Finance Committee

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Draft budget 2011-12 – Evidence from the Welsh NHS Confederation

Attached as an annex to this paper is the text of an article by Kate Watkins, Acting Director of the Welsh NHS Confederation, which was published in the Western Mail on 22 November 2010.

Committee Service

Why the NHS must provide more care in community – not hospitals

Nov 22 2010 by Kate Watkins, Western Mail

Health boards are beginning to consult on radical changes to the way NHS services have traditionally been provided. Kate Watkins, acting director of the Welsh NHS Confederation, explains why the health service must change.

WE ARE at a defining moment for the NHS in Wales.

The Assembly Government's draft Budget has shown us that finances are going to be tight for the foreseeable future. If the NHS is to respond to these budgetary constraints it needs to transform – not tinker with – services.

In addition to the immediate financial pressures, the NHS, along with other health systems around the world, faces a number of challenges over the next few years.

These pressures mean we must transform the way we care for patients by providing more care in the community rather than in hospital; reducing the number of patients admitted to hospital; preventing disease; and reducing duplication of services by centralising complex care.

One of the most significant challenges facing all public services, especially the NHS, is the growing older population.

Within two decades almost one in three people in Wales will be 60 or over. By 2031 ,the number of people over 75 will have increased by 75%.

Already a third of adults in Wales have at least one chronic condition, such as asthma, diabetes or arthritis. Older people are more likely to have a long-term, chronic illness so a rising elderly population means the numbers living with such conditions will increase.

Older people and those with chronic conditions tend to have more complex care needs, which means they need more joined-up services provided by a range of health and social care professionals.

Older people with chronic conditions are also more likely to be admitted to hospital often for reasons that could have been avoided, maybe because of a fall; because they haven't taken their medicines as directed or because of a chest infection.

Living with as many as five chronic diseases is not fun and many patients experience daily misery as a result. The NHS, although seen by many as a large and complex organisation run by faceless bureaucrats, wants to make real differences to these patients' care and improve their quality of life.

The better management of chronic conditions would not only make a real difference to people's lives it also makes better use of scarce NHS resources.

Another driver for change is the simple fact that once-fatal diseases are now more manageable and people are living longer.

Although this is the great success story of 60 years of the National Health Service and advances in medicine, it also puts increasing pressure on hospital services .Therefore, the more we can reduce unnecessary hospital attendances and admissions the better. Many people admitted to hospital every year don't need to be there. The NHS can help prevent this by providing more care closer to or in their homes.

Caring for people closer to their own homes will enable patients to better manage their conditions – especially chronic conditions – and live more independent lives.

Not only does it make more sense clinically for the patient as they spend less time in hospital and recover more quickly in a home environment but it is also more cost-efficient for the NHS – it costs around £2,000 a week to treat a patient in hospital.

This is not about rationing services. Hospital care will still be there for those who need it and we will make sure community services are in place before we rebalance the way – and where – care is provided.

We already have a strong base on which to increase the amount of care provided in the community, thanks to the network of GP, pharmacy and nursing services in every part of Wales.

Patients in Wales come into contact with the NHS some 22 million times every year – eight out of 10 of these contacts already take place outside of hospitals.

Moving more hospital-based services into the community will mean, in time, that there is less demand on hospital beds and services.

This is why we need to get away from the perception that the hospital is the main place in which the NHS provides care.

People are attached to their local hospital, understandably so given Wales' fundamental role in the birth of the NHS, but modern healthcare is changing.

Advances in treatment, new drugs and new technology – like telecare and telemedicine – means patients can be cared for in, or closer to, their home reducing the need to travel to hospital.

Hospitals are not risk-free environments. Patients should be admitted when hospital is the only place they can be safely cared for and not the default option.

The NHS also needs to continue – and accelerate – the move from being primarily a sickness service, which treats people when they become ill, to a wellness service that helps people stay healthy and prevents sickness.

It has been estimated that every year around 5% of the £6bn Welsh health budget is spent on prevention – this is equivalent to about £94 for every person in Wales. The cost of smoking alone to the NHS is £127 per person a year.

As treatment becomes more expensive, the need to prevent ill health in the first place becomes even more important.

The sick man of Europe

We are in perhaps the most financially-constrained times ever seen by public services but regardless of how deep the NHS' pockets are or how much money is available, demand will always outstrip supply until Wales becomes a healthier nation and shirks off the mantle of the sick man of Europe.

The sheer scale of the obesity epidemic in Wales demonstrates why we need a new approach – 57% of the adult population is overweight or obese.

Being overweight or obese increases the risk of developing a whole host of diseases, which not only affect quality and length of life but has a considerable financial impact on the NHS and the wider economy.

This is not a problem for the NHS alone – the health service must work with other services outside health and social care to tackle the wider determinants which affect people's health, such as poor housing or educational attainment.

Patients also need to take responsibility for their health – they cannot expect the NHS to treat them without taking individual action to change their lifestyle.

The NHS is based on the principles of equality of access and freedom from payment at the point of use. We must therefore consider what level of responsible health behaviour we should expect from the population.

