

# Experts warn of 'unintended' consequences of personal health budgets in England

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England must learn from other countries if it is to avoid the same mistakes with personal healthcare budgets, say experts in the *British Medical Journal* today.

The Department of Health in England is currently exploring the possibility of personal health budgets to give patients more control over their care. One option is for disabled and chronically ill people to hold their own budget and pay directly for services to meet their needs.

Pilot projects are underway in 64 primary care trusts. But the Netherlands, which has had a similar system, is in the process of restricting it in light of several problems.

The Dutch Ministry of Health has argued that it has become unsustainable.

Since 1997, patients in the Netherlands have been able to hold a personal budget to purchase care. But between 2002 and 2010, the number of personal budget holders increased tenfold, while spending increased on average by 23% a year. There have also been credible reports of fraud and concerns about the growth of private agencies that broker arrangements between clients and providers.

"Unless the lessons of the Dutch experience are learnt, the unintended and [negative consequences](#) will outnumber the positive, empowering role of personal budgets," warns Professor Martin McKee from the London

School of Hygiene and Tropical Medicine and colleagues from the Netherlands.

Although some have welcomed [personal health](#) budgets, they say many questions remain. For instance, how will the budgets be set? What will happen when the budgets are spent? Is there a risk that vulnerable individuals might be exploited by unscrupulous providers or brokering agencies?

A preliminary report also showed that patients might spend their budget not only on [conventional treatments](#), but also on alternative ones, some of which, like Reiki, reflexology, and aromatherapy, are not supported by scientific evidence.

Is it justifiable at a time of austerity to spend scarce resources on treatments known to be ineffective, they ask?

As a result, the eligibility criteria for personal budgets in the Netherlands will change substantially. By 2014, only people who would otherwise have to move to a nursing or residential home will be able to keep their budget or apply for one to enable them to continue living at home.

Measures to combat fraud and restrict the use of brokers will also be introduced.

"If the English proposals are to succeed they will have to establish clear rules and regulations, along with adequate support to enable people to administer their budgets independently, without specialised private agencies," say the authors.

"The UK government must also recognise that personal budgets can create new demand," they add. "Consequently, eligibility rules and entitlements "should be evaluated carefully to avoid creating false

expectations and potentially disappointing many people."

Provided by British Medical Journal

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