

# UK government accelerates National Health Service privatisation under the cover of the pandemic

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US health insurance company, Centene, has silently seized hold of 37 General Practitioner (GP) surgeries, adding to their takeover of 21 National Health Service (NHS) primary care services in the United Kingdom (UK).

The lie that American corporations would not be able to reap profits from the NHS has been stripped bare. While Conservative Prime Minister Boris Johnson denied the NHS was “on the table” during UK-US trade talks, granting contracts to private healthcare firms to both provide advice on NHS services and deliver them proves otherwise.

The UK division of Centene, Operose Health Ltd., acquired this backdoor handout last February when it merged with AT Medics and became the UK’s largest private supplier of GP practices. The rewards are substantial, with AT Medics revelling in profits of £35 million in the five years prior to the transfer.

Operose confirmed the change in ownership by declaring that it had “followed all the required regulatory procedures, including obtaining consent from our CCGs [clinical commissioning groups].”

These are the CCGs created under the 2012 Health and Social Care Act of David Cameron’s Conservative-Liberal coalition government. The act allowed clinical commissioners to award public health services to any “qualified” provider, paving the way for the wholesale outsourcing of services to the private sector.

Looking at Operose’s history reveals how qualified it is—at closing down GP surgeries. An Operose associate company pulled the plug on Camden Road Surgery in London in 2012, giving the 4,700 patients just four weeks to register elsewhere. The care of a further 11,400 patients was left in doubt after contracts for five surgeries in Brighton and Hove were ended.

In the United States, Centene faces allegations of fraud, for which it is currently being sued in Ohio. The Attorney General of Ohio stated, “Corporate greed has led Centene and its wholly-owned subsidiaries to fleece taxpayers out of

millions.”

Despite this record, the provider was approved by the CCGs for the care of 530,000 patients in the UK, who were given no say. The change in ownership was nodded through with no public meetings, no questions and no mention of Centene itself. Only after the decision was made was Centene mentioned in the public domain.

The deliberate secrecy cannot conceal the reality. Decades of underfunding, outsourcing and erosion of services by successive governments have prepared the National Health Service for easy pickings, with corporations searching out new sources of profit from its £150 annual billion budget.

The greedy private companies are not content with just making profits from primary care. The American-based healthcare group Cleveland Clinic is now in pole position for the takeover of NHS staff too. It plans to open a six-storey outpatient centre in September and a 184-bed general hospital next spring.

The company is recruiting for 1,250 roles, including, in a significant shift, the employment of salaried doctors. Ordinarily, medics are employed by the NHS but can conduct private work outside their normal working hours. Gaining a lucrative yearly salary in private practice, however, will pull them out of the NHS permanently, despite tax-payers having funded their long years of training. Having endured precarious conditions on the frontline, staff shortages—and now a derisory offer of a 1 percent pay rise—the lure of the private sector is likely to attract a section of desperate health workers. Experts warn that Cleveland Clinic’s move will set off a recruitment drive in the private sector for top medical talent.

The relentless integration of the public and “independent” sector has only accelerated during the pandemic. The government, following the motto of the ruling elite that a good crisis should not go to waste, has plundered millions of pounds and used it towards the upkeep of private hospitals, amid a public health crisis.

Staff in private hospitals returned to NHS roles to cope with demand following the first national lockdown, putting a halt to the majority of private treatments being offered. The private health operators had nothing to worry about though, as the Tory government dished out unprecedented block contracts to keep their hospitals open, supposedly to treat an influx of coronavirus patients.

But the extra beds went unused. An estimated £125 million was awarded every week, with two-thirds of private hospital capacity being left untouched!

According to an NHS source involved in the implementation of these arrangements, “The national contract for private sector capacity was for the company shareholders, not for NHS patients.”

This process was part of an even broader swathe of deals lining the pockets of private contractors. In March 2020, ministers used emergency powers to fast-track deals directly benefiting private firms, “without competing or advertising requirement”, bypassing previous laws meant to ensure transparency and value for money for the taxpayer. As a result, deals to manage healthcare staff, provide personal protective equipment, and run test and trace were ripe for picking, particularly by Tory party donors. By February this year, £24.4 billion had been “streamlined” into the private corporation giants.

With the recent release of the Health and Care White Paper, “Integration and innovation: working together to improve health and social care for all”, the so-called “competitive tendering” process has been buried once and for all. While the government claims the prospective legislation moves away from privatisation, in fact, it accelerates it. NHS chiefs will be able to hand out contracts as they see fit, without the need to put services up for competitive bids.

The proposals will also hand more powers to the Secretary of State for Health, including the authority to direct the NHS Commissioning Board, create new NHS Trusts and abolish professional regulators without needing legislation in parliament. In effect, as Health Secretary Matt Hancock stated, he “will be empowered to set direction for the NHS and intervene where necessary”. He will also be the one continuing to open the doors of the NHS to the financial oligarchy and their cronies, as he has done throughout the pandemic already.

The privatisation momentum does not stop there. The free flow of cash provided by NHS block contracts has not only cushioned the private sector against the blow of COVID-19 but also driven up their profits to pre-pandemic levels.

Private cancer treatment has exceeded 2019 levels. One of the biggest providers, Spire Healthcare, announced that with shares tripling since last March, they now have the income

to increase their private patient caseload. Having signed up to NHS England’s deals awarding an eye-watering £10 billion to private companies, Spire’s profits, along with more than 90 other providers, are guaranteed for the next four years.

In contrast, Chancellor Rishi Sunak announced in his budget that the NHS will receive a mere £3 billion this year as part of a “COVID recovery strategy”. As the BMJ (formerly, *British Medical Journal*) reported, according to health leaders, “the budget lacked both the short-term funding required to help the NHS recover from covid next year and a longer-term recovery plan”.

Last year, Sunak had promised that the NHS would get “whatever it needs” to cope with the pandemic. Yet as the British Medical Association’s UK Council chair cautioned, the chancellor’s “rhetoric is far from the reality”. The total budget for the NHS has been reduced by £29.3 billion since last year.

Under the guise of the pandemic, the government has not only cut back spending on the NHS but advanced its demolition with the handing over of services worth billions to the super-rich.

The privatisation of the NHS by stealth is not a new phenomenon. It is part of broader social attacks for which governments over the last four decades, including those led by the Labour Party, are accountable, starting with sweeping deregulation and privatisation under Margaret Thatcher.

The result is a health service riddled with debt, lacking adequate staff, confronting immense bed shortages and sky-high waiting lists now totalling 4.59 million people. Most sobering of all is that within a once comprehensive NHS, approximately 25 percent of public spending goes to the private sector.

We urge all health care workers to join NHS Fightback, initiated by the Socialist Equality Party, and organise rank-and-file committees—to fight for better pay, terms, and conditions and to safeguard health and safety at work. These committees must take up a political struggle to secure the resources needed for a fully functioning public health care system. This requires seizing control of the wealth and resources of the financial oligarchy, banks, big corporations, and big pharmaceutical companies, as part of the struggle for socialism.

*For further information visit NHS Fightback*



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