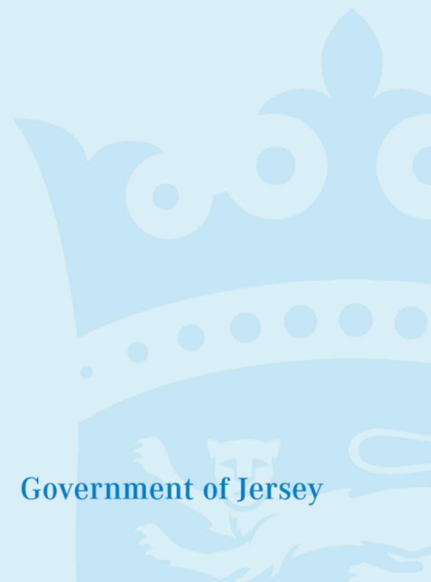
Health and Community Services

Private Patients Services Strategy 2024-2028

April 2024



Government of Jersey

Ministerial Foreword

I am very pleased to present the Private Patients Services Strategy for Jersey 2024-2028. This strategy sets out our vision and goals for private patients services in Jersey over the next five years and signals a commitment to expand the choice of service provision to Islanders by enhancing the private healthcare offer, attracting skilled professionals to Jersey and increasing income to be used for the benefit of all Islanders.

Enabling choice is a key part of the way healthcare is delivered in Jersey and we must acknowledge that supporting this choice brings benefits to the whole system, and is not detrimental to it. Our society is diverse, and encouraging private patients services can support a better balance of healthcare spending and prioritisation towards those who depend most on state funded care.

This strategy recognises and promotes the contribution made by private patients services to our whole Island economy. These services can support growth, not just for healthcare, and are a positive contribution to improving productivity in the workplace and diversifying the economy, continuing to make Jersey an attractive place to live.

Private patients services contributed £12.2 million to Health and Community Services (HCS) in 2023, which is approximately 5% of the overall HCS budget. Without patients using their private medical insurance or choosing to self-fund, Jersey's healthcare system and taxpayers would bear an additional financial burden.

The overarching aim of this strategy is set out in three phases of improvements to HCS private patients services during the next five years. This implementation will result in HCS being the first choice for excellent private care for Jersey residents and visitors, and to double the current private patient revenues to £24 million by 2028.

The development of this strategy is the culmination of collaboration and expertise from healthcare professionals, referrers and suppliers of services, service users and funders of care, and has been informed by a range of experience from other providers of private care, best practice from the UK private sector and NHS, and a comprehensive review of existing private patients services in Jersey.

Our intentions are clear – we must ensure we deliver excellence in our three areas of focus: customer engagement and experience; operational delivery and clinical and financial governance.

To achieve the required outcomes, we have identified seven workstreams as essential enablers for implementing the strategy. Actions are detailed against these workstreams, in the areas of leadership, administration, governance, service quality, quality of facilities, capacity, and commercial focus.

I would like to extend my thanks to all those who have given their time to contribute to help inform this strategy, and all who will continue to work to achieve our goals.
Deputy Tom Binet, Minister for Health and Social Services

Chief Officer's Foreword

This strategy sets out clearly why Health and Community Services (HCS) should deliver private patients services, how important they are right now to supporting the range and costs of present services for all Islanders, and why these services should be developed and provided to the best of our ability.

Private patients services provide choice for patients and the present £12 million a year income is crucial in helping to fund the health services delivered for and on behalf of Jersey residents by the Government of Jersey through state health insurance.

The healthcare needs of the growing and ageing Island population and the ambitions we have to deliver the best that a modern health care system can with new drugs, equipment and highly skilled staff are causing increased pressures on the organisation to deliver within the budgets we have. This strategy sets out how private patients services can further support our ambitions by significantly increasing income over the next five years to £24 million a year.

Our Financial Recovery Plan (FRP) clearly sets out how HCS can and will meet these challenges: providing high quality, accessible and affordable health care to the people of Jersey. Private patients services are a key element of this plan as every pound earned from patients with health insurance, or who are willing to self-fund their treatment and care, goes back into supporting state healthcare services for those without insurance or the means to pay – and reduces the burden on Island taxation and state funding.

The strategy covers the next five years, a period in which we can look forward to investment in new hospital and healthcare facilities. Private patients services will need to be an important part of those plans. The strategy is described in three phases and the work in each phase will inevitably blend as we respond to the changes and opportunities that present in the next few years. The strategy clearly shows how the HCS team will work to deliver excellence in three most important areas of focus: customer engagement and experience; operational delivery and clinical and financial governance.

I know that there will be further discussion about the many opportunities that this strategy identifies for partnerships and for supporting positive change across the healthcare system. What is very clear is the need for me, and the whole HCS leadership team, to start right now in making this strategy work as it is such a key plank of delivering the vital FRP.

I would like to echo the thanks of the Minister and also acknowledge the great number of consultants, staff, patients and many other stakeholders within and outside of HCS that have shared their ideas and raised important questions. These have enabled the delivery of a better strategy as a result and I know that this engagement bodes well for the future delivery of the many benefits the strategy identifies.

Chris Bown
Chief Officer of Health and Community Services

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Introduction

HCS is ambitious for private patients services development and growth over the next five years in support of the Island's healthcare economy. This contribution will be best achieved in a phased way and therefore this strategy has been set out in three key phases and these phases will overlap and blend into one another. It is noted that during the coming year there will be publication of the "Island Health and Care Strategy" and this private patient strategy should also be considered in the context of that document.

The demand and costs of delivering healthcare services on Island is rising as the Jersey population ages and the dependency ratio increases. Demand for private healthcare services has been returning to growth following the significant impact of the Covid-19 pandemic. Private medical insurers both in Jersey and more widely in the UK have reported that claims are now increasing in volume and value and the numbers of people willing to self-fund their own healthcare is also growing.

Jersey is a mixed funded healthcare system with a significantly larger proportion of the population than in the UK holding private medical insurance in addition to state funded insurance. Indeed, the comparisons are much more closely aligned with Ireland, Australia and many western European developed economies.

Every Jersey resident or visitor that chooses to use their health insurance or to self-fund their healthcare, helps HCS in many ways for the benefit of state funded patients: to generate income, save costs and drive efficiencies and to reduce waiting lists and improve access times.

In determining this strategy for paid-for healthcare services in the next five years (2024-2028) a range of stakeholders have been consulted, historic data considered, and experience and expertise from comparative health systems has been sourced. A wide and deep review of present services during 2023 has provided a clear understanding of the current issues, how HCS private patients services is currently viewed by stakeholders, and identification of where the service benefits and commercial opportunities are and how to access them.

A strategy must point towards the vision. The vision for HCS' private patients services is: **to be the first choice for excellent private care for Jersey residents and visitors**.

