

CONNECT evening briefing series: Part 1

CONNECT

Impact of NHS Reforms on Healthcare Communications

The context

Today, we are living with the consequences of a worldwide recession and the need to cut the national debt. Spending on public services, including the NHS, will no longer grow at the rate we have become used to. There will be no new money into the NHS in the next four years (this matches The King's Fund predictions of 'cold climate' in its report "How Cold will it be?" published in July 2009) and GPs are expected to save £20 billion over four years. This magnitude of savings will only be possible via radical service re-design as outlined in the recent White Paper.

Funding pressures therefore remain at the forefront of healthcare policy making and the Department of Health is now operating within the overarching framework of the Quality, Innovation, Productivity and Prevention (QIPP) agenda. QIPP encourages innovative and cost-effective approaches (or "do more for less") by healthcare providers.

Adrian Giles was the presenter and facilitator for the evening briefing. Adrian has a 17 year career in primary care developing and implementing healthcare programmes across different therapy areas with the aim of improving patient outcomes at lower costs, including spending seven years in-house. Currently Adrian's time is split between managing primary care for South Worcestershire GP Commissioning Consortium and providing consultancy on NHS and the healthcare environment as the Executive Director for Government Relations at 15 Healthcare.

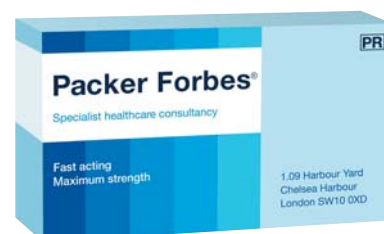
Adrian opened by giving a brief overview of the White Paper, the new NHS structure, including GP Commissioning Consortia and then focused on the QIPP agenda. The floor was opened for discussion around what the industry needs to do to adapt to this new environment and to ensure it works in partnership with the NHS to deliver £20 billion of savings over the next four years.

The NHS White Paper – the most radical re-design of how healthcare is delivered since the inception of the NHS

The NHS White Paper (*Equity and Excellence: Liberating the NHS*, published on 12 July 2010) is currently out for consultation and a range of proposals is now starting to be developed. The White Paper represents the most radical re-design of healthcare delivery since the inception of the NHS. One key change will be implemented between now and 2013: Primary Care Trusts (PCTs) and Strategic Health Authorities will be dissolved to make way for approximately 450 GP Commissioning Consortia. The Consortia are already being established; they will now hold the budgets and the power to spend it as they see fit.

Two post-White Paper proposals of particular interest were published on 18 October 2010 and are out for consultation until 14 January 2011:

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Liberating the NHS: Greater Choice and Control

This proposal gives patients the freedom to choose their preferred healthcare provider, including their own GP. League tables loom; data and analysis will be critical; GP Consortia may need to begin to actively market their practices.

In addition, GP Consortia can choose to commission services from a wider range of providers. At this stage, there is nothing that discourages pharmaceutical companies becoming a provider of commissioned services, in-line with the local QIPP agenda.

Liberating the NHS: An Information Revolution

This proposal puts patients in control of their own healthcare by ensuring there is sufficient high quality comparative information to allow patients to make decisions on where they receive their care. This will require some robust real-life data analysis to ensure that performance is accurately reflected. This level of transparency will allow healthcare providers to make decisions on where and how to spend their budget.

QIPP agenda: a mechanism to deliver savings and improve the quality of healthcare delivery

It is accepted that, with the current service structure, there will never be enough money to fund actual need. Without a radical service re-design, the NHS would have to further start restricting access to services and high cost medicines. QIPP provides us with the opportunity to improve patient outcomes at lower cost:

- **Quality:** how can we improve quality?
- **Innovation:** can we all think differently? Can we all embrace a new way of delivering quality healthcare?
- **Productivity:** can we re-structure both the NHS and the pharmaceutical industry to jointly provide effective organisations that deliver better care at lower costs?
- **Prevention:** early intervention is key to providing the NHS with the greatest savings over the long term. Smoking cessation has been successful; what needs to be tackled now are avoidable lifestyle-related admissions for example obesity and alcohol abuse.

