



# UNIT-2      The UK Health System

## Learning Outcomes

**By the end of this unit the learner will be able to:**

- ✓ Explain both the advantages and the disadvantages of the UK's National Health System
- ✓ Understand the basics of how the National Health System works
- ✓ Compare the UK's public health system to that of the United States

## Unit 2

### The UK Health System

#### UK Healthcare System Overview

The United Kingdom is renowned for having one of the best public healthcare systems in the world. Though far from perfect, the National Health Service (NHS) is nonetheless one of the most advanced and effective systems of its kind in existence.

As of 2019, the population of the UK stood at an estimated 66.65 million. At the same time, the country's reported GDP was £2.21 trillion. Of which, approximately 8.5% each year is channelled directly into public healthcare. In terms of individual contributions, around 18% of the income tax payments made by UK workers goes towards healthcare.

So established and successful is the UK's public healthcare system that the country's private healthcare sector is comparatively small. The reason being that for the most part, the overwhelming majority of people in the UK have *all* of their healthcare requirements covered free of charge by the NHS.

#### A Brief History of UK the Healthcare System

Prior to the introduction of the National Health Service in 1946, there was no widely available public healthcare in the UK. Only wealthy individuals and those with the right connections were able to access quality healthcare - the public in general had to rely on teaching hospitals and charities.

The introduction of the National Insurance Act in 1911 paved the way for the establishment of the NHS. David Lloyd George introduced a mandatory system whereby workers' wages were automatically reduced by a small amount, in exchange for free healthcare when required. Though at the time, the system was exclusive to those who had formal employment - the unemployed were still excluded from all public healthcare.

It wasn't until after the Second World War that major efforts were made to create and introduce a public healthcare a system that would work for everyone. Services would continue to be financed by way of a central taxation system, though healthcare would be available free of charge to all citizens - including the unemployed. The initial program saw the development of a tripartite system, in which community services, primary care and hospital services were split into three primary areas. However, this separation led to such severe complications that efforts were once again made to unify the public health system in the mid-1970s.

The system (particular in terms of its management) was modified and restructured heavily throughout the Thatcher years, followed subsequently by the passing of the National Health Service and Community Care Act in 1990. The result of which was the establishment of independent trusts to manage hospital care. Reform, expansion and improvement has

continued ever since, with particularly strong focus on reduced waiting times and the improvement of healthcare standards for lower costs.

### **The Current Healthcare System in the UK**

Today's NHS is often criticised for its associations with extensive waiting times for appointments and operations alike. This is true across each of the semi-independent publicly funded healthcare systems that cover the United Kingdom - the National Health Service (England), NHS Scotland, NHS Wales and Health and Social Care in Northern Ireland.

However, studies continue to demonstrate how the healthcare system of the United Kingdom is actually one of the most efficient and accessible in the world. A recent example of which being The Commonwealth Fund report, which examined a series of advanced public healthcare systems across five key performance areas - quality, efficiency, access to care, equity and healthy lives.

When the results were collated, only the public healthcare system of the Netherlands outperformed the United Kingdom, with Australia following very closely behind. Access to care and quality of care were found to be particularly impressive with the NHS - the UK was also found to have the most 'efficient' overall public healthcare system of all the countries included in the study.

The researchers concluded that while the UK's waiting times for non-emergency surgery and specialist care can be disproportionately long, waiting times for general non-emergency services and everyday medical care are comparatively short.

### **Healthcare Systems in Different Regions of UK**

Each of the countries of United Kingdom self-manages its own public healthcare system. This means that England, Scotland, Wales and Northern Ireland have their own semi-independent healthcare system, which in all instances form part of the wider National Health Service (NHS).

Though the core principles of the NHS remain fixed across all four countries, the devolved nature of the system has inevitably led to variations in policies and practices from one country to the next. The National Health Service is responsible for most healthcare in England, while responsibility for social care services is shared between local government offices and the NHS.

Unlike in other countries like the United States, it's comparatively rare for residents of the UK to hold or utilise private health insurance. As the needs of the overwhelming majority of citizens are covered free of charge by the NHS, private health cover isn't seen as necessary for most.

There are several popular private and semi-private health insurance providers operating in the UK, though their services are used almost exclusively by relatively affluent individuals and households.

### ***Rural vs. Urban Healthcare***

Interestingly, research suggests that average life expectancy differs significantly between rural and urban areas. On average, those who reside in affluent rural parts of the UK are likely to live longer than their counterparts in built-up urban centres. This has prompted public health bodies in the United Kingdom to focus more heavily on urban environments, where residents are statistically more likely to experience poor health, deprivation or poverty.

Though there are exceptions to the rule, urban health is almost always worse than rural health. Within the NHS, there is currently no formal policy regarding the extent to which rurality is factored into decisions regarding the allocation of funds or the prioritisation of resources.