This will be achieved by providing a professional, on-island private patient service, combining the very highest quality care with exceptional service, close to home.

HCS private patients service puts the patient first and these services are centred on three core areas of focus and values. These are the three fundamental principles on which future growth and success is to be based:

1. Enhancing customer engagement and experience
2. Delivering operational excellence
3. Working to transparent and best practice clinical and financial governance

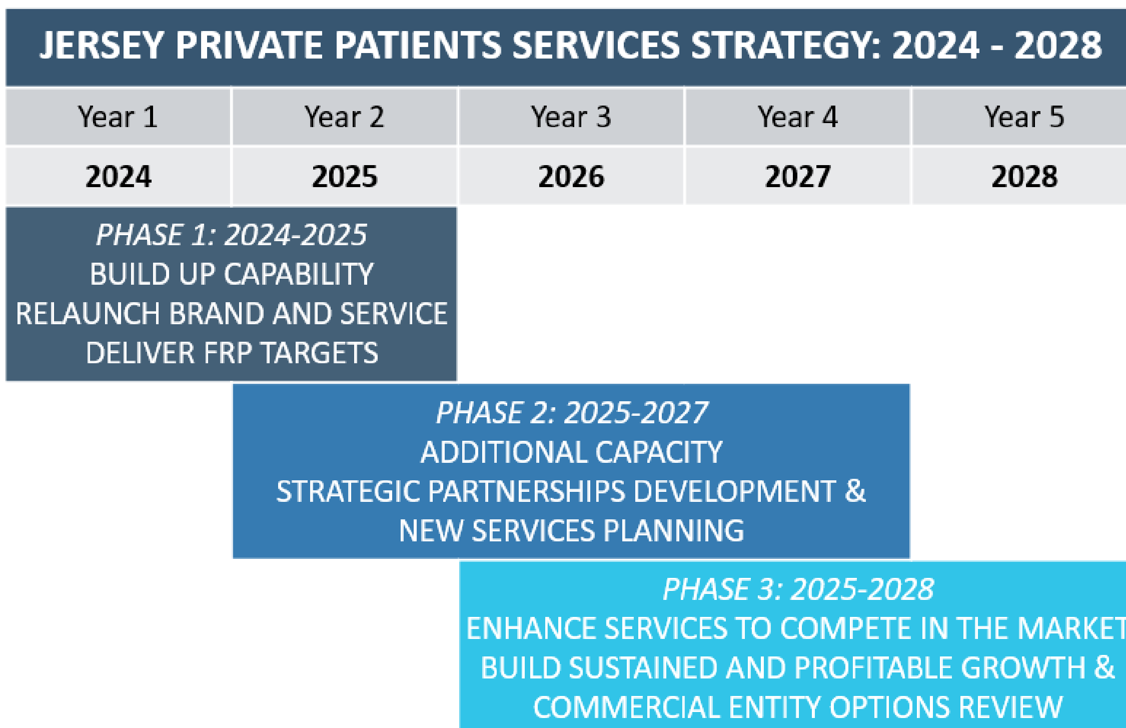
The development and implementation of a long-term overarching strategy must be fully aligned to Jersey's Health and Community Services' (HCS) core provision of state funded services to the Island. This is crucial to building strong foundations to enable the sustainable and profitable expansion of the service.

So, the purpose of HCS private patients services is to provide comprehensive and excellent care, delivered by consultants who are experts in their specialty, supported by first class facilities and staff. The significant financial contribution that HCS private patients services makes to HCS as a whole means that: **every £ that HCS private patients services makes is invested into the delivery of care to HCS patients for the benefit of all Islanders**.

Figure 1: Summary diagram of overall strategy Vision, Goal, Areas of Focus for action

Additional detail on the proposed actions in phases two and three can be finessed during the delivery of phase one. The activities within the three strategic phases will overlap and delivery of key actions will crossover and blend across years.

Figure 2: Summary diagram of the 3 phases of the Private Patient Strategy 2024 – 2028



1. The **first phase**, through 2024 and 2025, will concentrate on both creating the foundations to develop the longer-term vision and also the generation of additional income, as this is a significant contributor to HCS' Financial Recovery Plan (FRP). The HCS private patients leadership team will relaunch the Jersey Private Patients brand and work with consultants, their patients and other stakeholders to improve customer service.

2. The **second phase**, during 2025 to 2027, HCS will continue to develop high quality services for consultants and their patients that deliver benefits to all Islanders. The private patients leadership team will work up business cases for additional capacity to support increased volume and range of private patients services. The team will also work to identify, source, and assess the potential from identified priority potential partner organisations with whom to develop commercial relationships. These will be assessed for the financial and service benefits that could accrue for Jersey. The private patients leadership team will also work on the best fit for private patients services within the design of the new healthcare facilities (new hospital), known as the New Healthcare Facilities Programme.

3. In the **third phase**, through 2025 to 2028, the private patients leadership team will build on these foundations to extend the range of private patients services provided and maximise the financial and non-financial benefits to HCS and the wider Island economy. In this period the team will be seeking opportunities to provide profitable high quality health services to visitors and health tourists. The structural choices available for

managing private patients services within GOJ and HCS will also be reviewed in order to consider the range of commercial entity solutions that give the best fit for the future, and this will include exploring the feasibility and potential for private patients services to become an independent trading operation.

Prior to Covid, private patients services were vibrant and growing. However, the pandemic required changes to the operational delivery of private patients services which resulted in a significant reduction in private patient revenues. This shortfall has contributed in part to the challenges now being addressed within the FRP.

This strategy builds on work HCS has recently completed to assess the commercial opportunities to reverse this trend and enable private patients services to be an enabler of positive change not just for insured and self-funding patients but also for state funded services and patients.

A recent consultant survey has demonstrated that HCS has sufficient medical practitioner support for the re-establishment of private patient capacity and services and suggests optimism for future development and growth.

An audit of infrastructure and organisational capability has demonstrated that HCS has a good foundation for re-developing a strong private patient service offer, but there are a range of issues that require improvement to enable the delivery of the growth opportunities.

Taking action to address the identified gaps in private patients services infrastructure and organisational capability is a pre-requisite to enabling HCS to achieve the potential of identified market opportunities. These opportunities are first to be delivered through site and service transformation during 2024/26 and then beyond that through inclusion in the Island's ambitions from the New Healthcare Facilities Programme redevelopment.

The private patient opportunities for HCS are wide ranging across services, specialties and sites. This strategy therefore proposes that HCS builds up private patients services capacity and capability in a phased way to achieve increases in income, market share and expansion of present service range. To address these issues and opportunities this strategy proposes the following 3-phased growth of private patients services:

- Strengthening internal capability and capacity to support organic growth of present services and building growth related to identification of insured patients presently defaulting to state funded care.

- Further growth achieved through repatriation of lost insured and self-funding patients being referred and choosing to go off-Island.

