

Alternative European Healthcare Perspective March 2025

Roger Steer

Donald Trump continued to hog the limelight in February. Whether it was his proposals for building over the Gaza Strip, ending the war in Ukraine or encouraging Elon Musk to cut government spending; or more sinisterly to no longer enforce the [Foreign Corrupt Practices Act](#).

What does Trump mean for Europe and European healthcare? How is the UK to react and what are the implications for healthcare in the UK?

I can but try to keep up and doubtless new things will pop up all the time as the Trump policy of [‘flooding the zone’ continues](#) or, as Die Welt speculates in the linked clip, he engages in diversionary tactics to mask less obvious policy changes. [Like being open to influence ... for a price](#).

Oh, to be a fly on the wall! Presumably the FBI were not listening in to the conversations. But if I were Donald Trump, I wouldn’t want to push my luck too far. He wouldn’t be the first President to meet a [sticky end](#).

This month my focus is advice to healthcare organisations on how best to weather the storms ahead, how Europe may react and how the UK government may listen to advice on what to do. As usual a selection from the most interesting publications that have crossed my path is provided for readers.

[Price Waterhouse Cooper analysis of Trump approach to healthcare](#)

PwC argues that,

President Trump's strategic agenda for healthcare is taking shape and setting the stage for a horizon of healthcare transformation. This transformation aims to shift the emphasis from treatment to prevention while enhancing personalised care and continuing to push to cut drug costs.

Looking ahead, the Trump administration and GOP are in a position to accelerate their health agenda with four key themes:

- **Flexibility and choice:** Shift decision making on healthcare from federal level to states and individuals
- **Fiscal conservatism:** Emphasise policies that reduce government spending in an effort to balance the budget and pass upcoming tax legislation
- **Public health reform:** Reevaluate the current health system to “Make America Healthy Again”
- **Deregulation:** Reduce the volume of existing federal regulations.

In other words, it will be about dumping costs and responsibility to others, while promoting prevention, technology and deregulation as the way forward.

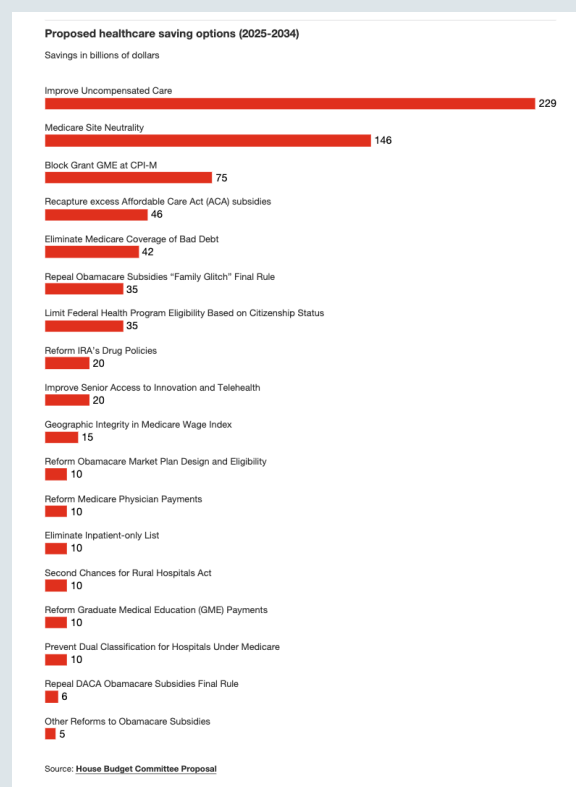
PwC continues,

Expect big announcements and headlines that catch attention but may take time to come to fruition; organisations that utilise this time to proactively prepare with scenario planning will be better positioned to capitalise on new opportunities as they arise. However, shifts in public sentiment and focus of consumer activism may occur more rapidly as they do not need to go through cumbersome regulatory processes;

consumer activism and interest in reform may illicit demands for novel change.

Anticipate continued interest from the Trump administration in sweeping economic policy changes which could have profound impacts on health industries. These include tax reforms, tariff policies, AI deregulation, immigration reform and competition policies. These changes might influence the healthcare workforce, disrupt supply chains, and impose budget constraints on health systems.

