PRIVATE PATIENT UNITS: FIXING THE PROBLEMS

How to boost PPUs

PPU expert **Philip Housden** (right) last month reviewed NHS private patient services development over the past four years and highlighted what has been learned. Here he suggests how to tackle three of the main challenges and opportunities now facing the PPU sector

1 WHAT IS needed is the development of a cohesive national framework, which has been missing for some years.

NHS trusts do not need the dead hand of the centre taking over. It is local responsiveness to the market that is required in such a hands-on business.

However, central leadership could reset the tone with clear messages to trust boards and a steer to support and align private patient services in support of core NHS provision.

A national working group, with input from sector leaders, could provide the narrative to help describe how trusts can reasonably work towards private patient services being 'something that all trusts do' and also create the structures to ensure best practice can be rolled out.

Perhaps there is room even for a single NHS private patient brand?

2 There needs to be encouragement for increasing local collaboration, and this could build on the national foundation to help leading trusts support their neighbours and those facing similar market conditions.

The south-west private patient managers group provides a template that could be strengthened, extended and embraced.

National leadership to support such groups engaging with private medical insurers could also reduce the administrative contracting burden and simplify and make more transparent the tariffs which vary so much across the NHS.

It would be possible for trusts to form local 'chains' of private patient services that reduce their back-office costs.

These could also give more choice and access for consultants working across the 'chain' and potentially be co-branded to offer a more visible market presence.

3 The third challenge and opportunity is finding capacity in the post-Covid world.

Most, if not all, trusts are looking at their own capacity in the light of increasing demands, driven by ageing population and other factors and also the need for transformation in service delivery.

The challenges of the ageing estate and pressure on beds and theatres leaves many NHS trusts unable or unwilling to assign footprint to and built estate for private patient services.

That is even though this comes at the likely expense of paying for insured patients 'in the system', probably those complex high-acuity patients that the local independent hospitals cannot provide for, rather than charging these costs to the insurers.

What is required on the ground is flexible 'ebb and flow' ward space that can be rebadged as private without any need for new capacity. That ward admits the insured patients already in the trust first, then is topped-up with NHS patients to ensure efficient high throughput, flow and occupancy.

Private sector partnerships

Another route to achieve increased capacity is through private sector partnerships that embrace the mixed-service model of providing flexible capacity able to be accessed by private patients and NHS patients.

As the national NHS hospital rebuilding programme develops and community diagnostic services are built, there is the option to consider partnership arrangements to extend the range and size of what is possible by working with independent provider partners.

There are many present and past examples of this, such as Birmingham University Hospitals with HCA, with others being explored.

It is possible to envisage most NHS trusts developing an on-site unit that could embrace private and NHS patients, ebbing and flowing with the changing demands of healthcare over the days, seasons and years.

These opportunities could be attractive to new market entrant providers with flexibility in where they invest and what they invest in.

Large independent hospital groups could also be of interest because this would facilitate closer working with the NHS.

Any closer alignment of private patient services and activities within NHS trusts is likely to create a range of benefits for the wider NHS, individual trusts, integrated care systems, local healthcare economies, consultants and their patients.

There would even be benefits for the private healthcare sector, with insurers gaining more choice and boosting insurance take-up.

Although independent hospitals could face more competition, they would benefit from increased robustness to the critical care/higher acuity pathways infrastructure and opportunities to develop on-site/coterminous partnership private healthcare capacity on trust campuses.

My single most powerful insight from the four years of reviewing NHS trusts' private patient services in *Independent Practitioner Today* is that a 'win-win-win' is achievable for all key stakeholders.

Not enabling this is costly to the NHS and the whole sector. ■

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