- Longer term development of private patients services through embracing of the mixed market healthcare system through policy and the New Healthcare Facilities Programme and exploring the wide range of partnerships identified.

Jersey healthcare is a mix: both state and privately funded

Private patients services are an integral part of HCS, generating £12.2 million in 2023, from patients who use their private medical insurance, or choose to self-fund, to access predominantly essential healthcare treatment.

Without a private patient service, Jersey's healthcare system and taxpayers would bear this financial burden, as the costs of private patients would fall to the state budget.

In Jersey there is an estimated 30% of the population with private healthcare insurance, which is more than 30,000 insured lives. In addition, many Islanders are increasingly able and willing to self-fund for some healthcare services, either in Jersey or by travelling off-Island. At these levels, this means that private patients present to HCS for services in every department every day.

Without a private patient offering, Jersey's healthcare system and taxpayers would bear the significant financial burden. It is therefore vital that HCS continues to provide and to invest in private patients services to avoid these costs falling to the already stretched state budget. Indeed, as demand for private healthcare, and healthcare in general, is increasing there is significant potential for growth and to lessen the financial burden on state costs.

Jersey health strategy is closely linked to Island economic strategy through the demands of the ageing population and because the majority of private medical insurance in Jersey is provided by corporate employment schemes (approximately 80%).

Further, private practice also plays a key role in attracting medical consultants to work in Jersey, while providing a comprehensive healthcare service and increased choice in patient care. It generates additional tax revenues, contributes towards hospital operational costs and supports the Island's economy, leading to improved resilience and stability for Jersey's healthcare system.

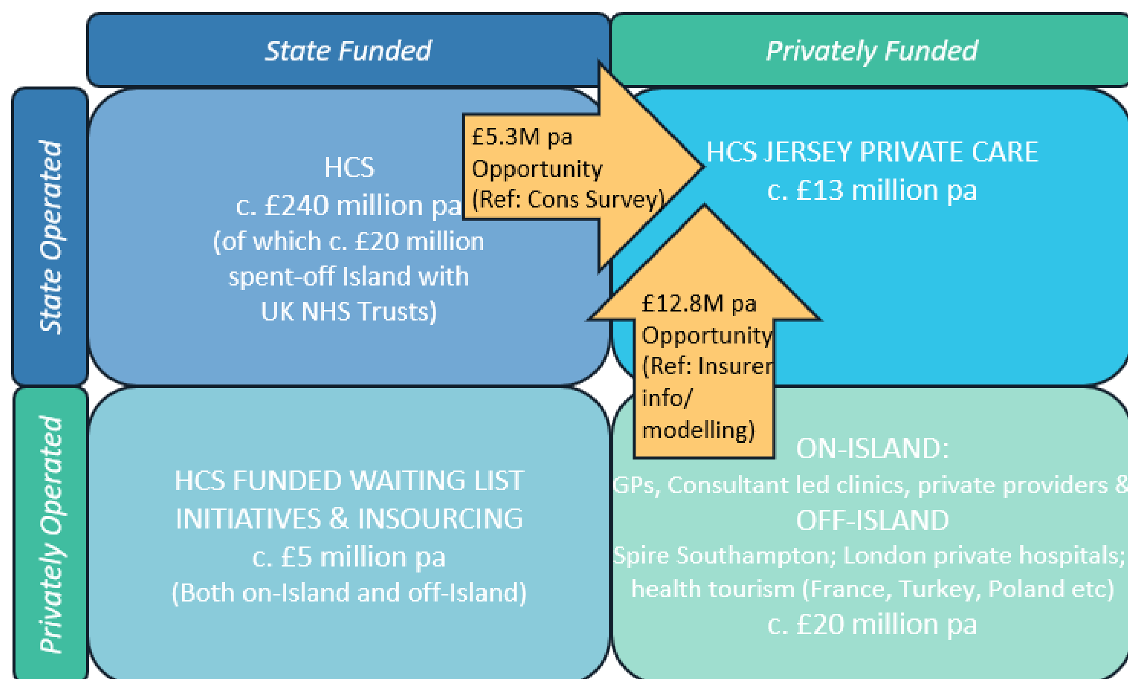
HCS operates in an attractive market for private patient activities worth an estimated £41.6M a year, comprising £31 million a year for providers and a further £10.6 million a year in professional fees (mid-2023 estimates). HCS private patient revenues are currently approximately £13 million a year which is estimated to be 41% of the market.

HCS a monopoly provider of secondary care services to Jersey and as such must accept the challenges and opportunities relating to the provision of private patients services to the 30% of insured Island residents plus the many that are willing to self-fund. However, there are limits to the extent of health services that can be safely provided on-Island and so the pattern for state funded patients is largely mirrored by private patients with the addition of those patients also choosing to pay for treatments that are not offered or fully funded by the state, such as cosmetic and plastic surgery and fertility.

This means that Jersey is a dynamic market for both state funded and private healthcare. The state directed and funded referrals for both elective and non-elective treatment and care and wide range of GP, consultant to consultant and self-directed off-Island flows for privately insured and self-funded treatment means that the costs of these off-Island services is a loss of potential resources that could in fact strengthen the resilience of Jersey's healthcare system for the benefit of all.

HCS can still successfully compete with UK, off-Island services and the, at present, limited on-Island independent sector providers despite the presently mixed quality estate and lack of designated private patients services. This is largely because many consultants, the key customers, recognise that HCS has specialist equipment and staff teams that are simply not available locally elsewhere and so their private patients will follow their lead and clinical advice.

Figure 3: Diagram illustrating the funding structure of Jersey's health care economy



Jersey private patients services are a Win-Win-Win…

As private patients services, both funding and delivery, are intrinsic within the Jersey healthcare system, opportunities are available for changes that can deliver win-win benefits for a wide group of stakeholders including patients, GOJ, HCS, consultants, insurers, employers and more.

Private patients services already support HCS present operational and financial pressures, but this support could be accelerated, widened and deepened by embracing and aligning the service more closely within wider Island site and service operations and strategy to contribute positively to system wide transformation across the organisation and Island.

Over time, the present service gaps in Jersey will change as techniques, equipment and technology develops. Each current specialty and service gap represents an opportunity for

HCS and its private patients services to exploit to build future capability on-Island through pro-active partnerships to achieve best outcomes for Islanders.