In pointing out that Trump plans to cut Medicaid funding, weaken regulation of the pharmaceutical Industry, cap Medicare costs despite rising demands, cut subsidies to insurance schemes, subsidising rural hospitals, target eligibility for health programs, and withdraw funding from research into rare and infectious diseases, PwC demonstrates the extent of the impact Trump is seeking to make. PwC produced the following tabulation of expected cost savings.



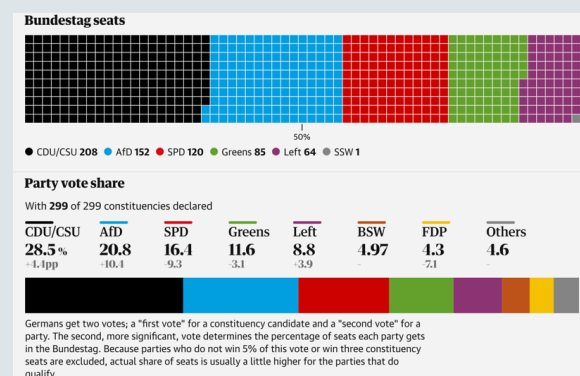
It can take a bit to work out what these rather mealy-mouthed headings mean: when it says improve uncompensated care, it means deny care to those not insured, etc. Reforms means cuts in funding, a bit worrying when our very own Wes Streeting (an ex-PwC employee) uses the same euphemisms of improvement and reform.

The PwC advice to healthcare providers and to the healthcare industry to do a bit of scenario planning and to work closely with suppliers and manufacturers to explore pricing adjustments, contract flexibility, and tariff mitigation strategies presumably is another euphemism for employing lobbyists to bribe the President to further your interests.

My advice is to watch out for the trade discussions likely to take place on opening the NHS market to US multinational companies. And beware of promises to improve and reform. For more advice on dealing with [Trump derangement syndrome](#) listen to Helen Lewis and Armando Iannucci on BBC Sounds.

3 Election in Germany

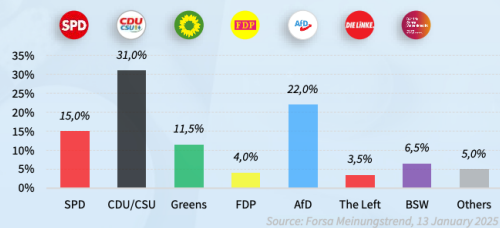
The big news in Europe has been the German election of 23 February. These are the results of the German election.



Which is slightly different to what was projected in January.

If Germans voted today, ...

... the CDU/CSU could choose a coalition with either the SPD or Greens. CDU/CSU leader Friedrich Merz would most likely be the next Chancellor.



So actually, the Conservatives (CDU/CSU) did worse than expected;

the AfD did worse;

the SPD did worse,

the ruling FDP liberal party was wiped out;

Heidi Reichinnek of Die Linke the left-wing party came from nowhere to secure 64 seats and...

Sara Wageknechts Alliance BSW was missed out on the 5% threshold for representation in the Bundestag by the narrowest of margins.

It seems that dabbling with pro-Russian and anti-NATO policies hasn't connected with the German electorate as much as thought.

Interestingly I got these projections from a [discussion document](#) on the different health policies of the German political groupings.

These are helpfully summarised in the table.

It is well worth reading the full discussion document for areas that the UK could pick up on. The one that struck me was the stress on the changing composition of the Bundestag Committee on [Health](#) and what that may

mean for health policy. Obviously, there is a more concerted stress on getting consensus on health policies and future-proofing the finances of the system than in the UK.

Nonetheless there is a common thread of the healthcare issues being confronted. The CDU appears to think there has been a [mis-direction](#) of healthcare reorganisation. Which is an unusual way of looking at things, as a magic trick.

Mario Draghi on how to improve things in Europe

Talking of magic, Mario Draghi as an ex-President of the European Bank, ex Italian PM, and author of the EU report, *The Future of European Competitiveness* wrote an article in the weekend edition FT of 15/16 February, 'Europe has successfully imposed tariffs on itself'.

