

CARE SECTOR UPDATE



SUSTAINABILITY IN THE CARE SECTOR

THE FUNDING OF THE NHS AND SOCIAL CARE DEBATE

Our findings

- With the current level of reduced funding for State Funded Social Care there is greater attention on the NHS to make savings.
- A reminder that health care is free at the point of use whereas social care is means tested and contributory based upon the financial assessment after the needs assessment has taken place.
- The NHS has had to look inwards in order to wipe out inefficiencies and continue to do so.
- The latest plans are Vanguards (NHS new models of care), reducing service offering and offloading into the private sector.
- Integration of Health & Social Care is still a long way off.
- Studies continue to show that the British Public put Health before other areas of expenditure.
- There is a slow realisation from the Public, however, that public spending cannot increase indefinitely and POLARISATION towards the private sector continues.
- There is only so much tax individuals are prepared to pay, especially when they know that they will be working well into their 60's if not their 70's, with little or no State Pension. Thus additional deductions from salaries, as in other countries for care, may not be an option.
- The NHS debate was a topic of discussion and continues as part of the BREXIT fall out with part of the population increase forming an immigration debate. Current debates hint that 'Freedom of Movement' will NOT be on the agenda and with potential curtailing of allowances the Care sector may find it more difficult to recruit from Europe.
- Society as a whole has changed post war with more individuals living alone, extended families and family separations. Thus a rapidly ageing population with extended and separated family arrangements will put increasing pressure on NHS and Social Care budgets.

- The budget separation between the two continues with an increasing eligibility arena felt by many regarding Continuing Health Care eligibility (CHC). A reminder that where CHC has been granted families should not be required to pay Third Party Top Ups.
- Maintaining standards in the NHS and Social Care is beyond question but funding of Social Care continues to be hit with a reported 31% reduction of net budgets in June 2016 (Skills for Care Board Briefing June 2016)
- Attracting staff and retention are issues both in the NHS and Social Care and it is felt by many in the Care Sector that Social Care needs to be given the professional standing that it deserves.
- The question of compulsory insurance has been raised in the past and has not proved popular, thus it is anticipated that this funding option will be a matter of choice.
- Voluntary health insurance continues with businesses increasingly offering this as a salary sacrifice option as part of keeping a healthy workforce and Corporate Governance
- The Think Tanks around the funding of both the NHS and Social Care will continue
 - Should a package of benefits be charged for in the NHS?
 - Currently prescriptions are paid for by those eligible and the price increases each year
 - Currently GP's offer people the option for private consultations and treatments if they do not wish to wait for the NHS with waiting lists
 - Certain injections for travel are charged for already
 - Should there be a contribution towards GP appointments?
 - What is the defining point between essential treatment and luxury?
 - Should there be a charge for luxury?
 - Means testing in the NHS as in Social Care would not be a popular option
 - Will it not be revisited in 2020?
 - When/if NHS and Social Care integrates
 - How will costs of a service user be defined?
 - Will health and Social Care costs be split even though there will be one budget?
 - Will Budget holders be combined?
 - Will passing between Budgets cease so that there is clearer responsibility and ownership?
 - Will County policies be aligned? At present Councils in different counties contribute to the funding of care at different levels, and service users have to pay differing contributions – based upon a financial assessment tool but subject to the individual assessor
 - What will the boundaries be between an NHS professional and a Care Professional?
 - If a Care Home has service users from different counties consulting with different councils, it becomes increasingly difficult to navigate regarding the resident's contribution
 - How can this be rectified?
 - All this takes management time away from person centred care
- Will there be a further Precept rise in April 2017 and beyond to contribute towards escalating care costs? Most Councils increased 2016/17 council tax bills by 2% and this has been accepted by the Public as contributing towards the cost of Social Care and the National Living Wage
- Will Top Up care be expanded from April 2020?
 - From third party Top Up
 - To First party Top up?
- After 2020 will a 'cap' on care exist?
- BUT what is the reality of a care 'cap.'
- How would care accounts work in practice?

- Think about the administrative burden?
- What would happen if service users contested the account?
- There is no doubt that quality and high delivery of service must reflect the Care Act 2014
- Lowering of standards of care will not be acceptable
- And people's wealth should not influence their treatment
- There is no doubt that inevitably largely due to medical science people are living longer
 - In turn will work longer
 - In turn will pay more taxes
 - And deserve a highly regarded NHS and Social Service offering for their care
 - BUT how to AFFORD it?

AND SO THE DEBATE CONTINUES...



MEET THE AUTHOR

Julie Hopkins

I am the Head of the Care Sector at Albert Goodman with a particular interest in care home providers and domiciliary care, covering all financial aspects of running a care business from start up to exit.

My LinkedIn profile

For more information or a free initial consultation, please contact me on **01935 423667** or **julie.hopkins@albertgoodman.co.uk**

Learn more about our Outsource Services from Clare Blackmore:
clare.blackmore@albertgoodman.co.uk

www.albertgoodman.co.uk