



## National Health Service Act, 1946.

9 & 10 GEO. 6. CH. 81.

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NHS founded on the six principles of a universal, comprehensive service free at the point of delivery which is publicly provided, funded and accountable.

Area-based public authorities legally required to plan and provide services for all local residents

‘3 pillars’

# National Health Service and Community Care Act 1990

- internal market
- ‘purchaser-provider’ split
- contracts
- NHS trusts



“...Labour will end the Conservatives' internal market in healthcare.”

1997 Labour Party Manifesto

<http://www.labour-party.org.uk/manifestos/1997/1997-labour-manifesto.shtml>

# Health and Social Care (Community Health and Standards) Act 2003

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Thursday, 3 October, 2002, 08:02 GMT 09:02 UK

## Blair denies rift with Brown



Critics fear the new hospitals would pay too much

by **Steve Schifferes**  
BBC News Online economics reporter

As Tony Blair urges his party to be bolder in pressing forward public sector reforms, a fierce battle is taking place with Gordon Brown over the future of the NHS.

The Chancellor is fighting a rearguard action to limit the freedom of the so-called "foundation trust" hospitals to borrow money independently of the government - a plan reportedly hatched in the Prime Minister's office.

NHS Foundation Trusts  
Public benefit corporations  
Authorised by Monitor  
Private patient income cap  
Alternative Provider Medical Services  
(APMS) contracts



# APMS contracts

*“the private sector's gateway to providing primary health care to NHS patients”*

[Health industry lawyer, 2010](#)

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**Subsidiary of US healthcare firm will run more than 50 GP practices after takeover deal**

BMJ 2021 ; 372 doi: <https://doi-org.libproxy.ncl.ac.uk/10.1136/bmj.n519> (Published 22 February 2021)  
Cite this as: BMJ 2021;372:n519

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Gareth Iacobucci  
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A subsidiary of a large US healthcare company has taken over the running of one of England's biggest NHS general practice providers in an expansion of its UK portfolio.

Operose Health<sup>1</sup> —a subsidiary of US company Centene<sup>2</sup> —has acquired AT Medics, which operates 37 GP practices across London, mostly under alternative provider medical services (APMS) contracts.

These will add to the 21 GP practices in England that Operose already runs, which were transferred to it last year when Centene Corporation brought together its UK subsidiaries The Practice Group and Simplify Health.<sup>3</sup> Operose is owned by MH Services (UK), which is owned by MH Holdings International (UK).

The expansion will likely make Operose the largest primary care provider in England, with its 58 practices providing care to more than 500 000 patients.

Operose's chief executive and president is Samantha Jones, the former director of NHS England's new care models programme.<sup>4</sup>



180 APMS practices in 2019-20, covering just over 1 million (and 1.8% of) registered patients ([NHS Digital](#))

# Centene Corporation in the UK

2021: \$126 bn revenue (\$111 bn in 2020)

UK subsidiary Operose “likely...the largest primary care provider in England”

40% share in BMI Healthcare Limited via Circle (BMI runs 50+ private UK hospitals)

Samantha Jones

2015- 2017: Director New Care Models, NHS England

2019-2021: CEO & President, Operose

2021-2022: Health adviser to No. 10

2022: Permanent Secretary, Prime Minister’s Office

## Former private health firm chief 'given job' as No10 advisor

Samantha Jones, the outgoing chief executive of Operose Health, will take up a post as an “expert adviser for NHS transformation and social care”

Permanent Secretary and Chief Operating Officer

### Samantha Jones



#### Biography

Samantha Jones was appointed Permanent Secretary and Chief Operating Officer of 10 Downing Street on 9 February 2022.

**Permanent Secretary and Chief Operating Officer**

[Prime Minister's Office, 10 Downing Street](#)

# Health and Social Care Act 2012

Abolished the 'duty to provide'  
Carved 'public health' out of the NHS  
NHS England  
Clinical commissioning groups  
Membership based  
Virtually compulsory tendering  
FTs '49% non-NHS'





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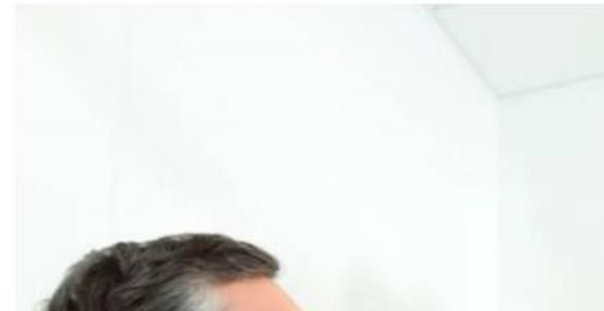
Outstanding