Shockingly he reveals that the EU's internal trade barriers are equivalent to a tariff of 45% for manufacturing goods and 110% for services.

This has stimulated trade as it reduces the price of non-EU imports. So, trade now comprises 55% of EU GDP, 34-37% in China and 23-25% in the USA. This makes the EU more vulnerable to a trade war.

Not only that but he points out that the EU suffers from weak internal demand. From 2009 to 2024 the US government

ELECTION PROGRAMS: Health Policy		
Parties' Key Demands for the Health Sector		
Financial stability	Industry	Healthcare providers
SPD - Gradual introduction of a citizen insurance model - Stabilize contributions by increased tax contributions for non-insurance benefits	- Encourage domestic drug production (i.e., in Germany and the EU) - Commitment to strong industry and research location whilst promoting affordable drug prices	- Strengthen patient control based on medical need - Continue structural reforms, leverage telemedicine - Strengthen nursing care with better pay and working conditions, capping contributions
CDU/CSU - Maintain existing dual financing system (public and private insurance) - Enhance efficient use of contributions and improve competition between insurance funds	- Strengthening Germany as a pharma location, accelerate approval processes - Leverage digitalization across various applications in healthcare	- Stronger role for GPs in patient control, reducing bureaucracy - Correct "misdirection" in hospital reform - Promote digitalization in nursing care, update of social nursing insurance system
Greens - Citizen insurance with income-based contributions, contribute tax money for non-insurance benefits - Private insurance to contribute to financing of hospital reform	- Expand funding for sustainable healthcare technologies - Improve digitalization in healthcare system - Reduce influence of financial investors in healthcare	- Strengthen primary care, overcome separation of outpatient and inpatient care - Promote prevention and community-based approaches - Improve affordability of nursing care, delay need for care
FDP - Oppose citizen insurance, retain private and statutory insurance systems - Scrutinize benefit catalog based on evidence, efficiency and cost-effectiveness	- Secure swift access to innovative medicines, strengthen production and research location - Foster digitalization in healthcare and prevention, support start-ups	- Build primary care system, overcome sectoral barriers and abolish budgeting - Increase efficiency in hospital management through PPPs - Diversify financing structure for nursing care
AFD - Retain dual financing system and reduce bureaucracy in public insurance - Contribute tax money for non-insurance benefits	- Support domestic production and independence from foreign suppliers - Oppose building telematics infrastructure for patient data	- Promote de-regulation and abolish budgeting - Prioritize investments in rural healthcare infrastructure - Oppose recruitment of healthcare workers from abroad - Improve remuneration for home care
DIE LINKE - Replace dual system with citizen insurance, abolish private health insurance - Levy contributions also on capital gains and other types of income	- Implement EU-wide uniform drug prices, public supervision over drug research - Oppose privatization and economization of healthcare	- Nationalize hospitals and care institutions to ensure equitable and affordable access, establish municipal healthcare centers - Abolish PE in (health) care, improve working conditions
BSW - Transition to a solidarity- and income-based public financing mode (citizens insurance) - Expand benefit catalog	- Prioritize national pharmaceutical production and stricter regulations for profit-driven companies - Oppose PE in healthcare	- Invest substantially in public hospitals and community health services - Strengthen role of GPs with better remuneration - Reduce own contributions to nursing care

injected over five times more funds into the economy via primary deficits – €14tr versus €2tr in the Eurozone. His conclusion that high internal tariffs and an over-tight fiscal policy have delivered neither European welfare nor healthy public finances nor national autonomy and this requires radical change, may be one that Rachel Reeves should listen too. It's not magic to spend money on goods and services that improve welfare, encourage investment and get the economy moving.

Unfortunately, the rhetoric in Europe now is how spending needs to be increased on arms rather than on welfare: warfare not welfare.

For example, the new German Chancellor has called for warfare expenditure to be excluded from debt calculations and financial restrictions.

Unfortunately for him Die Linke and AfD can block additional defence spending as it would require a constitutional amendment requiring more than two thirds of the Bundestag to vote for it.