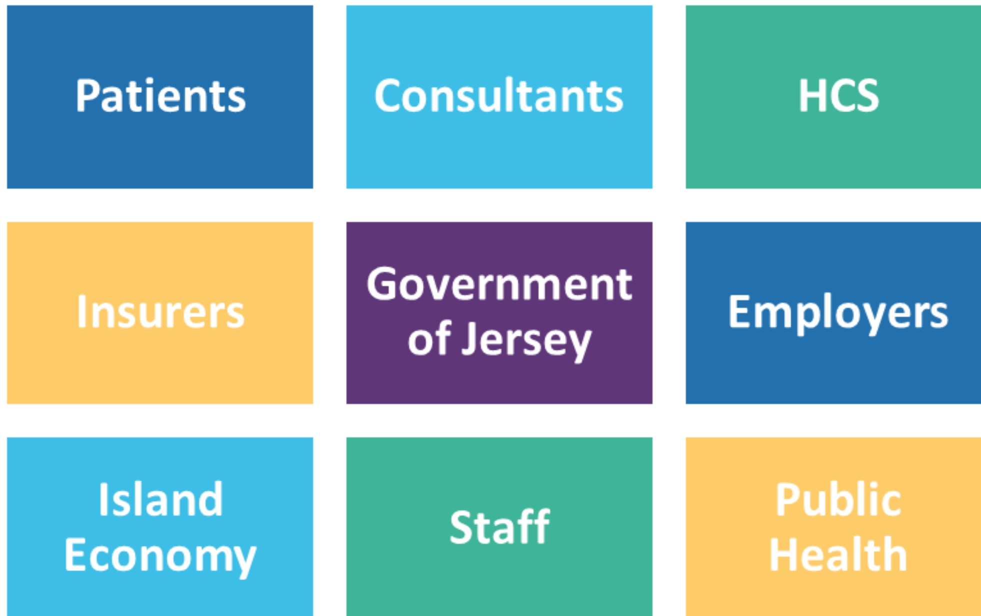
Beyond this and leading into longer-term strategic opportunities, private patients services will continue to be a core element in the service and design planning through and within the New Healthcare Facilities Programme.

HCS consultants have identified a number of market and service opportunities to increase the uptake and use of health insurance and also choices for Islanders to self-fund for private patients services. Although Islanders acknowledge and accept that the UK NHS is best placed to provide many of the most specialist healthcare services that a much smaller population cannot afford or support, many report that they do not really want to go to the UK or further afield if they are unwell, and particularly not when they are faced with a lengthy stay in accessing treatment. Wherever appropriate, Jersey patients prefer these services delivered on-Island.

So, in summary, as the figure below illustrates, there are win-win-win benefits for may through private patients services growth:

- Private patients services support the **wider Island economy** by improving the range of healthcare services provided in Jersey;
- Supports **employers** by making Jersey an attractive place to live and work;
- **Improves public health** by reducing the demand for state care thereby reducing waiting lists and improving access times;
- Offers **patients choice** in consultant and quick access to treatment;
- Plays a key role in attracting **consultants** to work in Jersey;
- Enables **HCS** to reduce the burden on the state healthcare budget contributing towards hospital operational costs and planned and pending business cases for investments in staff, services, equipment and capacity;
- Supports health care **insurers** by providing services for their members which are closer to home;
- Supports the **GOJ** through improved resilience and stability for Jersey's healthcare system

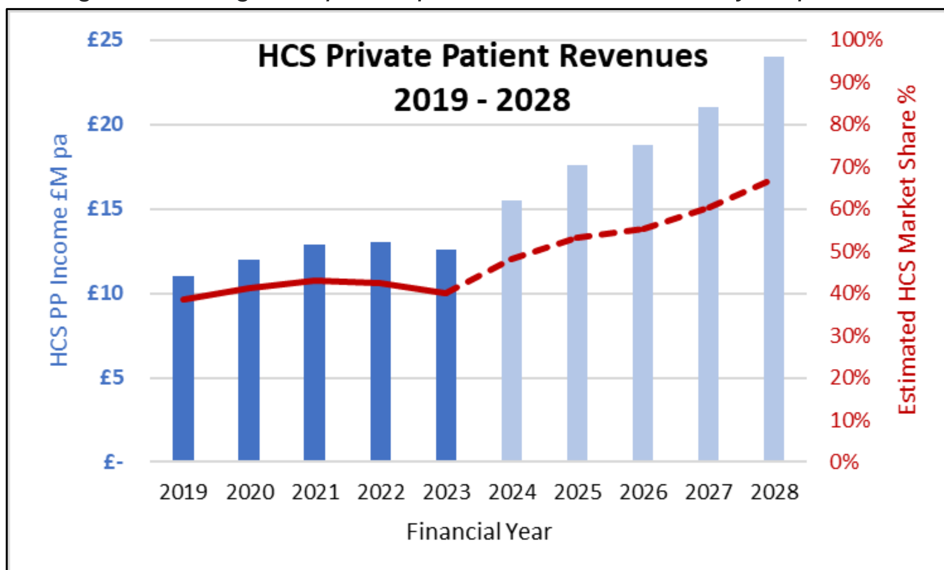
Figure 4: Diagram illustrating the wide range of organisations and groups that benefit from private patients services



However, there are a number of estate, capacity and customer service issues that need to be addressed in order to encourage consultants and their private patients back to HCS.

Enabling private patients services to operate as a profit and not cost centre will empower HCS Care Groups and decision making. This both demonstrates to consultants that they will be treated as customers, and also enables a more rigorous relationship and alignment of incentives between departments to achieve 'win-wins' for both state funded and privately funded activities, while also enabling any private patient capacity to be set up for mixed state-private provision to maximise all HCS capacity and resources. For this reason, HCS will explore, through this strategic period, the advantages and disadvantages of establishing private patients services as a separate trading 'arms-length' organisation within GOJ.

Figure 5: Diagram showing HCS private patient revenues over 10-year period 2019 to 2028



Consultants, health insurers and other stakeholders have identified two key segments of market opportunity for HCS to develop in this strategic period:

1. Identification of insured patients currently receiving state funded care, which modelled from the consultant survey has an estimated value of £5.3 million a year;
2. Repatriation of insured and self-funding patients receiving private care off-Island, and this, modelled from insurer contact this has an estimated value of a further £12.8 million a year.

This strategy identifies actions that model by end of 2026 a 47% increase in private patient income to £18.8 million a year (55% market share) and to £24 million a year by the end of 2028 (c. 67%). This strategy is designed to meet the needs and preferences of Islanders and to best support the challenges faced by the Island economy over the coming years.

Demand for healthcare is increasing in Jersey

On 21st March 2021 Jersey had a population of 103,267, with the majority living in or close to St. Helier. This represents an increase of 5,395 since 2011. Net migration has accounted for around 63% of the population growth over the last 10 years. Based on the 2021 estimate, the majority of the Jersey population falls into the working age group, with 66% of residents aged between 16 and 64 years, while 18% are over 65 and 16% below working age. These proportions have remained relatively stable since 1981.