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# 2014-2022– Simon Stevens, CEO, NHSE

(now Lord Stevens of Birmingham)

1997-2004: adviser to Labour health ministers (Frank Dobson & Alan Milburn)

2004-2014: senior executive, UnitedHealth, US

2015: Five Year Forward View

2019: NHS Long Term Plan

2021: Integrated Care Systems:  
design framework



“...in the case of some of these integrated accountable systems, we would essentially like to have population budgets without contracting between the different bits, handoffs, the frictional costs and all the rest of it. We will nevertheless, within the letter of the law, act according to the spirit of what I have just described and push as hard as we can to get there without Parliament itself having to legislate. If at some point down the line you then choose to do so, that will no doubt be a welcome recognition of where the health service will have moved to in the meantime.”

Oral evidence to the House of Commons Committee of Public Accounts, February 2017



# What are integrated care systems?

**Integrated care** is about giving people the support they need, joined up across local councils, the NHS, and other partners. It removes traditional divisions between hospitals and family doctors, between physical and mental health, and between NHS and council services. In the past, these divisions have meant that too many people experienced disjointed care.

**Integrated care systems (ICSs)** are new partnerships between the organisations that meet health and care needs across an area, to coordinate services and to plan in a way that improves population health and reduces inequalities between different groups.

## Improving health and care in the North East and North Cumbria

### Our aim

## Our region

We have a strong and proud history of working together across health and care in our region. The quality of our health and care services is consistently rated amongst the best in the NHS and we have an abundance of great care delivered by highly committed teams of health and care staff. Despite this overall public health is still amongst the worst in the country. Our ambition is to change this by working together as an Integrated Care System.

Our region



# ICSs have 5 components

*(“the Boards and NOT the system”)*

## 2 statutory components

- Integrated Care Boards (42)
- Integrated Care Partnerships (42)

## 3 non-statutory components

- Provider collaboratives (? 45 now)
- Place-based partnerships (?)
- Primary Care Networks (1,250)



# ICB membership

- A chair - appointed by NHSE with SoS approval
- A CEO - appointed by the chair with NHSE's approval
- At least 1 member nominated jointly by **NHS trusts and FTs** providing services in the ICB area, approved by the chair
- At least 1 member nominated jointly by those providing **primary medical services** in the area, approved by the chair
- At least 1 member nominated jointly by the **local authorities** in the area, approved by the chair
- Anybody else approved by the chair
- “The constitution must prohibit a person from appointing someone as a member (“the candidate”) if they consider that the appointment could reasonably be regarded as undermining the independence of the health service because of the candidate’s involvement with the private healthcare sector or otherwise.”

## ICB functions (1/2)

- Duty to commission most services for the group of people allocated to them by rules to be made without parliamentary process by NHS England (“core responsibility”)
- Everybody living, or receiving primary medical services, in England must be allocated to at least one ICB
- *“It is expected that the basis of NHS England’s general rule for ICB responsibility will continue to be in relation to GP registration to ensure operational continuity.”* (Expl Notes)
- No duty to commission emergency services for everybody present in an area (unlike CCGs)
- No requirement to have “NHS” in their name (unlike CCGs)

## ICB functions (2/2)

- The Bill allows ICBs to include “discretions...in relation to anything to be provided...” under provider contracts
- “The Health and Care Bill, if enacted, will enable ICBs to delegate functions to providers including, for example, devolving budgets to provider collaboratives.”

Classification: Official  
Publication approval reference: PA0754



**Working together at scale:  
guidance on provider  
collaboratives**

August 2021

## Provider collaboratives (1/2)

“Provider collaboratives are partnership arrangements involving at least two trusts working at scale across multiple places, with a shared purpose and effective decision-making arrangements...”

“All trusts providing acute and mental health services are expected to be part of one or more provider collaboratives by April 2022.

Community trusts, ambulance trusts and non-NHS providers should be part of provider collaboratives where this would benefit patients and makes sense for the providers and systems involved.”

