

Institution: Keele University
Unit of Assessment: C22 Social Work and Social Policy
Title of case study: Public Policy and Public Debate – the role of markets in health care provision
<p>1. Summary of the impact</p> <p>Paton's research on health policy and the politics of health policy has had specific impacts at local, national and international levels between 2008 and 2013. The research on health policy has made a substantial and critical impact to understanding the implications of 'market reform' to the English National Health Service (NHS), set in the context of evaluation of superficially-similar reform elsewhere in Europe. This has led to:</p> <ol style="list-style-type: none"> 1. Nationally: impacts on UK/English NHS policy decision-making, particularly in debate of the 2011 Health Bill. 2. Regionally: impacts on the Public Inquiry into the Mid Staffordshire NHS Foundation Trust and recommendations following this. 3. Internationally: impacts on organisations beyond the UK, including on: bilateral and unilateral organisations; Shanghai Health Bureau; and the European Union.
<p>2. Underpinning research</p> <p>Calum Paton's research at Keele University (undertaken as Senior Lecturer 1986-1993 and as Professor 1993-present) examined the policy to introduce markets into the provision and governance of health-care within the National Health Service in the UK (1989 to 1998) and England (after devolution in 1998, up to 2013), and the consequences of these policy reforms. This research has traced the ideological nature of policy as well as intended and unforeseen consequences of market reform in the NHS. Paton's earlier work (1993-1997) primarily used quantitative analysis to examine the 1990s internal market and he then later linked this to his qualitative evaluation of New Labour's health policy from 1997 to 2010, drawing conclusions about the consequences of markets, and the similarities and dissimilarities between the NHS market in the 1990s and the 2000s. Specifically, Paton has undertaken this research in three key phases, examining: first, the nature, costs and certain outcomes of the UK internal market in the NHS, 1991-97, funded by the Nuffield Trust from 1993-1997 (Paton et al., 1998); second, the nature, costs and outputs of the English NHS reforms from 2001 to 2006; and third, the characteristics of the English NHS reform proposals, enactments and implementation, 2010–2013, resulting in the Health and Social Care Act of 2012, which Paton analysed with reference to lessons from the above.</p> <p>The intended outcomes from market reform have ranged from greater technical efficiency in the NHS (1991-97) through greater choice and/or local commissioning by GPs (2002-date). Yet: (1) the unforeseen outcomes of 'market reforms' have been due to (i) problematic assumptions about the economic prerequisites for success of 'markets'; (ii) unattainable and under-examined political conditions for success; (iii) the costs of the 'internal market' being significantly underestimated; and (iv) alleged advantages of the market not materializing (Paton et al., 1998). Additionally, (2) the failure to achieve 'value for money' from New Labour's NHS reforms has been because of an 'incoherent market' and the incompatibility of various market reforms with other national policy initiatives (Paton, 2006). There has been failure at successive decision-points when health sector reform was initiated (i.e. new policy) to use existing research, either positively (i.e. to adopt successful models) or negatively (i.e. to avoid policy which was likely to fail) (Paton, 2010; 2013).</p> <p>As Scientific Director/lead researcher (designing methods and writing key outputs) of two major EU research projects (1998-2000; 1997-2002) Paton has carried out collaborative research on the relationship between the single European market and the health systems and 'market reforms' of member-states. The 1998-2000 project, on market reform within the individual EU member states was funded by DG Sanco (European Commission) and had a steering group of 5 (chaired by</p>

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Paton). The 1997-2002 project, on the effect of EU law, regulations and directives concerning the 'four freedoms' under the Single European Market (SEM) upon the health-care systems of the member states, was funded by DG Research (European Commission) and had a steering group of 9, chaired by Paton. The findings of these projects were:

- market reforms to individual health-care systems had not produced empirically significant improvements in effectiveness, equity or efficiency and were not capable of generating lessons that could be generalised and implemented at EU level or applied to diverse Health service systems within the EU;
- using generic Single European Market law as the basis for health-care policy-making at EU level (especially 'ad hoc' decisions by the European Court of Justice) created unforeseen incentives such as shortage of clinicians in poorer countries, inequity in access to care and unsustainable 'healthcare travel.'