Wouldn't it be simpler to just increase spending, increase trade and stop fighting wars?

How to improve things in the UK

The following book provides an insight into UK government thinking: [Get In – the inside story of Labour under Starmer, by Patrick Maguire and Gabriel Pogrand](#).

It's not flattering to Starmer who is referred to, with all due respect to HR managers, as '*acting like an HR manager, not a leader*' and as a pawn in a game played by others, co-ordinated in the home of Roger Liddle, with Peter Mandelson and his acolyte Wes Streeting in attendance.

As the Guardian review I have linked above explains, Starmer is likened to a useful idiot with a reference to the driverless, remote-controlled trains on London's Docklands Light Railway (DLR).

Keir's not driving the train. He thinks he's driving the train, but we've sat him in front of the DLR.

Recruits to the operation from the New Labour years had worked for leaders who wrote their own electoral destinies. They find Starmer weirdly disengaged.

We were used to, in our Blair-Brown meetings, watching Tony and Gordon thrash out the strategy. But literally, Keir was like: 'Right, you guys get on with it.

Unfortunately, the boys were only focussed on achieving power not on what they would do with it. Thus, the first months in power were muddled with Sue Gray, Starmer's Chief of Staff, in dispute with Morgan McSweeney, Starmer's Election Strategist and the 'hero' of the story. It didn't end well for Sue Gray with her quaint Civil Service background no match for McSweeney.

What is clear now is that the [Blairites are back in charge](#) and globalisation and a liberal immigration policy are no longer flavours of the month. Having cemented themselves in place through Labour Party rule changes and an iron grip on the party machinery they are relying on pro-business policies to rescue the UK from the doldrums. Which would be good if it was working. It's not.

Having exploited the Brexit debate to pander to the 'Blue Labour' faction in the Labour Party the Government is forced to stay out of Europe and the largest market in the world. Moreover, cutting themselves off from the source of migrant labour will stall the Government's house building ambitions and thwart improvements in the NHS. Adopting the economic policies of George Osborne, the Bank

of England and austerity will drive the British economy into the ground. Hitched to a parasitic financial services class who survive by ramping up asset values, fuelled by hot money attracted by high interest rates, and industrially uncompetitive because of high labour and energy costs, it is not clear what will rescue the UK economy.

I have been reading around to see if anyone else has a clue about how to rescue the UK from disaster.

[Dominic Cummings](#) asks provocative questions; he has always recommended [Field Marshal Lord Alan Brooke War Diaries 1939-45](#) as a good place to start on thinking about Action this Day. It's a long read, and its insights are interspersed with a litany of more mundane matters. But in March 1942 he has a good moan about politicians.

Party politics, party interests, still override larger war issues. Petty jealousies colour discussions, and influence destinies. Politicians still suffer from that little knowledge of military matters which gives them unwarranted confidence that they are born strategists! As a result, they confuse issues, affect decisions, and convert simple problems and plans into confused tangles and hopeless muddles.

Where he was helped was in the great clarity of war aims, a war leader in Churchill experienced in war, war planning and who was sufficiently astute to listen to military men who knew what they were doing, having learnt a lot in WW1 and in maintaining an Empire.

Britain was also a leading exponent of the dark arts of warfare, a story better told in [Churchill's Wizards : The British Genius for deception 1914-1945](#) by [Nicholas Rankin](#).

This tells the story of how the British bluffed their way out of trouble – lying, pretending and dressing up in order to survive.

Churchill adored stratagems, ingenious devices and special forces: pretend

German Radio stations broadcast outrageous British Propaganda. British geniuses broke German secret codes and eavesdropped on their messages. Every German spy in Britain was captured and many were used to send back false information. Forged documents misled their Intelligence. Bogus wireless traffic conjured up entire phantom armies. Fake airfields with model planes, dummy landing -craft and inflatable tanks created a vital illusion of strength. It culminated in a spectacular misdirection that was essential to the success of D-Day in 1944.