However, several programs and initiatives have been developed and introduced, as a means of ensuring *everyone* gains fair access to quality healthcare, irrespective of their location.

### ***Urban Programs***

#### ➤ **Department of Health**

The Department of Health assumes responsibility for proactively improving the health and wellbeing of England's population. The organization helps devise public health policy and provides various useful resources direct via its website.

#### ➤ **Primary Care Trusts**

NHS Primary Care Trusts provide specific localities in the United Kingdom with the freedom of self-managed health and care services. Rather than every branch of the NHS being managed and controlled centrally, Primary Care Trusts allow for greater focus on the requirements and preferences of the local population.

#### ➤ **Strategic Health Authorities**

The goal of these Authorities includes ensuring that national priorities for health are integrated into local plans and strategies, building the capacity of the health service, and ensuring high-quality performance is found within the NHS.

### ***Rural Programs***

#### ➤ **The Countryside Agency**

According to the official mission statement of the Countryside Agency, the programme was established to "make life better for people in the countryside, and improve the quality of the countryside for everyone."

➤ **The Institute of Rural Health**

This is a charitable organisation that was established approximately 20 years ago, in order to focus on the promotion of better health and wellbeing for rural residents and the communities they live in.

**Private Healthcare Carriers in UK**

It's currently estimated that approximately 85% of all healthcare expenditure in the UK is covered by the National Health Service. The private sector therefore accounting for just 15%, which is considerably lower than in countries like the United States.

In the United Kingdom, private health insurance is usually taken on exclusively by wealthier people looking for additional benefits are above and beyond the coverage of the NHS. It may also be provided as an employee perk by certain businesses, though health cover as an employee benefit is extremely rare in the UK.

There are dozens of private healthcare providers in the UK, though the vast majority of those seeking additional coverage choose one of the following three private companies:

➤ **BUPA**

By a sizeable margin, BUPA is the biggest and most successful private health insurer in the UK. Policy holders enjoy expedited access to a wide variety of care services, ranging from dental treatments to cancer care to rehabilitation. BUPA is associated with more than 400 of the most acclaimed private hospitals in the country.

➤ **AVIVA**

One of the biggest providers of private health cover in the UK and one of the world's largest insurance companies, operating in around 30 countries and with more than 53 million customers worldwide.

➤ **AXA**

A prominent provider of private health cover in the United Kingdom, which like its counterparts above has associations with hundreds of top-rated private medical facilities and hospitals.

Other popular choices for private health cover in the United Kingdom include National Friendly HealthCare, PruHealth, Simply Health, Saga Health Insurance, and Helpucover Health Insurance and many more besides.

## Special Needs Care on the NHS

The founding principle of the NHS is to ensure that every citizen of United Kingdom without exception is provided with equal access to the same high-quality care and support when they need it.

However, specialist support is also available for those who are considered to have special care needs - examples of which include the elderly, patients with a terminal illness or individuals with a severe disability.

The Department of Health in the United Kingdom outlined in its National Service Framework for Older People a series of urgent objectives for the improvement of healthcare and support services for elderly individuals:

- ✓ *Improve standards of care:* Generally improve the quality of in-home care through the new National Care Standards Commission, and through the Better Care, Higher Standards Charters.
- ✓ *Extend access to services:* Free NHS sight tests for those aged 60 or over, improved access to cataract services, extension of the breast screening program to women aged up to 70. Caregivers' needs are particularly important; their access to services in their own right has been ensured through the Carers and Disabled Children Act of 2000.
- ✓ *Ensure fairer funding of long term care:* Nursing care should be made affordable for all who need it.
- ✓ *Develop services which support independence:* New intermediate care services to help people avoid unnecessary hospital admissions and speed their recovery and rehabilitation are being put in place. The Promoting Independence Grant supports council to help people retain their independence for longer. Supporting People is a new initiative to help vulnerable people live independently in the community by providing a wide range of housing support services.
- ✓ *Help older people to stay healthy:* Free influenza immunization for everyone aged 65 and over is now provided. Action is being taken to improve oral health in older people and increase access to dentistry. Keep Warm, Keep Well campaigns are helping to prevent deaths from cold each winter.

**Source:** Department of Health's National Service Framework for Older People

Disabled individuals living in the United Kingdom are able to apply for a Disability Living Allowance (DLA) and an Attendance Allowance (AA). Eligibility for both of these allowances is assessed on the basis of the individual's requirement for help with their everyday personal care and/or getting around - aka the 'care component' and 'mobility component'.

Allowances such as these are provided to help disabled individuals cover the costs of additional personal care, which in some instances may not be provided directly by the NHS. Supplementary funding is allocated to allow those affected to make use of a wide range of social care services in their area.

