# **Private healthcare could become ‘a new normal’ as NHS grows weaker**

Sector’s boom times look here to stay as desperate patients seek care and more people take medical insurance

It is boom time in private healthcare. It has never been, or needed to be, a big provider of diagnostics and treatment in the UK before. The NHS’s provision of care to everyone, free at the point of delivery, has seen to that. That also explains why take-up of private medical insurance has remained stuck at about 10% of the population. The health service’s mere existence left little room for the private sector to expand.

However, the NHS’s fragile state – it still gives people mostly high-quality care, it just cannot do that quickly any more – is a historic opportunity for the private sector to go from small to significant. It could become what one expert calls “a new normal” – a not unusual place where people get treated.

The private sector knows history is on its side. The long delays for NHS care that are now endemic – and cause so much worry, risk and harm to those left waiting – are not going to get better anytime soon, as the [Institute for Fiscal Studies](https://www.theguardian.com/business/institute-for-fiscal-studies) [said last week](https://www.theguardian.com/society/2024/feb/29/nhs-waiting-lists-falling-but-will-stay-above-pre-covid-levels-until-2030-ifs-says). So it is promoting its services like never before – and finding more and more people want or need them.

Leaflets through doors offering “rapid access to diagnostics and treatment” at a local private hospital target those anxious at having to wait weeks, months or even years for the NHS equivalent. One recent edition of the Metro newspaper contained advertisements for 20% off breast health checks on Harley Street, advanced MRI body scans “from only £199”, obesity treatment using the [Allurion balloon](https://www.theguardian.com/society/2024/jan/23/non-surgical-gastric-balloon-available-on-nhs-for-first-time) and laser eye surgery by “world-class consultants and surgeons”.

Business is booming because all three sources of the sector’s income are growing, and – again, thanks to the NHS’s woes – are likely to keep growing for the foreseeable future. Recent [figures from Healthcode](https://www.laingbuissonnews.com/healthcare-markets-content/healthcode-data-indicates-record-insured-activity-in-2023/#:~:text=New%20figures%20published%20by%20Healthcode,than%20%C2%A34bn%20in%20income), which tracks the use of private healthcare, showed record numbers of procedures were performed on people with private medical insurance (PMI) in private clinics and hospitals during 2023 – more than £4bn in activity.

Given more and more people are becoming covered by PMI, either by paying for the policy themselves or getting it from employers – with many now offering it as a new perk to help staff overcome their struggles to access NHS care – that record looks likely to be broken again.

Separate data [published last Tuesday](https://www.phin.org.uk/news/strong-private-healthcare-sector-performance-continues-with-payment-through-insurance-leading-the-way-) by the Private Healthcare Information Network showed that private hospitals cared for 665,000 people, a combination of PMI and “self-payers”, between January and September 2023 – a new record and 7% higher year on year. The commonest procedures performed included blood tests, knee replacements, peripheral nerve blocks, eardrum surgery and tonsil removal.

The number of self-payers is 32% above pre-Covid times, although it did fall slightly to 66,000 in July to September 2023 from 69,000 the quarter before.

The sector’s only other negative was a drop in people seeking cosmetic surgery, such as a nose job, because more people are going abroad for it. In the last month alone one friend paid £4,000 to have a bone spur on her foot removed, a family friend agreed to spend £12,000 on a new hip, and an acquaintance decided to seek private treatment for his enlarged prostate because peeing into a bag while waiting for NHS care is tiresome.

And new Independent Healthcare Providers Network figures show that private hospitals in England are performing record numbers of procedures on NHS patients, paid for by the NHS – 1.67m last year compared with 1.3m in 2019.

Even a Labour government committed to reviving the NHS will not seek to disturb its growing interdependence with the private sector. One patient’s desperation boosts one private provider’s dividend, yes, but it also means that person gets care which the enfeebled, overwhelmed NHS can no longer provide when it is needed. Tragically, that will not change anytime soon.