Rankin describes how Hitler continued to believe the Normandy landings were a feint even after two months. The trouble with the Greek methods of deception however is that it can lead to the deceiver being deceived by their own propaganda and embarrassing defeat when confronted with reality.

In [Failed State - Why nothing works and how we can fix it](#), [Sam Freedman](#) argues that recent British history is best seen as a series of crises: crises of democracy, crises of social conflict and in the 1970s and 1980s economic upheaval. The one we are now in he sees as a crisis of governance.

Thus, he claims;

The British State is over-centralised and overloaded, its vulnerable to a new government or new minister coming in, wanting to reinvent the wheel, ripping up what came before ...there's this irresistible range of levers and a desire to fiddle.

The Regulatory state, monitoring everything from school and hospital performance to environmental standards and adherence to equality laws, has exploded over the past 40 years. Concentrating power at the centre of government and destroying state capacity outside of it, while at the same time

massively increasing the scope of what government covers, is a reason for our policy paralysis.

The loss of capacity has led in turn to an increasing reliance on outsourcing and the use of private companies only in it for the money they can extract from exploiting their monopoly position e.g. children's homes and social care.

He sees a second problem of an overpowered executive, lacking the checks and balances of other countries, lacking effective scrutiny and where public interests lack judicial protection and redress. But this is not a positive power, it has turned into a brake on change as many ministers have not seemed interested in trying to achieve concrete real-world goals at all. As he says,

An ever more centralised government has taken advice from ever fewer people ... and taken to appointing partisans to key public bodies like the Charity Commission and Ofcom, to insulate them from independent thought.

The third problem he identifies is that the pace of politics has gone into overdrive, creating a terrible environment in which to make good decisions and which give a destructive set of incentives for politicians. The media and the media barons behind it are not a new problem but have become a bigger problem as the means to manipulate public opinion and election results has become easier, notably by employing new technological means.

These three problems the author describes as a toxic mix.

Power has been concentrated in a handful of people who cannot cope with what they have taken on, while scrutiny has been deteriorating and the incentives for those people have been skewed ever more towards communication rather than policy.

He has found in interviewing people that everyone agrees that the system doesn't work

and is broken. In Rishi Sunak's own words, politicians spend more time campaigning for change rather than delivering it.

The only two things that matter now in Westminster are the Treasury Scorecard and the No. 10 Grid.

Freedman tries to be constructive with ideas for devolution of powers and increased scrutiny but the alternative future of continuing to use the machinery we have, making promises they can't be kept, pulling levers that aren't there, filling newspapers with announcements of actions that never happen, until policy breaks altogether, seems the most plausible, for now.

So, recapping: we have a Prime Minister in name only, pushed from behind by advisers focussed on capturing power for its own sake, apparently happy to delegate the job of doing stuff to others who go through the motions of making announcements as a substitute for the real thing, confident that the media are happy with that, and they will get away with it.

What does all this mean for the NHS?

The politics of deception, constant manoeuvre and announcements will likely continue.

Wes Streeting far from being a breath of fresh air is a better-looking version of Matt Hancock, waiting for the time he too can appear on 'I'm a Celebrity' or more worryingly replace Starmer as a true inheritor of the Blair mantle.

He is redefining success as preventing healthcare from being delivered and expecting applause.

Reform means more sub-contracting of services to ever more unscrupulous intermediaries.

Providers and hospital managers are derided as self-interested and incompetent, holding an inadvertent mirror to his own motives and skillset.

As I write this, the news has come through of the resignation of the CEO of NHS England Amanda Pritchard as Wes Streeting reorganises his department as a substitute for improving the NHS. Was this the plan all along? Is there a plan? Or is he living from one crisis to the next? As, according to Freedman, we all are.

But not according to the Department of Health

You may have missed it but the [Annual Report and Accounts of the DHSC for 2023/24](#) came out just before Christmas. It's a 350-page blockbuster and represents the turning of the page for the Permanent Secretary Sir Chris Wormald, the newly appointed Cabinet Secretary.

The year to 31 March 2024 was another challenging year for the health and care sector. We managed many competing demands, including health and social care reforms, workforce pressures, urgent and emergency care recovery, the impact of industrial action, delivering manifesto commitments under the then government and our long-term plans for the future.

