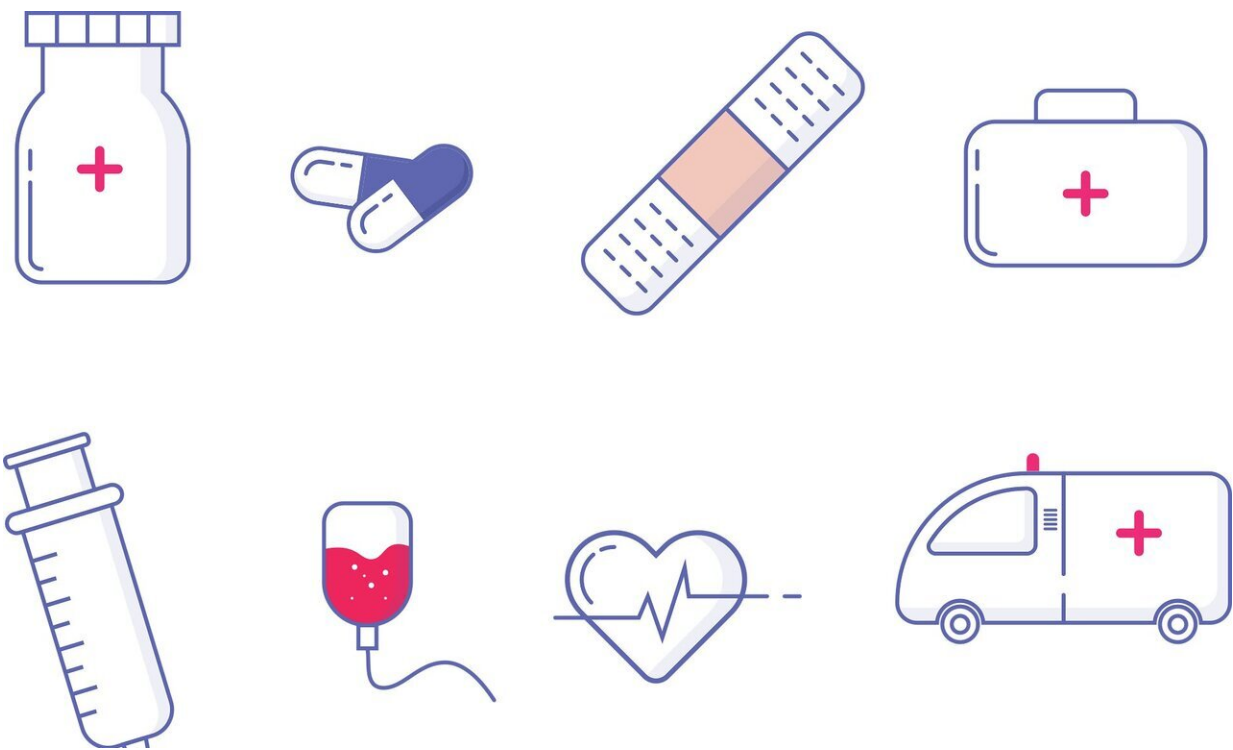


Privatizing NHS services associated with decline in quality of healthcare, increasing deaths from treatable causes

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Outsourcing NHS services to the private sector is associated with reduced quality of patient care and increased rates of deaths from treatable causes, according to an analysis published in *The Lancet Public*

Health journal.

Findings from the study suggest increased privatization of [health](#) services in England between 2013 and 2020 was linked to higher rates of treatable mortality—deaths considered avoidable with timely, effective healthcare—indicating a decline in the quality of healthcare over the period.

The study is the first comprehensive assessment of health service privatization in England conducted since the introduction of reforms in 2012 encouraging greater outsourcing. The effects of the Health and Social Care Act on healthcare quality have been contested. Since it was introduced, worsening trends have been observed for some indicators of healthcare quality, including treatable mortality rates. However, a lack of data suitable for analysis meant no studies until now had investigated links between outsourcing at regional health board level and [health outcomes](#).