### **Regulation and Policies**

Given that the National Health Service is publicly funded, it is duty bound to be continuously scrutinised and assessed to ensure the quality and safety of the services it provides. Over the decades since the introduction of the NHS, this prioritisation of quality and performance has led to the establishment of various regulatory bodies, which are responsible for assessing its performance and ensuring its continuous improvement.

There were previously three primary bodies that were responsible for the regulation of healthcare provision in England:

- The Healthcare Commission
- The Commission for Social Care Inspection
- The Mental Health Act Commission

In 2008, these three bodies were brought together to form the unified Care Quality Commission. The Department of Health and its regional subsidiaries also play a direct role in the monitoring and regulation of the quality and performance of the National Health Service.

A set of National Service Frameworks was also developed by the Department of Health in 1988, with the intention of enhancing and improving several specific areas of care - diabetes, mental health, cancer, heart disease and many more besides. National standards were set out for the purpose of identifying discrepancies and subsequent changes to be made, in order to both decrease variations in service quality from one region or area of care to the next and raise overall quality of care.

In addition to the above, the Quality and Outcome Framework was introduced in 2004 and activated in 2005. Designed to assess the quality of care provided by General Practitioners, it is a framework that incentivises GPs and their practices for quality and care improvement. Points are awarded under the scheme in accordance with practice efficiency, organisation and patient

satisfaction in general. It is a voluntary scheme, but the vast majority of GPs choose to take part due to the potential incentives available.

### **The 8 Downsides and Disadvantages of the NHS Model**

For all its remarkable and wide reaching benefits, there are also certain downsides and disadvantages to the current public healthcare system in the United Kingdom.

One example of which being the growing difficulties funding an increasingly expensive NHS, resulting in many Primary Care Trusts having insufficient funds to cover their requirements. Hospitals and medical facilities are routinely forced to operate with a major lack of resources, including doctors, nurses and equipment, due to issues with funding.

In addition, often excessive waiting times are compounded by the fact that where healthcare is offered 100% free of charge, it has a tendency to be used extensively, excessively and even inappropriately by some. Part of the culture of the United Kingdom in general is to consult with doctors and healthcare professionals regarding relatively minor issues that do not warrant medical attention - such as a common cold - which inevitably increases waiting times for everyone else.

Finally, the appeal of the NHS as an employer is considered relatively modest by many trained and qualified medical professionals. Those who are able to set up their own private practices or work in private institutions are often able to earn exponentially more, while enjoying vastly preferable working conditions. This means that where the option is available, the most talented, skilled and experienced medical professionals may choose *not* to work with the NHS, preferring private practices as a more profitable option.

### **UK Healthcare vs. US Healthcare**

As previously touched upon, the United Kingdom recently ranked second in a study comparing the public healthcare systems of seven major territories worldwide. By contrast, the United States is considered to have one of the most *underdeveloped* and *inadequate* public healthcare systems in the world. Not to mention, the single most expensive healthcare system in the world, which is practically inaccessible for most.

The United States health system currently ranks within the worst in the world by way of accessibility, patient safety, coordination, efficiency, and equity.

Nevertheless, the US continues to spend more on its healthcare infrastructure than anywhere else on the earth - a full 15% of GDP annually. The United Kingdom spends approximately 8.5% of GDP on healthcare each year, enabling it to serve a full 66.65 million people - 100% of the population. Despite its significantly heavier healthcare investment, the healthcare system of the United States currently only caters to around 83 million people - less than 28% of the population.

That said, the United States does excel in some areas concerning private healthcare. For example, cancer survival rates in men and women after five years are 40% higher in the United

States than in the United Kingdom. North America is also one of the top performers in the world for the diagnosis and immediate treatment of patients with diabetes.

Another important accolade, the percentage of individuals over the age of 65 on low income who nonetheless claim to be in “excellent health” is vastly higher in the United States than it is in any other country worldwide.

### **The NHS as an Employer**

Due to its sheer size and complexity, the NHS is one of the biggest employers in the world. Employing approximately 1.3 million staff across a wide variety of specialist areas, the NHS offers approximately 300 different career paths for skilled and unskilled workers alike.

According to the official NHS website, any typical day for the NHS will incorporate the following:

- over 835,000 people visiting their GP practice or practice nurse
- almost 50,000 people visiting accident and emergency departments
- 49,000 outpatient consultations
- 94,000 people admitted to hospital as an emergency admission
- 36,000 people in hospital for planned treatment

According to Payscale, the current average salary for a fulltime NHS worker stands at £26,630 a year, though the scale actually varies from an average of £17,376 to £51,093 a year. The NHS has one of the most diverse workforces of any major employer in Europe, with approximately 20% of all employees being non-British nationals.

However, visa and employment restrictions in the wake of Brexit could drastically affect hiring practices for the NHS for the foreseeable future.