So that's alright then. He even manages to cite the Darzi report on *the State of the NHS* without any trace of embarrassment as though the NHS being broken was nothing to do with him. The Government Auditor however gave a more accurate and more damning view of the financial challenges facing the NHS, in a report in July 2024 on NHS financial management and sustainability. The key points are listed below.

NHS resource expenditure grew less in real terms in the decade from 2014-15 than the long-term average calculated over the period 1950-51 to 2013-14, and the NHS's financial position is worsening due to a combination of recent and long-standing issues.

In 2023-24, 61% of NHS providers (2022-23: 43%) recorded operating expenditure greater than their operating income. As a collective, NHS providers spent £1.7 billion more on operating expenditure than they received in operating income. Deficits at NHS providers could impact on their future financial sustainability.

The worsening of NHS providers' financial positions has led to the Department reducing the value of its Public Dividend Capital (PDC) investments in NHS providers by £7.5 billion in 2023-24. The Department supports NHS providers by issuing PDC. The worsening financial position of NHS providers, exacerbated by the re-measurement of liabilities arising from service concession arrangements, means that it is less likely that the Department will be able to recoup its investments. The Department held gross PDC investments in NHS providers of £56.0 billion at the end of 2023-24, including investments made during 2023-24 of £4.9 billion.

When an NHS provider's net assets fall below the carrying value of the PDC, the Department impairs its PDC investments. This is to recognise that NHS providers in this position do not have the ability to repay the PDC at the 31 March 2024. The Department has impaired its PDC investments over a number of years: at 31 March 2024, the total level of impairment was £18.6 billion, of which £7.5 billion was impaired in 2023-24.

During 2023-24, the Department switched £892 million of its capital budget to use on day-to-day expenditure. This reallocation was made, with Treasury approval, in the Supplementary Estimate voted on by Parliament. Such reallocations did not occur during the

COVID-19 pandemic, when additional money was made available to the Department for its pandemic response.

For those wishing for an international perspective I attach a link to the [French equivalent annual report for 2023](#). It's very different and has 80 pages of international comparisons of its services to enable readers to better judge services performance, both financially and qualitatively. Obviously, no such section appears in the DHSC version. [What we get in the UK is promises for the future in terms of the 2025 mandate](#).

This new mandate for reform of the NHS reflects patients' priorities:

- *cut waiting times*
- *improve access to primary care*
- *improve urgent and emergency care*

With so many pressures on people's pockets and the public purse, the NHS must learn to live within its means. We recognise that this will mean tough decisions need to be made and local systems should feel empowered to make them. The government's investment in the NHS against a challenging economic and fiscal backdrop must be matched with reform to the operating model, with a sharp focus on improving efficiency and productivity. We have a shared responsibility to make sure that every pound is well spent. The public welcomed the Chancellor's decision to prioritise the NHS, but they remain sceptical about whether the money will be well spent. It is our responsibility to make sure that it is. I will be closely monitoring performance against the budget. The culture of routine overspending without consequences is over.

Which reads as less of a promise but more as a threat. It also speaks of imperatives that are not

uppermost in people's minds, as numerous surveys of public opinions on healthcare in recent years have shown.

Thus, the [Public Attitude survey 2024](#) found,

- 84% of respondents believed that the NHS has a major or severe funding problem.
- When asked about government choices on tax and NHS spending, most respondents chose to increase taxes and spend more on the NHS (48%).

[The Health Foundation in a survey in late 2023](#) found,

- the public has clear priorities for the future: addressing the pressure on or workload of NHS staff (40%), increasing the number of staff in the NHS (39%) and improving waiting times for routine services (35%) are their top priorities for the NHS.
- 82% of the public think the NHS needs an increase in funding, including 63% of Conservative voters.

I would not be the only one to be moved by the [FT Magazine article by Madison Marriage](#) relating the avoidable death of her brother because of failures and delays in delivering drugs to an epilepsy sufferer. It turns out that the right to have an emergency supply delivered is not advertised because of fears patients might misuse the system ie use it. It's another example of confusion of war aims. Are people there to deliver care or to ration resources and to learn to expect collateral damage when care doesn't get delivered in time.

