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Healthcare: Lessons from Guernsey?

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With the NHS facing the unedifying prospect of its worst A&E waiting times in a long time, and bed-blocking up by 52 per cent in three years, a quiet corner of the British Isles has employed a healthcare funding model that keeps its health service in fighting form.

Our healthcare system is in crisis. NHS performance is in decline. Last winter saw waiting times in A&E departments up and down the country

soar to record highs. Meanwhile, sharp spikes have been recorded in the number of people waiting to begin treatment or to be transferred from hospital to social care. The demands imposed on the health service continue to exceed projected levels.

Two General Elections in as many years have helped amplify an ever-present national debate on the health service and its future, but, despite these, viable long-term solutions have been hard to come by. The only game in town is the status quo generously topped up with yet more public spending.

But, one possible solution to the country's healthcare woes may come from a quiet corner of the British Isles. Situated within sight of the Normandy coast, but swearing allegiance to the Queen, lies the small Channel Island of Guernsey. Independent of Westminster, with its own system of government, and with no UK National Health Service to rely on, responsibility for the provision of healthcare to the island's 63,000 strong population falls upon the island's government, the States of Guernsey.

Under this system, primary healthcare for the island's citizens is delivered by competing private primary care practices. Patients are charged around £60 to see their doctor. The island's social security system sees this consultation fee reduced by £12 to £48 for all patients. Roughly half of all patients are covered by private health insurance (often provided through their employer). Insurance premium assessment criteria vary depending on provider and scheme.

For those with insurance, an automated system sees the primary care practices claim this fee back directly from insurers with no direct cost to the patient. Meanwhile, means-testing ensures those unable to afford the costs of their GP or nurse consultation (currently around 13 per cent of the island's population) have their costs of treatment covered by the States of Guernsey at specially negotiated rates. Those who qualify for social security will see the costs of their consultation invoiced directly to the States of Guernsey.

Patients lacking primary care health insurance, and who do not qualify for social security support, pay as they go. Local competition law ensures each healthcare provider sets its own rates.

States social security funding ensures prescription charges are heavily subsidised at a cost to the patient of £3.90 per item (currently £8.60 in the UK). Those over the age of 65, or those receiving welfare support, are exempt from prescription charges.

Health & Social Care (HSC) is funded via the States of Guernsey and provides a community service, comprised of community nursing staff and a caring service, where short or long-term domestic support is required to give clients an acceptable quality of life at home and to avoid having to enter residential care. The costs associated with the provision of the Island's long-term care system, including the costs of nursing and residential care, are funded in part via an additional social security levy, which is in turn used by the Social Security Authority to cover a portion of the patient's costs.

Like in the UK, hospital care is provided free at the point of delivery by the state. All referrals to secondary care are made either by a GP or an emergency care clinician. But unlike the NHS, the Guernsey model is financed via what is in effect a compulsory insurance system: the Specialist Health Insurance Scheme. Funded via the Social Security Authority, the scheme is used to negotiate a contract with a group of specialist consultants, who then provide the core of the island's secondary healthcare. Additional input to the costs of secondary care are made via general taxation in order to provide other services, such as nursing, psychiatry, pathology and radiology.

Patients have the option to be treated privately at the island's main hospital, the Princess Elizabeth Hospital, offering a separate wing for private care. The revenue from the private wing subsidises patient care in other parts of the hospital, and includes a fee for service to the medical staff. The hospital offers islanders a comprehensive range of services from intensive and high dependency care to maternity care. Specialist consultant services are provided on Island by visiting

specialists for haematology and rheumatology. The only specialities not offered on the island are interventional cardiology and neurosurgery.

The hospital also provides a fully serviced emergency department, open all year round. Like its counterparts in the UK, the department accepts walk-in patients and ambulance emergencies and is the acute assessment point for all GP referrals both in and out of hours. The service treats, stabilises and investigates all patients, from those with acute injuries to those with minor ailments. But, significantly, unlike emergency departments in the UK, all those patients presenting to the emergency department as their first contact and who have not been referred for secondary treatment by a GP, are charged a fee for service.

While the majority has this fee met through either their health insurance or welfare support, a significant proportion will be required to finance it themselves. Facing the prospect of more significant service fees at the emergency department, many patients opt instead for primary care treatment. This incentive helps ease the pressure on the island's A&E department and avoids the type of patient congestion that has ground emergency care provision on the mainland to a halt.

Finally, a tertiary healthcare service is provided through contractual arrangements with specific UK NHS Trusts for specialist care (e.g. interventional cardiology) unavailable on the island.

So far, the evidence suggests the system works. Life expectancy on the Island continues to exceed that of the UK. The Island's infant mortality rate is less than half that for England & Wales, and continues on a downward trajectory. Like the UK, circulatory diseases, cancers and respiratory diseases are some of the leading causes of death, accounting for 31 per cent, 29 per cent, and 13 per cent of deaths respectively. Furthermore, child immunisation rates are above those of the UK and continue to exceed World Health Organisation (WHO) target levels.

The Island's healthcare model may present some alluring solutions to the challenges facing the NHS. But at the very least, it can provide a fresh perspective as the debate over the NHS's future rumbles on.