Figure 6: Diagram showing Jersey estimated population 2000 to 2021[1]

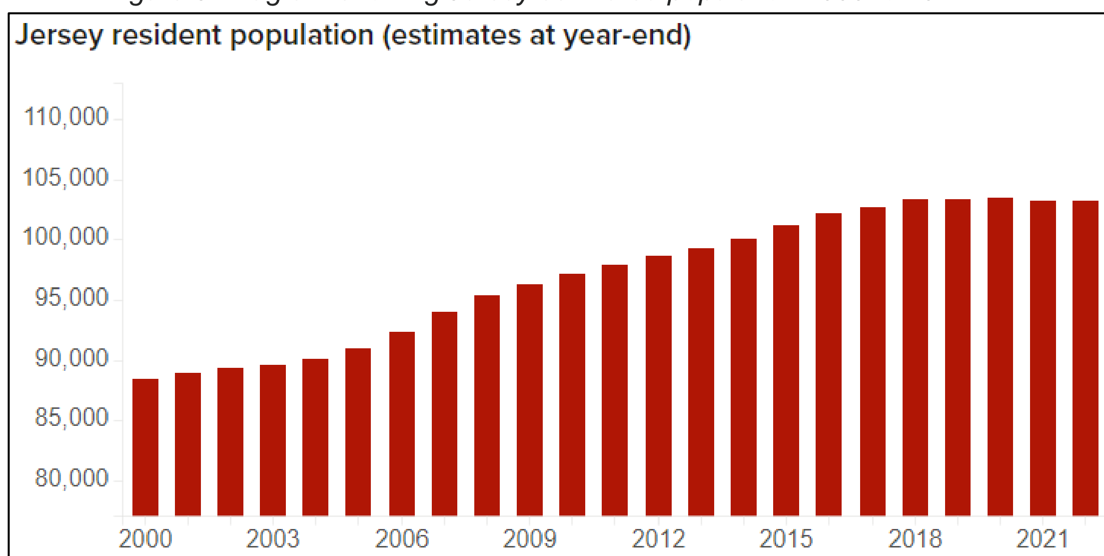
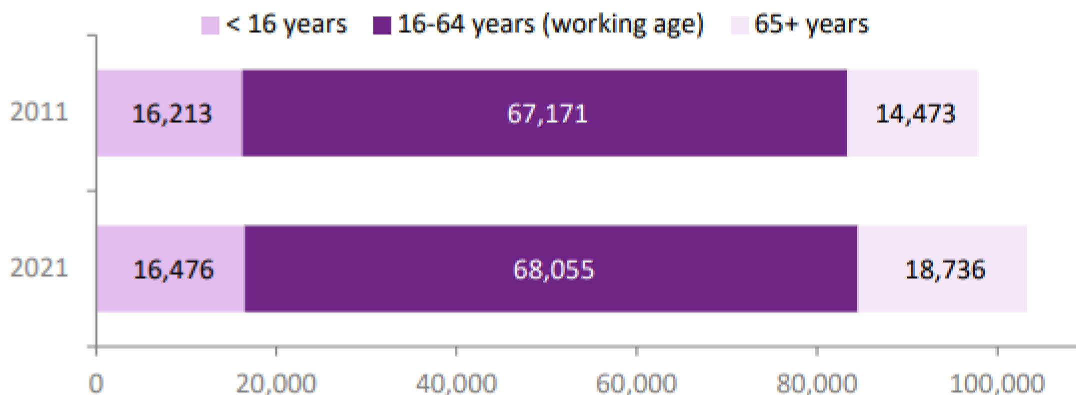


Figure 7: Diagram showing Jersey population changes between 2011 and 2021 between those of working population, children and over 65s[2]



[1] Source: Statistics Jersey https://www.gov.je/StatisticsPerformance/Population/Pages/Population.aspx

[2] Source: Statistics Jersey, Census 2021 Report https://www.gov.je/StatisticsPerformance/Population/Pages/CensusResults.aspx

Figure 8: Diagram showing change in Jersey population changes between 2001 and 2022[3]

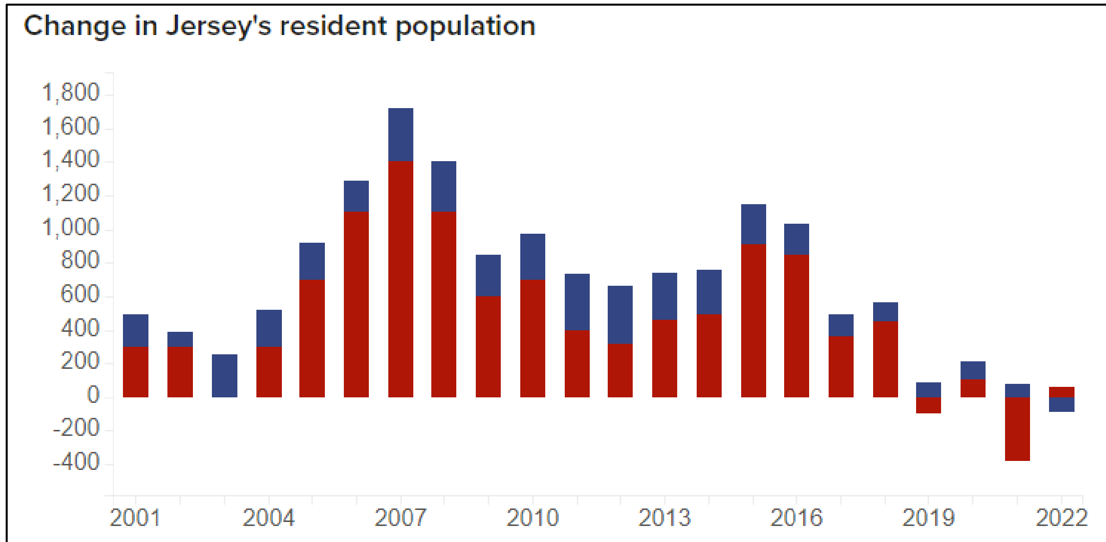
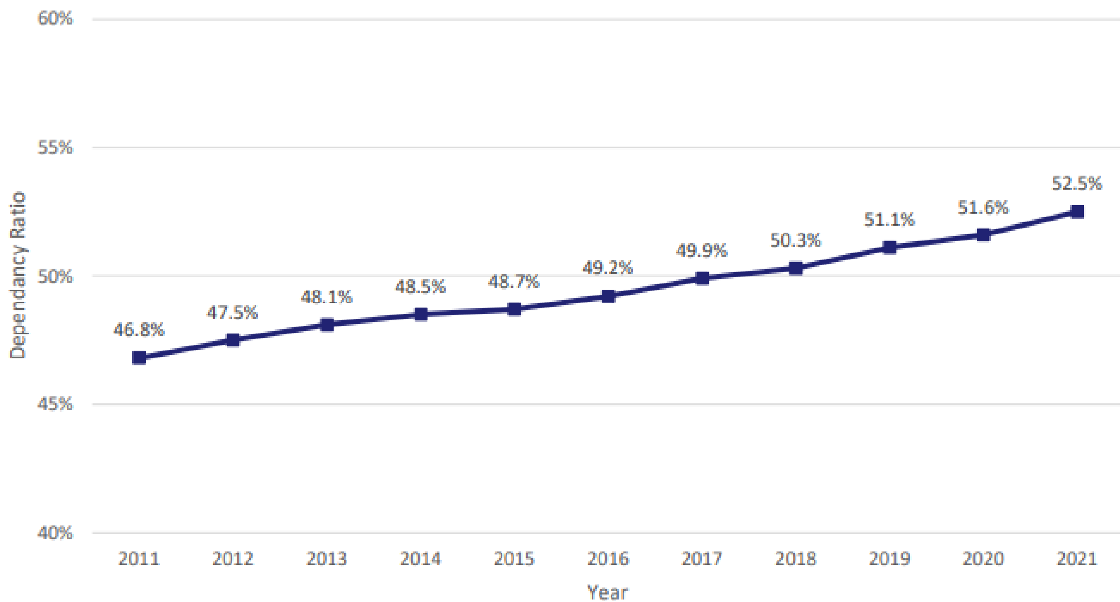