For the system to work it requires politicians to listen to the public, and not just to higher rate taxpayers. As I have detailed in many of these newsletters the NHS has a capacity problem. It delivers less healthcare, with less doctors, nurses, equipment, and beds than other countries. A better functioning democracy and

competent leaders would recognise the bleeding obvious and Act this Day. And resorting to deception tactics (prevention as a substitute for healthcare), diversion tactics (spending on AI and IT as a substitute for healthcare) and pretending to do something (reducing waiting lists over five years) is not going to cut through to solve anything.

Round Up across Europe

[Social Europe](#) highlight the dangers of populist political parties (in case you are not paying attention). They point out,

Efforts to dismantle the United States Agency for International Development (USAID) and lay off well over ten thousand employees exemplify this (populist) strategy. If such measures go forward, the resulting disruption to medical aid and humanitarian assistance could lead to more deaths worldwide than the casualties caused by Russia's invasion of Ukraine.

It puts the UK government announcement to cut international aid to fund increased defence spending in perspective.

[The European Parliament](#) has been listening to alternative views on Ukraine. Jeffrey Sachs, no insubstantial figure, gives the European Parliament a history lesson. It turns out that Ukraine policy was written by Lord Palmerston. The US has taken on the mantle of the British Empire to encircle Russia and to deny them access to the Mediterranean.

He cites Julian Assange as the journalist who has helped reveal the truth of American foreign policy. Assange was invited to the [European Council and gave this speech in 2024](#). It is more important than ever to focus on truth, self-censorship, and the intimidation of journalists. Listen to the Youtube video from around 36mins for a useful summary of what motivated Julian Assange and thenceforward on his story of US subversion and retribution directed toward Assange himself.

[The European Health Observatory](#) gives a useful summary of the recent German health care reforms that came into force on 1 February 2025. Key changes include,

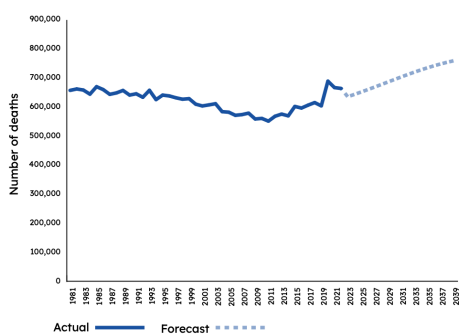
- **65 service groups:** Hospitals must meet certain requirements for staffing, equipment, and departments to apply for a service group (for example, general internal medicine, stroke unit). The respective federal state assigns these groups, which determine reimbursement.
- **A new reimbursement model:** The DRG-based hospital payment system has been partly replaced with flat fees. Reimbursement for inpatient operating costs will ultimately include three components: nursing staff, flat fees, and residual DRGs, derived for every service group based on average costs. The share of the flat fees depends on nursing costs and variable material costs.
- **Intersectoral care facilities:** A new hospital form, intersectoral care facilities, will be able to provide outpatient physician care, outpatient and short-term inpatient care for older people, outpatient hospital services (for example, day surgery), and some inpatient treatments (at least covering geriatrics and general internal medicine). The aims are to secure access to basic services, especially in rural areas, and to lower sector boundaries.
- **A so-called transformation fund:** Between 2026 and 2035, hospitals can apply for investments from a transformation fund with €50 billion to meet the requirements to apply for one or more service groups, mergers and closures of hospitals, or conversions into intersectoral care facilities.

- **Staffing levels:** For physicians (as in place for nurses) and assessing the need for staffing levels for other professional groups like midwives or physiotherapists.
- **Measures to lessen bureaucracy:** For example, regarding accounting procedures.

What takes my eye is the €50bn Transformation Fund. That's how to achieve transformation rather than hoping it will happen or announcing it will happen.

[The Nuffield Trust](#) has published a report in February on the public expenditure in the last year of life. It contains the following chart, which helpfully projects the rising death rate in the UK, underlining the need to respond to the likely pressure for resources.