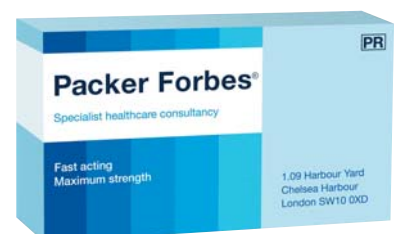
The only part of the NHS where there is accurate measurable data is on the cost of medicines, so this has always been a natural target for cost-cutting. However, it is widely recognised that even with the best medicines management programme in place, it is not going to get close to bridging the national £20billion gap that every GP Consortium is challenged with. In addition, best practice preventative medicine sometimes requires an increase in prescribing in order to ensure patients are able to be treated in the community and kept out of the costly secondary care setting; therefore medicines management should not and cannot be carried out in silos.

QIPP – how do we bridge the £20 billion funding gap and how can the pharmaceutical industry help?

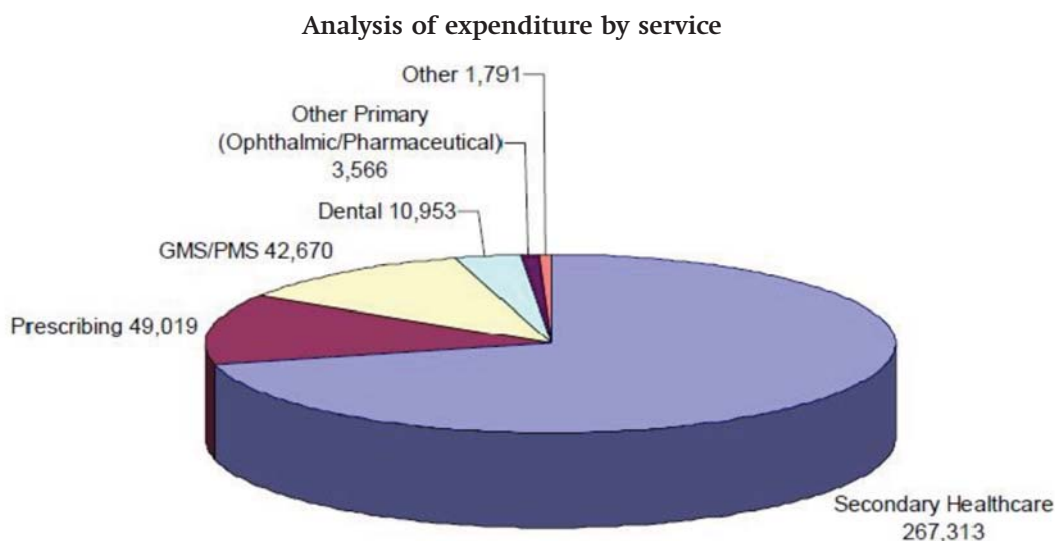
A typical GP Consortium will currently spend over two thirds of its budget on secondary care referrals and treatment; its highest expenditure by far. Only about 14% of the overall budget is spent on drugs; it remains the easiest expenditure to monitor and will therefore remain on GP Consortia radars for potential cost savings. Forward-thinking pharmaceutical companies and enlightened GP Consortia will need to strategically refocus their attention to where the real cost savings can be made, ie referrals to secondary care, reducing expensive hospital treatments and disease prevention.

Developing and fostering this new mindset needs to be the focus for pharmaceutical companies; they need to work together, in a true strategic partnership with the NHS, to help reduce overall budgets. In this way, both the industry and the NHS win.

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Potential joint working to develop a disease management pathway that prevents or delays secondary care referrals will positively impact the overall Consortia budget and will resonate with the QIPP agenda. This may even mean an increase in prescribing in the short term as GPs fight to keep patients in their primary care setting.



How does the pharmaceutical industry secure a valued partnership with the NHS in-line with QIPP agenda?

GP Consortia are the pharmaceutical industry's new customers; they are the new power base of the NHS. Very quickly, the NHS is realising that it can't meet these aggressive targets alone and it will be looking to the private sector for help. Progressive Consortia will be open to partnerships with the pharmaceutical industry – the key for the industry will be to attach its strategic support to a QIPP programme. It is the organisations that 'grasp the nettle', which will gain the competitive advantage.

What needs to change from an industry perspective to make this happen?

