Improving the Performance of the English National Health Service

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Ideas that change health care

The UK Governments Public Service Reform Model

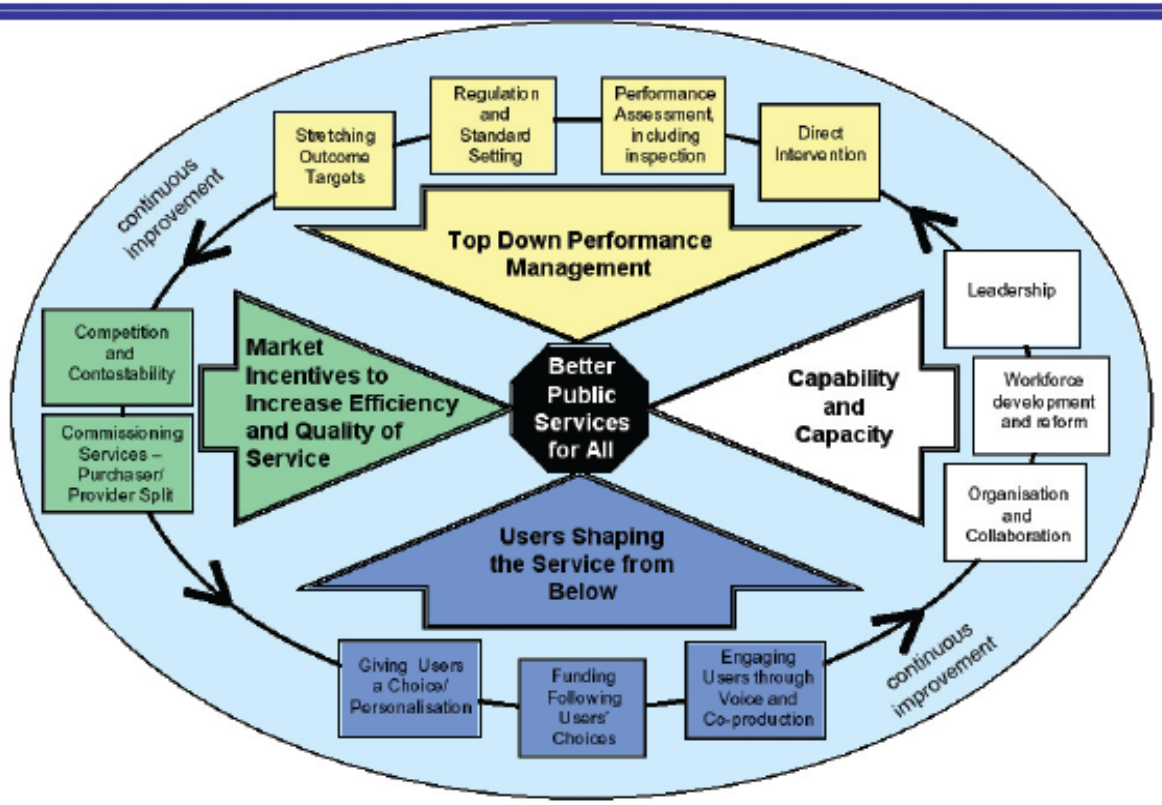

Figure 1

Source: The Prime Minister's Strategy Unit (2006) *The UK Government's approach to public service reform: A discussion paper.*

A decade of health reform

- England's NHS serves 50 million people, employs over 1 million staff and spends c. £100bn each year
- The decade from 2000-10 saw big increases in spending and ongoing reform led by the Blair and Brown governments
- Performance improved significantly in many areas, although debate continues

Examples of improvements

- Much improved access to care at all points
- Four hour maximum waits in A&E
- 18 week maximum wait from referral to completion of hospital treatment
- 48 hour target for access to a primary care physician and 24 hour target for access to a nurse
- Quick access for patients with suspected cancer

Further examples

- Reductions in health care acquired infections like MRSA and C difficile
- Major improvements in areas of high clinical priority such as cardiac and cancer care, including in outcomes
- More equitable access to new drugs and technologies following NICE appraisals
- Significant increases in staffing and investment in buildings

Shortcomings

- Productivity (on conventional measures) declined
- Much of the additional spending went into pay increases and did not deliver extra output
- Planned acute care benefited more than unplanned care and chronic care
- Prevention remains the poor relation and health inequalities persist

How were the improvements achieved?

- Top down performance management was most important: ‘targets and terror’
- Regulation was also important via the quality regulators (now the Care Quality Commission)
- Market reforms – choice and competition – had some impact, but the extent is debated
- Capability and capacity has been improved through the Modernisation Agency and its successor

Targets and terror

- Ambitious goals were set and were actively ‘performance managed’
- Local leaders focused on the ‘must do’ targets and were expected to deliver
- Regulation reinforced the use of targets and terror
- National service frameworks and NICE guidance also contributed

Central/local control

- Top down performance management has been criticised as demotivating and distorting
- Politicians have expressed a commitment to give more emphasis to building capability and capacity for improvement
- The idea of the NHS becoming a ‘self improving’ system through more emphasis on choice and competition has gained traction

Empowering clinical leaders

- The reaction to targets and terror has led to interest in empowering clinical leaders
- Both the previous and current government have focused on this
- A series of external reviews undertaken in 2008 supported moves in this direction
- These reviews also argued that quality improvement needed a ‘system’ focus

Incentives

- Financial incentives have been used extensively
- A pay for performance contract for primary care
- Payment by results – really payment for activity – for hospital care
- Fines for local authorities, adopting the Nordic model, to reduce delayed transfers of care

Current reforms

- The Coalition Government elected in 2010 is seeking to shift from top down to bottom up
- Legislation before parliament is enacting plans to radically extend choice and competition
- Less emphasis has been placed on targets and terror, though they have not disappeared
- Primary care physicians will take control of budgets as primary care trusts are phased out

Drawing out the lessons

- Investment and reform have led to significant improvements
- The NHS was in intensive care; it is now in active rehabilitation
- Long standing weaknesses in a big public health care system can be tackled
- It takes time for the results to be seen – and politicians are impatient

The lessons (2)

- Was too much extra resource put in to the NHS too quickly?
- Why was more not done to extract the benefits from the new staff contracts?
- Targets have had negative as well as positive effects - and think carefully where to focus
- Can provider markets ever work effectively in health care?

The lessons (3)

- When performance is poor, then top down performance management may be necessary
- When performance has improved, other approaches may be more appropriate
- The pendulum in English health policy swings back and forth
- Reformers need to recognise the importance of dualities in managing change

Dualities in change

- Combine top down and bottom up
- Promote competition and collaboration
- Work through the hierarchy and through networks
- Engage clinicians and value the role of managers
- Manage the present and plan for the future

The future

- For at least 4 years, the NHS will have no growth except for inflation
- The focus is shifting to increasing efficiency and releasing resources
- The last decade has been concerned with ‘more of the same’; the next decade is about ‘more with the same’
- The performance improvements of the last decade will be difficult to sustain