3. References to the research

(1) Paton, C. *et al.* (1998) *Competition and Planning in the NHS: The Consequences of the Reforms*, London, Chapman and Hall.

(2) Paton, C. (2006) *New Labour's State of Health: Political Economy, Public Policy and the NHS*, Aldershot, Ashgate. Positively reviewed in the *International Journal of Health Planning and Management* (2008). 'This book...is persuasive in its arguments and demonstrates that any analysis of the policy process needs to be set within a much broader social and political context'.

(3) Paton, C. (2010) 'Commissioning in the English NHS', *British Medical Journal*, April 15, Commissioned Editorial which came to the notice of the House of Commons Health Select Committee in 2011.

(4) Paton, C. (2013) 'Garbage-can policy-making meets neo-liberal ideology: 25 years of conspiratorial cock-up in the English NHS', *Social Policy and Administration*, Earlyview, October 2013.

(5) Paton, C. (2011) 'NHS Confidential: Implementation....or how great expectations in Whitehall are dashed in Stoke-on-Trent', in Exworthy, M. *et al.* (Eds.), *Shaping Health Policy: Case Studies Methods and Analysis*, Policy Press, Bristol.

(6) Paton, C. with Bellanger, M., Busse, R., and Hunter, D. (2000) *The Impact of Market Forces on Health Systems, Dublin, European Health Management Association* (Report of grant awarded to Paton (Scientific Director) *et al.*, 1998, by DG Sanco, European Commission).

(7) Berman, P. *et al.* (Eds.) (2002) *The European Union and Health Services: The Impact of the Single European Market on Member States*, Amsterdam, IOS Press. From the EU Framework project. Paton directed the research reported in this book, and is an author of key chapters.

4. Details of the impact**Regionally: impacts on the Public Inquiry into the Mid Staffordshire NHS Foundation Trust**

Paton's research expertise led to his appointment as Chair of a large NHS hospital trust from 2000 to 2006. Through this role, Paton was invited as an expert witness to the Public Inquiry into Mid Staffordshire NHS Foundation Trust ('The Francis Inquiry'), reporting in January 2013 [source 1]. In his main evidence Paton drew on his expertise on health care systems (publications 3 and 4) to outline how an over-loaded policy-agenda and a culture of punitive central control had allowed the Mid Staffs problems to be tolerated [source 2]. The Inquiry's recommendations (Feb. 6, 2013) pointed squarely to these problems in the type of language used by Paton, who was a unique witness in that he had been active in the relevant health economy as well as an academic specialist in health policy [source 3].

Impact case study (REF3b)

This analysis led the Inquiry to invite recommendations not only about the future governance and regulation of the NHS at national and local levels but also about how and whether government policy was likely to aid or retard these in the pursuit of good quality of care for patients. Paton's ongoing research outputs concerning 'policy overload' and incompatible policies and incoherent local and regional implementation/management regimes have led to continuing impact locally upon debates and decisions. This has been quoted at Trust level and nationally to justify reinvestment in hospital bed capacity and a re-thinking and re-planning of community services ('intermediate care').

Nationally: Impacts on English NHS policy decision-making, particularly in debate of the 2011 Health Bill

Paton's research has had impact on the making of health policy in England 2008-2013. Paton was able to contribute to a government-initiated pause from March to June 2011 in order to review policy, and consider the Health Bill in Parliament and its subsequent amendment.

Specifically, Paton was an expert witness to the House of Commons Select Committee on Health in 2011 (Oral evidence, Tuesday, March 1; written evidence also provided), which was significant in the process of amendment of the then Health Bill. Paton provided evidence about the consequences of similar reforms (or reforms which were more limited prototypes of those proposed in the Health Bill), based on his research reported in Paton, 1998; 2006; 2010. This was part of the evidence which suggested that local commissioning of health-care in the context of 'marketised' provision had unforeseen effects often opposite to that intended by policy-makers. The report from the Select Committee reflected some evidence of this nature and the amended Health and Social Care Act took on board such criticisms [Source 4].

