New chief executive calls for "opening up" of Britain's National Health Service

Ben Trent
31 January 2014

Simon Stevens is set to take over as chief executive of National Health Service (NHS) England in April 2014.

Underscoring the orientation toward privatisation of healthcare during his tenure, Stevens has called for the "opening up" of the NHS and "reshaping our care system". He wants to "draw back the veil between what those of us working inside health know about it and what the people on the receiving end… get to see".

NHS England is responsible for the budget, planning, and day-to-day operation of health services in England. It came into being as a result of the Conservative/Liberal-Democrat coalition government's Health and Social Care Act 2012, aimed at laying the framework for the wholesale privatisation of the NHS.

Stevens's CV includes work as a health care manager (1988-1997) and as a Labour Councillor for Brixton in the London Borough of Lambeth (1998-2002). At the time, Lambeth, which once enjoyed a reputation as a "left" Labour council, was busy implementing New Labour pro-market policies and outsourcing public services. Lambeth was the first local authority, for example, to commission a Private Finance Initiative, a means of creating so-called public-private partnerships, i.e., opening the door to privatization of public services.

Stevens then became Labour Prime Minister Tony Blair's health policy advisor (2001-2004), having worked closely with Health Minister Alan Milburn on the NHS Plan 2000. This plan was described as "the biggest changes to healthcare in England since the NHS was formed in 1948" and centred on the strengthening of the "internal market", new consultant contracts and an agreement between the NHS and the private sector to use private facilities.

These activities enabled Stevens, like many Labour ministers and officials, to make the seamless transition into the private sector. He became president of UnitedHealth Europe and then went on to take a senior position with the parent company in the United States, UnitedHealth Group.

UnitedHealth Group is the largest healthcare organisation in the US, with net earnings of US$5 billion. It is ranked at number 17 in the Fortune 500. The company was the subject of a lawsuit during Stevens's time there launched by the American Medical Association, which accused the firm of faulty data claims that meant practitioners were underpaid and patients overcharged. UnitedHealth was ordered to pay to US$350 million in compensation due to what the New York Attorney General Andrew Cuomo referred to as "consumer fraud".

Another settlement in 2009 saw UnitedHealth pay out US$50 million to replace its outdated database system, which had been short-changing patients by as much as 28 percent on claims, due to inaccurate data.

In a report issued last year, Stevens claimed the Obama administration would be able to slash US$500 billion in Medicare funding over the next 10 years by utilising aggressive measures in the provision of medical care for the elderly and impoverished. Stevens' claim that this represented a "third way" to cut costs, while supposedly improving service and providing so-called transparency to the consumer, was nothing but a thinly veiled attempt to justify a much deeper gutting of public healthcare.

The language utilised is one of business, not of care, and integral to business is profit. In the year following the 2008 financial crash, UnitedHealth under Stevens' management made a hefty US$845 million profit, 28 percent higher than the previous year. This contrasts with the reality that as many as 50 percent of all personal bankruptcies in the US are due to people being unable to afford medical bills.

While the giants of healthcare rake in record profits, increasing numbers of those in need of care are unable to afford it and suffer the painful, sometimes fatal consequences.

Stevens' involvement with the early days of New Labour's privatisation operations and the US healthcare giant has given the Conservative/Liberal-Democrat coalition the confidence to appoint him as their leading figure in the continuing assault on the NHS.

The enactment of the Health and Social Care Act 2012 has set the stage for the buying up of major NHS assets by private companies and increasing the private sector's market share of healthcare, including 12 major US insurance companies, UnitedHealth, coincidentally enough, among them.

Health Secretary Jeremy Hunt has heralded Stevens as a "great reformer". Stevens has also been listed as the second most powerful figure in the NHS by the *Health Service Journal*.

These glowing accolades highlight the danger posed to the NHS. In a sop to public opposition, Stevens has reportedly opted to take a 10 percent cut in his salary, meaning he will draw only £189,000 as opposed to the £211,000 taken by his predecessor. And though Stevens is supposed to divest his shares to take up the position, Malcolm Grant, the chairman of the NHS, is set to review this stipulation after a year.

A new study shows that in the seven months since the Health and Social Care Act came into effect, nearly 70 percent of the £1.5 billion worth of contracts for NHS services have been awarded by clinical commissioning groups to private companies. At the same time, NHS England Medical Director Bruce Keogh, who infamously called for the NHS to be run like high-street retailers PC World and Dixons, declared that the private sector could carry out operations to relieve pressure on hospitals should there be a cold snap this winter.