Figure 9: Diagram showing change in the Jersey population dependency ratio between 2011 and 2021 (The dependency ratio is the proportion of the non-working population as a percentage of the working population)[4]



These Island dependency proportions have been substantially constant since 1981 but are now starting to increase as the population ages. This is relevant because not only does healthcare demand increase with age, but private healthcare insurance is mainly taken up as an employment benefit by those of working age.

It is forecast there will be about 11,000 more Jersey pensioners by 2035. Data from Jersey Government open data project shows:

- A large increase in people aged 90+

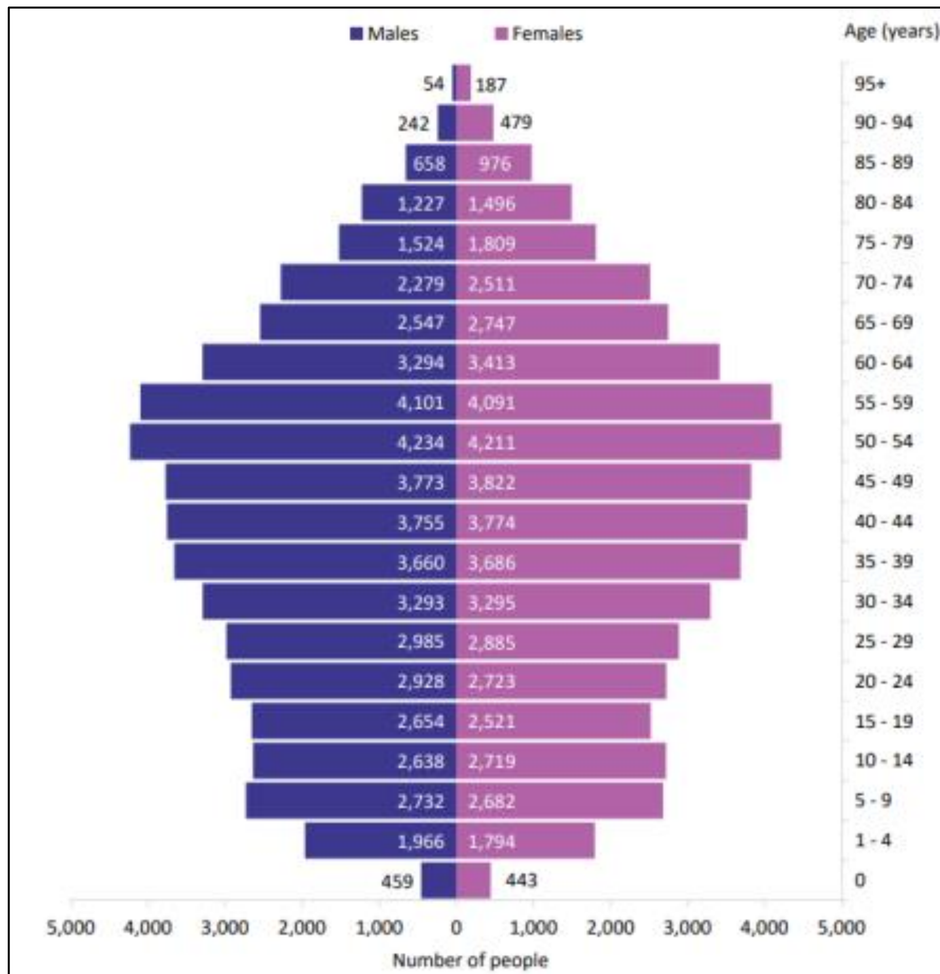
[3] Source: Statistics Jersey https://www.gov.je/StatisticsPerformance/Population/Pages/Population.aspx

[4] Source: Statistics Jersey Population and migration statistics, 2011 to 2021

- That the median age has shifted above 50 in the past 10 years
- There is an uptick in ‘student age’ Islanders leaving (and not coming back as this dip which appears in 2012 and moves up the ages to 2021)

These changes are already driving up state healthcare costs as over-65s typically consume four times more healthcare than an average adult of working age.

Figure 10: Diagram showing the structure of Jersey’s population in 2021[5]



To address the demographic challenge Jersey aims to keep people as healthy and economically active as possible. This is recognised in the Government’s Common Strategic Policy and Future Jersey vision and the Strategy for Sustainable Economic Development.

Jersey’s health strategy is therefore intrinsically linked to Island economic strategy through the demands of the ageing population and, within that, private patients services support Jersey’s wider health economy in three main ways:

1. A direct economic benefit as a growth industry (and potential future export, looking at health tourism);
2. A reduction in state funded healthcare spend, and

[5] Source: Statistics Jersey, Census 2021 Report
https://www.gov.je/StatisticsPerformance/Population/Pages/CensusResults.aspx

3. A key driver in improving employee health and wellbeing (through rapid access to investigations and treatment which otherwise reduce work productivity and cause sickness absence).