Many people in Wales do not take care of themselves as they should and abdicate all responsibility for their health problems to their GP or practice nurse or hospital consultant.

We need an honest debate about what we should expect the responsible citizen to do to protect their own health.

The final reason why the NHS must make fundamental changes is the fact clinical services have developed over time within a number of smaller hospitals.

This has meant that relatively small numbers of patients, suffering from relatively uncommon diseases are being treated in small hospitals. Staff do not get the chance to hone their skills and expertise by treating a critical mass of patients with similar conditions.

Because of this patients may not receive the same outcomes in complex care that larger, busier hospitals achieve when providing services to a larger population base.

There is also the problem of duplication – hospitals in close proximity to each other are providing the same services. This is inefficient for the NHS and unsustainable in the current financial situation, not least because we don't have enough doctors to man the service.

Maintaining thinly-staffed services is not an option.

This is why it makes sense to centralise, wherever possible, certain specialist services that depend on a critical mass of patients to provide the high-quality care and standards and the best outcomes for patients.

This does not necessarily mean axing services but it may mean some have to be moved to more central locations, accessible to a larger number of patients.

Patients tell us they want services closer to home but they also say they are happy to travel for specialist care as long as follow-up services are available locally.

We are facing unprecedented financial challenges at a time of unprecedented demand for services. This is a defining moment for the NHS in Wales.

The NHS holds a special place in the hearts of everyone in Wales and discussing its successes, failures and future has become a national pastime. These debates are often impassioned, especially when they concern where hospitals are located and what services they provide.

A special responsibility therefore rests on the shoulders of all decision-makers, particularly politicians from all parties and at all levels of government.

At this defining moment we need our politicians to show true statesmanship in encouraging non-partisan and rational debate over what needs to be done to modernise the NHS and to put it on the pathway to a higher quality and sustainable future. Health services need to change regardless of the financial situation because the delivery of healthcare is constantly evolving.

We can't and shouldn't try to do everything everywhere but we must ensure high quality services are available to everyone. Many services can be provided close to home, but some have to be based in specialist centres.

Publicly-funded services, like the NHS, will always be under pressure, both in financial and demand terms. Around the world, aging populations, the increasing prevalence of long-term conditions, new treatments and varying consumer expectations mean demand for healthcare is soaring beyond our ability to pay.

Most developed countries now spend 10% to 16% of GDP on healthcare and, based on present trends, they will need to spend up to 20% by 2020.

It simply isn't possible to do everything we would want to do in an ideal world. We must be honest and open with each other about what we can and should do. This means deciding on priorities – a tough call.

But above all, these decisions must be fair, objective and as sensitive as possible to the needs of local communities while still being effective and affordable.

Public services must work more closely together, avoid duplication, ensure maximum value for money and demonstrate they are using resources effectively to provide the widest possible range and highest quality services possible.

Where the NHS can make savings

Areas where savings can be made while improving the quality of patient care:

Prioritise spending. We need to prioritise what, where and when we spend each pound in the areas that have been proven to be most clinically effective;

Improve long-term care. – Better management of chronic and complex conditions in the community can improve the health of patients, plus prevent complications and reduce the need for hospital treatment;

Optimise where care is provided.

New treatments and technologies mean many services can move from hospitals to the community.

Often this move means that quality is improved and, without hospitals' overheads, this is cheaper. Equally, services that must be delivered in hospitals can be consolidated into fewer sites;

Focus on prevention.

Reducing the prevalence of costly lifestyle diseases may take years, but many public health interventions produce quicker savings.

Vascular screening, for example, helps prevent heart attacks. Encouraging breastfeeding cuts hospital admissions in young children. Smoking bans have been linked to drops in acute cardiac admissions.

Sharing best practice.

Poor quality healthcare can cause significant errors – about 10% of NHS inpatients experience an adverse event. This is both damaging for patients and expensive for the system.

The recent 1,000 Lives campaign, which saved 1,199 lives over two years, and the current 1,000 Lives Plus programme are ensuring innovation, which is having a positive impact on patient safety, is being shared across the NHS;

Using NHS staff and facilities better.

All frontline clinical services can be streamlined in order to increase utilisation of staff and expensive assets, reduce duplication, increase throughput and capture scale benefits.

Hospitals can decrease length of stay, increase utilisation and optimise the use of staff, operating theatres, diagnostic kits and estates;

Reduce back-office spend.

Back office spending – from procurement to support services – can be significantly reduced. This is happening in Wales, as health boards join forces to make better use of resources.

A number of organisations have achieved savings of 10% to 15%.

Giving patients the means to care for themselves.

Cutting healthcare spending requires a step change in delivery, similar to that seen in other industries.

Because we now pick our own groceries from shelves, shop online and even scan our own items at the checkout, supermarkets have cut prices while boosting their profits.

Healthcare could see a similar change. Remote devices let patients monitor their own conditions and update their medical records and group consultations enable patients to support one another with practical information and advice.

Health systems must consider which actions to pursue.