Classification: Official  
Publication approval reference: PA0754



Working together at scale:  
guidance on provider  
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August 2021

## Provider collaboratives (2/2)

*“My legislation was criticised for making the NHS too complex. This Bill takes complexity to a whole new level. We have ICS boards and ICS partnership boards—the latter sitting on top of health and well-being boards. Each ICS is large, so the workaround is to have places within them which map to local authority boundaries. That is just on the commissioner side. On the provider side, we have new provider collaboratives which, in fairness, is where the power in the NHS will lie. The Bill makes no provision for them in terms of transparency, openness or accountability.”*

Lord Lansley, [HL debate](#), 7/12/21



In the minds of most acute trust chiefs, it is provider collaboratives and groups, and not integrated care boards that will wield the greatest influence (although the former may act through their representation on the latter).

Many believe ICSs will become tiny organisations effectively operating as a population data provider for collaboratives and “place-based partnerships”, or disappear altogether.

What the rejection of ICS jobs by acute chiefs tells us



# Place-based partnerships & Primary Care Networks

## Place-based partnerships

“collaborative arrangements formed by the organisations responsible for arranging and delivering health and care services in a locality or community [which] will remain as the foundations of integrated care systems as they are put on a statutory footing.”

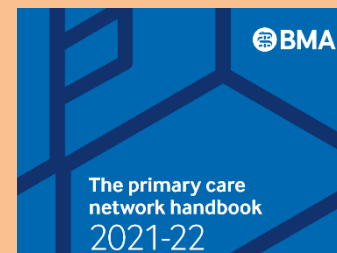


## Primary Care Networks

“GP practices...working together with community, mental health, social care, pharmacy, hospital and voluntary services in their local areas in groups of practices...”



Already established and operating under network agreements, the content of which ‘is not within the remit of the CCG to challenge’



# Integrated Care Partnerships

Joint committee of an ICB and local authorities in its area

No additional minimum membership requirements or constitution

Must prepare an 'integrated care strategy' setting out how needs identified in the 'joint strategic needs assessment' will be met

ICBs must have regard to the strategy

# New ‘provider selection regime’

“While competitive tendering would remain an important tool for arranging high quality services, commissioners will also be able to direct award under the following circumstances:

- where there is the absence of competition, such as A&E provision
- alternative provision is already available to patients through other means (competition within the market rather than competition for the market) for example, primary care contracts
- when they want to extend an existing contract where the incumbent is doing a sufficiently good job and the service is not changing
- where there are reasonable grounds to believe that one provider or group of providers is the most suitable provider

Decisions would have to be clearly justified based on the decision-making criteria: quality and innovation, value integration and collaboration, access, inequalities and choice, service sustainability [and] social value”

Policy paper

**Health and Care Bill: provider selection  
and patient choice**

Updated 23 February 2022

# Workforce planning & reconfigurations

Government defeated in the Lords on 3/3/22:

- (1) SoS must publish independently verified assessments every two years of current and future workforce needs of the health, social care and public health services
- (2) Clause giving the SoS power to intervene in reconfigurations removed

# Direction of travel

- The state will continue to fund health services in England, but largely abstain from involvement in its organisation
- Most power and decision-making will lie with non-statutory joint ventures which can and will include private providers
- Health services will move closer to the US model of mixed public and private funding
- The two-tier system will develop further – like dentistry – which is a decisive break with the Beveridge/Bevan model – increasing inequality



# Revealed: A third of adults struggled to access NHS during pandemic, driving many to private healthcare

Institute for Public Policy Research



## THE STATE OF HEALTH AND CARE 2022

Chris Thomas,  
Victoria Poku-Amanfo  
and Parth Patel  
March 2022

“A long-term decline in NHS access and quality, rapidly accelerated by the pandemic, has begun to supercharge a trend of people opting for private healthcare and products, ...

...since the 1970s, the UK has seen the fastest rise in people paying for private healthcare and products in the G7...

...this move towards private healthcare by those who can afford it could be undermining the foundations of a universal health system and the spirit of the NHS. According to the report, the risk to the NHS isn't so much of a sudden shift to an American-style health system, but of the emergence of an unequal two-tier system...”

Wednesday 2 March 2022 - <https://www.ippr.org/research/publications/state-of-health-and-care-2022>

# Mapping the joint venture relationship between private healthcare companies and NHS medical consultants

## KEY FINDINGS

- We identified **481 medical consultants** with equity stakes in **34 different joint ventures** with private hospital companies. **73% of these medical consultants are employed directly by the NHS.**
- Over the six-year period covering 2015 to 2020 these 34 joint ventures generated **£1.24bn in revenue** and recorded an **operating profit of £258m.**
- Over this same period **medical consultants with a stake in these joint ventures received an estimated £31.3m** because of their equity stakes. The