"The unparalleled data utilized in this study enabled us to conduct the first rigorous analysis of one the most controversial health care reforms in England's recent history. While some have argued the Health and Social Care Act would improve the performance of health services by increasing competition, our findings add merit to long-standing concerns it could instead lead to cost-cutting and poorer health outcomes ." says study author Benjamin Goodair of the University of Oxford.

The authors analyzed a new data set showing how much each regional health board spent on outsourcing between 2013 and 2020. Changes to the quality of health services were determined using a statistical analysis to investigate associations between outsourcing and treatable mortality, a key measure of the effectiveness of timely healthcare interventions. Further analysis looked for any association between outsourcing and preventable mortality—deaths mainly avoidable with effective public

health, not medical interventions—which is not regarded as a measure of healthcare quality.

The data contains more than 12,700 files containing details of outsourcing expenditure from regional health board websites. This yielded data on over £204 billion of expenditure—comprised of more than 645,000 individual payments—for 173 of England's 191 (as of 2019) regional health boards between April 2013 and February 2020.

The analysis suggests overall levels of outsourcing in England increased consistently from 2013, rising from less than 4% to more than 6% of total regional health board spend by 2020. In total, £11.5bn was spent outsourcing health services to the private sector over the period, with the amount varying considerably by individual health board. The largest increases in outsourcing spend were on business and IT support, with steady increases in spending on healthcare businesses, [social work](#), and transport companies.

The [statistical analysis](#) showed that an [annual increase](#) in outsource spending of 1% is associated with a rise in treatable mortality of 0.38% (0.29 deaths per 100,000 population) the following year. Based on observed changes in outsourcing spend and treatable deaths for each health board, the analysis shows 557 additional deaths between 2014 and 2020 might be attributed to changes in outsourcing.

There was no association between outsourcing and rates of preventable mortality. This further suggests that the relationship between outsourcing and treatable deaths is linked to quality of care, rather than a consequence of general trends in health outcomes in the population.

Study author Dr. Aaron Reeves, of the University of Oxford, says: "These results clearly have implications for the NHS privatization debate, suggesting that increased outsourcing to the private sector could

lead to a decline in the quality of care provided to patients. While more research is needed to determine the precise causes of the declining quality of healthcare in England, our findings suggest that further increases in NHS privatization would be a mistake.

"The findings of this research are timely as the way England's health boards are organized is set to be overhauled. This creates a key moment where the role of the private sector within the NHS must be closely scrutinized."

The authors acknowledge some limitations to their study. Major changes to regional health boards since 2013 limited the ability to precisely measure outsourcing before then, or to conduct before-and-after analyses. The findings are not evidence of a [causal relationship](#) between outsourcing and mortality rates, so it cannot be ruled out that other factors may also be involved. Files on outsourcing do not contain details of specific services provided by suppliers, meaning more research is needed to determine if certain services are the main cause of the trends observe.

Writing in a linked Comment, Professor Andrew Street of the London School of Economics and Political Science, who was not involved in the study, says: "Arguments have long raged about what role the [private sector](#) should play in the United Kingdom's health system, where provision is dominated by the National Health Service (NHS). Despite the inability to establish a causal mechanism, the study adds to the [evidence base](#) examining the impacts of privatization on the health system in England."

On the prospect of further privatization in the English health system, Professor Street says: "For-profit providers may secure greater profit for their shareholders by being innovative and quick to adopt the latest technologies. But a faster route to making profits might be to

compromise quality.

The only protection against this double-edged sword is via the contract: quality standards must be fully spelt out, there must be careful monitoring of performance, and there must be strict enforcement when standards fall short."

More information: Outsourcing health-care services to the private sector and treatable mortality rates in England, 2013–20: an observational study of NHS privatisation, *The Lancet Public Health* (2022). [DOI: 10.1016/S2468-2667\(22\)00133-5](https://doi.org/10.1016/S2468-2667(22)00133-5)

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