Figure 2. Number of deaths per year (all ages), UK, 1980-2040



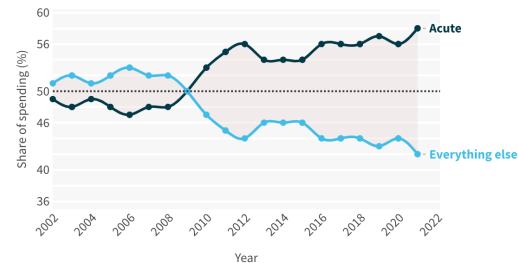
Source: ONS vital statistics⁹; ONS population forecasts¹⁰

The trick is in interpreting this chart. For me it shows how it was possible to reduce beds and capacity as demand had been reducing up to about 2013 but that since then pressures for more capacity to manage the rising death rate has increased. The trend line shows it is not going away.

The issue being debated is whether this trend will be used to improve the capacity of the system to deliver care at home, in hospices or in acute care and social care. It is disappointing that no international perspective is brought to the discussion and hence why it is such an acute problem in the UK.

[The Kings Fund](#) has provided a report on prevention policy in the UK.

Acute hospital services have taken up a larger share of NHS spending over time
Estimation of NHS Group spend by health care service



Source: Darzi Report (2024) analysis of Department of Health and Social Care and NHS England. Bespoke analysis of published data from of NHS Summarised Accounts, DH/DHSC Annual Reports and Accounts, NHS National Cost Collection. There are two natural breaks in the data due to changes in methodology, with new methods being introduced in 2010/11 and 2013/14, and so the data should be strictly considered as three separate timeseries. 'Everything else' category includes community health, primary care, mental health and other spending

TheKingsFund

The report provides the graph above but fails to account for it. Instead it points out,

the reality check on this logic (of reversing the graph above) is that key hospital performance standards are still being missed despite acute services taking up a larger share of health care spending over the past decade. The current approach is a busted flush.

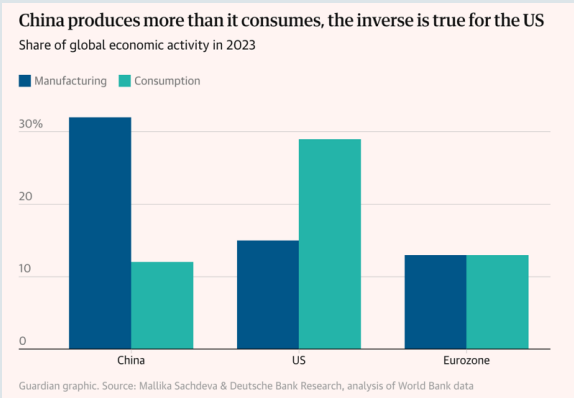
And,

we are kidding ourselves if we think that the quality and access to hospital services won't suffer in the near term if we reallocate funding (from acute care) in this way. The exact impact will depend on whether acute funding growth is slowed, stopped or reversed. But either way, funding that would have gone on more hospital staff, beds and equipment will be diverted – and no hospital efficiency or productivity drive will compensate for this. Longer waits, poorer access, and poorer quality hospital services will be part of the short-term deal.

But if government policy is to deny funding to healthcare to meet health needs, then it tells you what the real priorities of this government

are. It’s certainly not to spend more money on acute healthcare. Despite what the public might want.

Finally, I refer you to a chart that appeared in the Guardian recently. It appears to show that the problem in the world is the super-consumption of resources in the US. As with so much it demonstrates that the UK should be learning from Europe and not the US, particularly with regards to healthcare.



[Database of Previous newsletters 2021-2024](#)

Database of editions of Alternative European Healthcare Perspectives 2025

2025	Key Issues
January	United healthcare, Trump’s new Team, “free to Obey”, Losing faith with Deliverism, Major Trends in 2024
February	Trumps early steps, State of Play in Europe, Preventing Chris Ham , Bidenomics Failures, AI and the NHS , and Waiting lists in Europe.