The industry needs to change its working model – the NHS has done it – and re-align its services to match those of its main customer base. Critically, the industry needs to feel comfortable working in partnership with the NHS on programmes that may not have an immediate ROI for their product(s) and accept that ROI for the company would be equally as valuable in this new environment. The use of Industry skills and resources as part of a strategic partnership, aligned with the QIPP agenda, may also have the affect of taking the focus off the drugs bill as a key area for cuts, so this may indirectly benefit the industry.

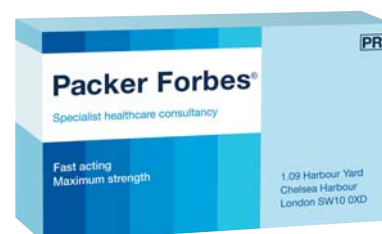
The Industry must start to communicate beyond brand if it is to successfully work with the NHS. For example, cost-saving models will no longer resonate with GPs if the models only look at a brand and its competitors. Cost-saving models that look at savings that could be made by improved community-based care would resonate with QIPP and ensure an interested audience.

What are the likely needs of the NHS that could easily be filled by industry expertise?

Patient care pathways that focus on managing patients in the community resonate strongly with the QIPP agenda and the rationale is clear – improves quality of care and saves the large proportion of Consortia budget, which is currently spent on expensive secondary care. An offer of expertise from the Industry to help develop such treatment pathways would be welcomed.

There is already evidence that the NHS may consider matching the funding that the Industry puts into a joint initiative – perhaps this is a comfortable way forward for all parties where there is funding available? However, local implementation is key and any project must be scalable in size, so it can be demonstrated to work in other Consortia (**up scalable**) before rolling out nationally.

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Willingness to consider commissioning services from a wider range of providers: in the current draft plans, there is currently nothing to stop a consortium of pharmaceutical companies offering a community-based service that has traditionally been offered in an expensive secondary care setting. For example, could a group of companies with an interest in diabetes come together to offer screening, endocrinology testing, eye and foot care etc?

Need for data: GP Consortia will need robust data and appropriate analysis in order to generate informed decision-making. Decisions about how they re-align local services and where to spend their budget will need to be based on sound evidence. Data generation and analysis is what the pharmaceutical industry does incredibly well; not only as a benchmarking activity to determine the current status but also as an evaluation exercise to demonstrate impact of decision making on long-term objectives, ie improving quality of care and reduction in spending. Surely there is an opportunity to share skills to ensure sound decisions are made?

Need for GP Consortia to market themselves to the local community to increase and/or stabilise patient numbers and generate negotiating power with local suppliers of services. This is a skill the Industry has in abundance and is perhaps one that could be offered as the NHS looks to outsource this skill over time.

In conclusion...

The pharmaceutical industry has to start to think beyond direct ROI for its brand(s) and quickly re-align itself with the new NHS structure and who its new customers / partners are. All pharmaceutical companies would be well advised to re-align their offering around the burning issues for GP Consortia; the QIPP agenda. This is a perfect opportunity for the industry to take the plunge and work in a true strategic partnership with the NHS to help achieve the same end objectives and, in the process, build trust.

The NHS must successfully complete its mission to improve quality at the same time as saving £20billion over the next four years – it is therefore in everyone's best interests to make a real and lasting partnership that is focused on protecting the long-term health of our NHS.

Evolution is on the agenda and the future belongs to those who are brave enough to take the first plunge.

Some useful reading...

[The NHS White paper:](#)

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@ps/documents/digitalasset/dh_117794.pdf

[The King's Fund. How Cold will it be? Prospects for NHS Funding 2011–2017:](#)

http://www.kingsfund.org.uk/publications/how_cold_will_it_be.html

[Liberating the NHS: An Information Revolution:](#)

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/documents/digitalasset/dh_120598.pdf

[Liberating the NHS: Greater Choice and Control:](#)

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/documents/digitalasset/dh_120613.pdf

[NHS QIPP Case Studies and case study films:](#)

http://www.dh.gov.uk/en/Healthcare/Qualityandproductivity/DH_118202

http://www.dh.gov.uk/en/Healthcare/Qualityandproductivity/DH_117784

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