

Brexit: implications and next steps

NHS European Office

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Conference

13 October 2016



NHS European Office – what we do

- Represent the English NHS in EU affairs
- Part of the NHS Confederation

Core activities:

- Influence EU policy and legislation in interests of the NHS
- Help NHS organisations access EU funding
- Facilitate cross-European collaboration/exchange of good practice

...but since 24 June also Brexit work...



Brexit scenarios

- Unprecedented situation: first time a MS exits the EU
- Uncertainty over what Brexit really means
- **Soft Brexit** – “Norwegian” model (European Economic Area or similar) – access to single market, freedom of movement for EU citizens, contribution to EU budget, most EU law applies
- **Hard Brexit** – UK leaves single market, control of migration, no contribution to EU budget, no application of EU law, UK negotiates trade deals
- Options in between these two extremes?



UK emerging position?

Government has not stated its position, leaving all scenarios open, BUT...

- Controlling migration top priority, more important than access to EU single market
- Prime Minister has referred to bespoke agreement but EU has said UK cannot cherry pick
- Brexit Ministers argue that giving UK access to single market will also be in EU's interest
- Difficult political trade-offs internally between UK Govt Depts/Ministers, and externally between UK and EU



BREXIT means BREXIT!

...but for NHS means potential impact on:

Budget - effect of economic slowdown on NHS funding?

Research - NHS participation in EU collaborative research?

Employment – NHS ability to retain and recruit EU workers?

X-border healthcare - patients receiving healthcare abroad?

Innovation – early adoption of innovation in NHS?

Trials – participation of NHS patients in EU clinical trials?



Budget

- NHS annual funding depends on performance of the economy
- 9.9% of UK GDP spent on NHS (OECD figure) – close to EU average
- £1 in every £5 of UK taxes goes on the NHS
- Varying predictions of economic impact of Brexit, but leading economists foresee economic slowdown
- Lower economic growth would require difficult decisions about public spending
- Chancellor's autumn statement...



Research

- UK is the largest beneficiary of EU health research funds, over EUR300m since 2014
- Govt clarification on EU Research Programme funding post-Brexit welcome
- What about European Structural and Investment Funds and EU Health Programme?
- Already seen a decline in UK involvement in EU bids
- Participation of NHS in EU collaborative research once the UK leaves the EU?
- Continuous ability to attract leading health researchers?



Employment

Heavy dependence on EU staff

- 144,000 EU staff in health and social care in England
- 5% of overall NHS workforce, 9% of medical workforce
- At least 6% of social care workforce (over 80,000 staff)
- Higher % in specialist trusts, London/South East England

Short term: EU staff deterred from coming and/or staying in UK?

- Weak sterling
- Uncertainty over employment rights post-Brexit

Long term: new immigration system?

- Point system unlikely, more stringent system expected
- Different industries will compete for their sector to be prioritised



X-border healthcare

- 27m Britons have a European Health Insurance Card (EHIC) for urgent care in the EU
- Over 1.2m Britons live in the EU and are entitled to healthcare as local residents
- NHS patients have the right to receive planned healthcare abroad under certain circumstances
- Reciprocal rules: EU nationals have same rights to receive healthcare in the UK
- EU Social Security Regulation, EU Directive on patients' rights in cross-border healthcare



Innovation

- Single EU regulatory system for medical technologies (medicines, medical devices, novel therapies)
- Faster to bring medical innovation to market and for patients to access it
- European Reference Networks: improve diagnosis & treatment for rare/complex diseases, allowing earlier uptake of innovation in medical practice
- One quarter of ERNs (6 out of 24) led by NHS trusts and NHS a member in all ERNs



Trials

- Authorisation & conduct of clinical trials regulated by EU law
- New EU Regulation to be applied from 2018 brings significant improvements
- Single application for multi-national trials using EU portal
- Access to EU system (authorisation portal, CT data) for UK trials post Brexit?
- NHS patients access to EU trials?



Impact on the NHS?

Difficult to predict, as will depend on Brexit model, but impact bigger in case of hard Brexit:

- Economic impact bigger if we leave the EU single market
- No free movement of workers
- EU law in key areas (e.g. public health, health technologies, clinical trials, employment, procurement and competition, etc.) ceases to apply
- No access to EU funding programmes and EU collaborative initiatives

Impact in short/medium, long term may differ



Post-Brexit opportunities?

- Imperative to focus on domestic workforce - more training places/"growing our own"
- Greater flexibility for UK to set own employment rules (e.g. on working time)
- Possibility to align registration requirements for EU and non-EU health professionals
- More flexible procurement & competition rules to support New Care Models?
- EU single market as an obstacle in public health (e.g. minimum unit pricing for alcohol, nutrition labelling?)



NHS Voice in Brexit

- NHS at the centre of debate pre-referendum
- Crucial for NHS to be vocal during Brexit negotiations
- Other sectors will be lobbying hard.... important that NHS is not forgotten...
- Different parts of the NHS to speak with a coordinated voice

Our aim: minimise possible risks for NHS and take advantage of possible opportunities



NHS Voice in Brexit (2)

- NHS Employers #LoveOurEUStaff campaign – valuing all staff
- Launch of Cavendish Coalition – alliance of health & social care organisations (NHS employer/provider networks, trade unions, professional bodies etc.)
- Strong evidence base (facts/figures, local case studies/examples) to brief Govt (Dept. of Health and Dept. for Exiting the EU), Parliamentary Select committees, etc.



Final remarks

- Implications of Brexit on NHS still unclear
- But expected to be significant, especially in case of hard Brexit, given strong interlinks between NHS and EU
- Workforce, Research and Medical Regulation key priorities
- Negotiations to be complex and long - unpicking EU membership after more than 40 years will be a massive task...
- Period of uncertainty and instability on the horizon, implications on domestic health policy



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