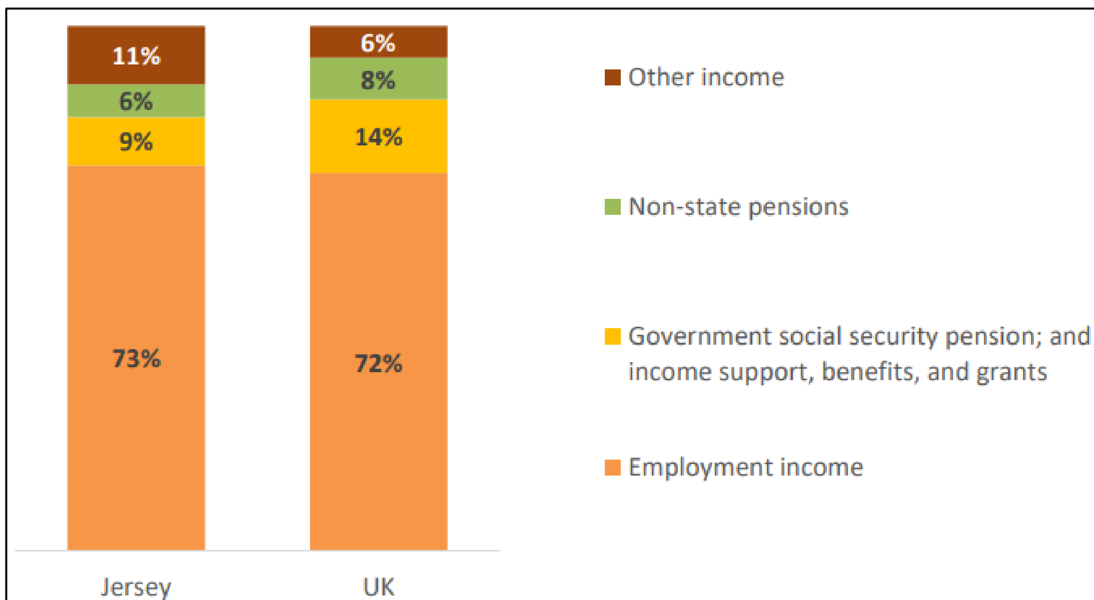
GOJ has the opportunity of leveraging Jersey's already high health insurance spend and the Island's mixed healthcare funding model to do this by supporting growth in HCS' private patients services. This could be achieved by considering active support for expansion of healthcare insurance for Islanders; perhaps through tax incentives for taking out insurance, or requiring employers to fund a basic level of insurance cover, or extending the present principle of co-pay for some additional services.

Health insurance prevalence

Jersey is a dynamic and mixed healthcare market in both funding and service provision and GOJ and HCS can proactively manage all aspects of the Jersey healthcare market to best support HCS' priorities and strategy – including developing private patients services growth.

Jersey has a relatively higher proportion of household income from employment and from 'other' income than the UK. However, household income appears to be under increasing pressure, and this may have an impact on future health insurance take up and, therefore, increase demands on the already stretched GOJ funding of HCS.

Figure 11: Diagram detailing the composition of Jersey's household income compared with UK[6]



The Island's health insurance rate is, in part, a function of GOJ choice for the healthcare system. Private Medical Insurance (PMI) take up declined as a result of the 2008 financial crash, then stabilised, and since 2019 has returned to growth. GOJ can now choose to act to either encourage or discourage take up of private medical insurance and self-funding of healthcare.

However, there are also stresses on the present level of private medical insurance take-up:

- The rising cost of such insurance premiums to corporates, but particularly also to individuals;
- The wider economic challenges to companies offering PMI as an employee benefit;
- Perception that the present delivery of private patients services on Island by HCS does not provide choice, value for money or the levels of customer service that private patients expect, and

[6] Source: Statistics Jersey, Jersey Household Income Distribution 2021-2022
https://www.gov.je/StatisticsPerformance/StatisticsCommunityPeople/Pages/HouseholdIncomeSpending.aspx

- Health Insurance premiums increase with age and rise more sharply after reaching retirement age. Jersey therefore has an ageing insured population that faces future significant increases in premiums.

In the UK, London is the most expensive region to buy health insurance at c. 25% above the national average. It is estimated that Jersey PMI premiums are also around 25% above the UK average.

The UK has in recent years experienced a significant and prolonged increase in self-funding demand. The key factor influencing the growth in this demand is NHS performance and the prolonged impact of Covid that have reduced capacity leading to longer access and waiting times.

The proportion of self-funding patients in the UK to insured patients has increased to 1:2 in 2021, with growth highest among 60–75-year-olds and a trend for patients to choose to 'spot purchase' their self-funding private treatment rather than take up private healthcare insurance policies.

In Jersey the growth in self-funding treatment on-Island has not yet been so marked. It can be assumed therefore that a significant proportion of self–funding Island residents choose to travel to the UK and further afield for their private healthcare. The estimated total value of this treatment and care is more than £2.5 million a year and these funds are at present lost to the Jersey healthcare system every year.

As Jersey is a mixed funded healthcare system, an example being patient co-payments for GP appointments, GOJ has opportunities to manage the future direction and make-up of this funding.

There are options available to GOJ that could support the delivery of choice for private care and benefit not only the Island healthcare system but also the wider economy by encouraging the take up of private medical insurance by employers and individuals.

In higher-income countries private health insurance can often exceed 15% of the population. Jersey is a higher income state with c. 30% health insurance coverage. Countries have choices over the place of insurance in the funding of national health systems. Private health insurance is not necessarily only for the most affluent, often used by individuals to fill gaps in service coverage. This form of private insurance is a top-up or complementary to existing entitlements.

There are two other main forms of private health insurance approach:

1. Supplementary insurance is additional payment to receive enhanced benefits such as quicker access to care, more comfortable surroundings, or be exempt from the costs of co-payments such as those levied on drugs or inpatient stays. In France >90% take out supplementary private insurance to protect against the high level of copayments involved in accessing the nationally funded system.

2. Substitutive private insurance is an alternative to social health insurance and is taken up by those who may be excluded from public cover. In Germany and the Netherlands employees earning above a certain income are excluded from care provided by the social insurance scheme (though not exempt from making payments) and are required to take out 'compulsory voluntary' insurance to get the care they require.

Jersey is already different to the UK and has some parallels to other European health systems. GOJ therefore has a conscious choice over how to manage the place of private health insurance in the healthcare and wider economy.

Figure 12: Table comparing forms of private healthcare insurance in taxation and social insurance-based health systems[7]

Country	***Main source of funding for health system***	***% population covered by health system***	***% population with private insurance***	***Type of private insurance***
Denmark	Taxation	100%	28%	Complementary
France	Social health insurance	100%	>90%	Supplementary
Germany	Social health insurance	88%	9%	Substitutive
Netherlands	Social health insurance	64%	29%	Substitutive
Sweden	Taxation	100%	1.5%	Supplementary
UK	Taxation	100%	11.5%	Supplementary