Paton has been an occasional adviser to the Labour Party and to Ministers/Shadow Ministers over a number of years (1994-5; 2005; 2012-date). Specifically, Paton's impact on more recent policy debate was in terms of the warnings as to inadequately-thought-out or poorly-implemented health service reform [Source 5].

More broadly, Paton has also contributed to a change in the national longer-term scope of debate about NHS reform. His academic research has been disseminated to a broader professional and policy-focused public through commissioned articles in the British Medical Journal (which also contributed to the evidence of the failure of commissioning in the English NHS to be cost-effective or even effective, and to the review of policy by the Coalition government), Public Servant, the British Journal of General Practice and the Health Service Journal [sources 6 and 7]. Between 2010 and 2012 he has written regular articles for Public Servant, a journal read by senior politicians (including ministers), civil servants and policy makers [source 8].

Internationally: the EU; WHO; Shanghai Pudong Health Bureau

Paton's scholarship on international health service reform and marketisation has contributed to policy debates and practice about the consequences of reform in different national contexts. Two EU-funded research projects which Paton directed have had their main impact from 2009 in informing debate about the direction of the EU Health Directive. The findings from these projects have pointed to the difficulty of introducing a Single European Market for health services and these difficulties have broadly been accepted within EU, thus health has been further exempted from general pro-competitive policy under the Single European Market. The then Health policy director at the European Commission and members of the EU High Level Committee on Health welcomed the findings [sources 9 and 10]. Paton's primary impact here is through working collaboratively with health policy researchers across Europe to engage policy makers with the need to take into account the intricacies and consequences of policy reform.

Additionally, work on the particular 'market reforms' within member states has led to influence upon EU policy-making – primarily, in giving pause to the previously-strong idea that member-states' market reforms and EU 'market reform' were in harmony and were the source of positive lessons for each other. The EU has become more cautious both about encouraging market reform in

Impact case study (REF3b)

member states and about using the SEM indiscriminately or inadvertently in health.

Paton's expertise on market reform, as established through his collaborative EU work, has led to recent advisory roles for World Health Organisation (2009-2013) and the Health Bureaux in Shanghai and Pudong to raise awareness among policy makers and practitioners on the problems caused by 'marketisation' in public health systems [sources 11 and 12].

5. Sources to corroborate the impact

Source 1: List of witnesses for Mid Staffordshire NHS Public Inquiry available from:
http://www.midstaffspublicinquiry.com/sites/default/files/uploads/Witness_list_-_updated_6_Feb.pdf

Source 2: Evidence to Public Inquiry (Francis Inquiry) into Mid Staffordshire NHS Foundation Trust, June 21, 2011 (oral and written).

Source 3: Francis, R. (2013) *Report of the Mid Staffordshire NHS Foundation Trust Public Inquiry*. Houses of Parliament (The Stationary Office), London. Available from:
<http://www.midstaffspublicinquiry.com/report>

Source 4: Parliament, *Commissioning: further issues - Health Committee*, March 5 2011: oral testimony by Paton. This and written evidence from Paton to the Health Select Committee (CFI 07) available from:
<http://www.publications.parliament.uk/pa/cm201011/cmselect/cmhealth/796/79602.htm#evidence>

Source 5: Corroboration from Former Advisor to Prime Minister 2008-9, Labour Party.

Source 6: Paton, C. 'Commissioning in the English NHS', *British Medical Journal (BMJ)*, April 15, 2010.

Source 7: Paton, C. 'Competition and integration: the NHS Future Forum's confused consensus', *British Journal of General Practice (BJGP)*, Lead Editorial, March 2012.

Source 8: Corroboration from Former Editor, *Public Servant*.

Source 9: Corroboration from Former Health Policy Director at the European Commission.

Source 10: Corroboration from Former Director of European Health Management Association.

Source 11: Report to WHO and Shanghai Health Bureau, 2009.

Source 12: Corroboration from Shanghai Pudong Health Bureau.