capacity
- Identity
- Europe
- Money
- The appetite for reform

Investment and Reform

How much should we spend?

How much do we spend?

How should we pay for it?

Do we get good value for money?

The climate for reform in Scotland

What are we trying to reform?

How much should we spend?

- Wanless review
- Demography
- Technology
- Expectations
- Cumulative underfunding = £267bn
- The next 20 years: +£154bn to +£184bn
- 'It is misleading to pretend that the NHS can meet all expectations...that is something we all must accept in our thinking about the NHS' Royal Commission, 1979.



How much do we spend?

- UK spend was £66.7 bn in 2000
- UK Public spend = 5.7% of GDP (1998)
- UK spend £1072 per person (2000)
- EU (public) average = 6.5% of GDP (1998)
- 86% from public funds
- Scotland spends £1271 per person (2000)
- Scotland spends 6.4% of GDP (1998)
- Annual average increase in real terms spend of 2.5% in the 1990s
- Scotland planned increases = 50% over 5 years

How should we pay for it?

- User charges
- Private insurance
- Social insurance
- General taxation
- Hypothecation
- Or some of each?

Do we get good value for money?

- WHO Global Health Report, 2000.
- The NHS and Kaiser Permanente

The NHS and Kaiser

- Adjusted spend : NHS = \$1764, Kaiser = \$1951
- Time to see GP: 3 days; today
- Time with GP: 8.8 minutes; 20 minutes
- OP waiting time: 5 weeks average; 80% < 2 weeks
- IP waiting time: 41% < 13 weeks; 90%.
- Acute l o stay: 5.0 days; 3.9.
- Acute bed days : 1000 per 1000 pa; 270
- GPs per practice: 3-5; 20-40
- %GPs with lab, imagining, or pharmacy on site: 25% (pharmacy); >95%.

The Climate for Health Care Reform in Scotland?

- Orthodoxy
- Uncertainty
- Anxiety

Orthodoxy

- The NHS is still the envy of the world, a cost effective, integrated model focussed on patients' needs
- A preference for investment rather than reform
- Public sector good, private sector bad
- Diversity and inequality
- Management from above
- Professional voices stronger than user voices

Uncertainty and Anxiety

- Review of NHS Management and Decision Making
- NHS White Paper
- Expectations
- Scrutiny
- Pre-election period

The result?

Initiative overload

Everything is a priority

What are we trying to reform?

- A hierarchical bureaucracy, or a collection of professional groups and tribes?
- Structures, or organisational cultures?



The Experience of Others in Health Care

‘ As different countries have gone different [reform] routes, a hard reality has emerged: there are no ‘magic bullets’ to be had in health care reform. One conclusion...which may be taken as depressing, liberating, or a bit of both – appears to be that improvements in health care are not contingent on the drafting of grand blueprints or the ability of politicians and public servants to pull big policy levers. Health care improvement starts from the ground up. It requires tenacious work to understand what does and does not work in real life and the engagement of countless providers and patients, institutions and communities. Similarly, most policy movement seems to be incremental, driven by experience and evidence, rather than theory or ideology.’

Source: David Naylor et al, OECD Conference, Ottawa, 5 November, 2001.

The Experience of Other Sectors

‘Beware of attempts to improve performance through simple and singular changes. Leading innovation and performance is about delivering a complementary and contextually appropriate set of innovations and not the latest management fad. The quick fix is for the magician and there are few successful magicians in politics, business and the public sector.’

Source: Pettigrew A, ‘ORGANISING TO IMPROVE COMPANY PERFORMANCE’ University of Warwick, February 1999.

An Alternative View?

- Complexity Theory

- Health care as eco-systems not machines
- In this ‘non-linear’ world change is unpredictable, small changes can have large effects (and vice versa), the historical development of a system is important, and systems cannot be understood by reducing them to their component parts
- Ideal for policy ‘messes’, those, ‘problems which are unbounded in scope, time and resources, and enjoy no clear agreement on what a solution would even look like, let alone how it would be achieved’

Creating the Conditions for Health Care Improvement in Scotland

- A Health Care System that:
 - welcomes change: health care is science driven – standing still is not an option
 - looks outwards not inwards: we are not alone!
 - promotes innovation and experimentation in health care delivery...and evaluates the results
 - employs incentives – too many sticks, not enough carrots?
 - learns from its experience: ‘for every problem in the NHS a solution has already been found.’
 - focuses on outputs and outcomes: ends not just means.
 - debates priorities with the public

Summary and Conclusions

- Devolution has produced modest but important changes to policy and its making
- There are growing pressures for change
- Investment *and* reform ... not one without the other.
- There is no ‘magic bullet’ for the dilemmas of health care....so encourage...
 - Enterprise, innovation, and diversity.