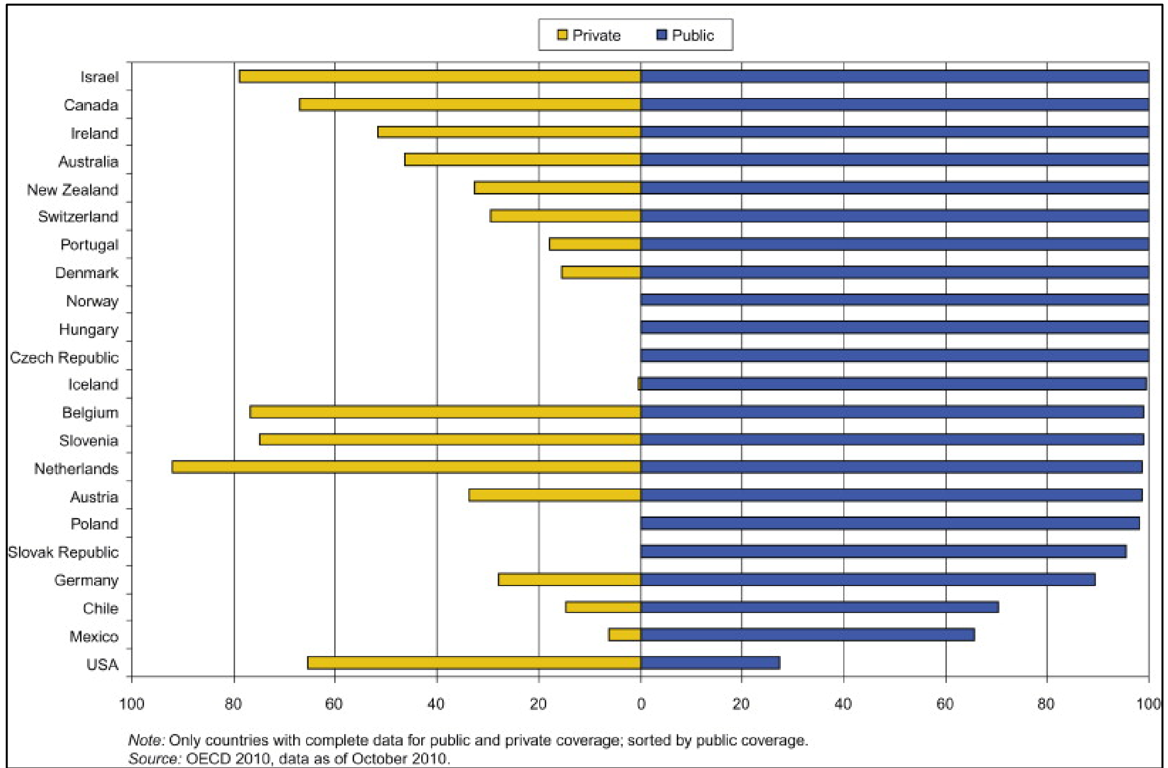
In a GOJ Poll in June 2023 with 1,143 responses from Jersey Islanders over 17 years old, 27.1% answered ‘yes’ (of 1,097) that they do have private medical insurance. There was also support for individuals paying for healthcare if they could afford it: 58% said they would be willing to pay more for their own healthcare in order to provide free or lower cost health services to people most in need.

This poll suggests that GOJ and HCS can gain support for growth in private patients services if it is shown to support state funded health services.

Over the next five years GOJ will explore options for working with healthcare insurers, employers and others to discuss options for future healthcare funding.

[7] OECD 2004: Towards High Performing Health Systems Report (Paris)

Figure 13: Diagram comparing coverage rates of public and private healthcare insurance across OECD countries in 2007[8]



[8] OECD 2010

How and where off-Island healthcare fits in

Approximately £20 million a year of HCS healthcare spend is presently made for off-Island state funded treatment and care in the UK for services unable to be provided in Jersey: £12 million for acute care and £8 million for mental health.

The majority of this spend is for specialist care, for which the average cost per off-Island referral is £8,278. The activity is spread amongst a wide range of specialties with cardiology and diagnostics (mainly PET Scans), trauma and orthopaedics, general surgery and paediatrics amounting to over 50% of the total. The pattern of state funded treatment suggests the specialties and primary locations where a significant portion of off-Island insured patients will also travel to, specifically: London, Oxford and Southampton.

Mental health referrals are mainly spot purchases made through independent referral panels to specialist centres in the UK. These referrals are high value low volume.

Islanders are able to travel off-Island for healthcare relatively easily. Private medical insurers report that since Covid the proportion, value and volume of Island insured patients treated by UK healthcare providers has increased. The total value of off-Island private healthcare is estimated to be worth at present £13 million a year of which approximately two thirds is PMI funded and approximately one third self-funded. While the majority of demand is to tertiary centres of excellence for specialist care, the recent increase has also been due to restrictions in the capacity of private patient care provided by HCS.

It can be assumed that a similar trend has also developed for self-funding patients, though this market includes cosmetic surgery, fertility and other treatments not funded by PMIs, as well as a growing market in early diagnostics. The destinations for Jersey residents also include health tourism destinations other than the UK such as Poland, Turkey and France.

Jersey is an accessible and affordable travel destination well known to residents of the UK. There is also a sizeable population of UK ex-pats resident in France in neighbouring Brittany and Normandy. Therefore, there is longer term strategic potential for travel to Jersey for certain services and to develop the Island as a healthcare destination. This would reverse exports (lost income) and create wealth able to be invested in Island capacity and services. However, to access these markets Jersey would need to:

- Improve resilience and performance of HCS services; and
- Embrace and actively support the already mixed state and privately funded health system.

How should HCS best respond to the needs of Islanders and the Jersey healthcare system?

At present HCS has limited on-Island competition for Jersey's private healthcare market. The market is an 'attractive' one however, as PMI rates are significantly above the UK average and at rates whereby health cover is a normal part of Island health care funding.

HCS is the only on-Island provider of secondary health services and so has a local monopoly of private healthcare provision. However, there are limits to the range of services that can be provided on-Island and so it is a daily occurrence for patients to be referred off-Island for specialist/tertiary care both elective and urgent.

These referrals may be direct from the GP or consultant to consultant. Some consultants have visiting rights to practice in Jersey and bring their specialist skills to the Island, examples being in spinal and hand surgery. A small number of Jersey consultants practice privately off-Island and take some or all of their private patients to the UK.

The overall market size means there remains a range of opportunities for HCS to develop private patients services and increase present market share.

1. Market demand is not yet satisfied as locally provided private patients services do not have sufficient capacity or the premium offer to tempt some patients to use their insurance or choose to self-fund;
2. This means that there is a significant value of insurance value 'lost' when these patients defaulted to HCS and state funding;
3. The convenience and frequency of good transport links from Jersey lead to market share lost to both the UK, principally Southampton and central London independent hospitals, but also outside of the UK as some residents choose to travel further afield;
4. Consumer surveys are identifying that a growing proportion of patients would consider self-funding given rising access times.

On-Island private healthcare providers, including the Lido Medical Centre, Little Grove Clinic, Strive Health Club and others, are principally providing services that are outpatient and diagnostic, for services that HCS does not offer privately. These service providers are, therefore, not presently competition for HCS' inpatient and higher-grade day case activity. There are a number of locations across St Helier and the Island that provide a high-quality outpatient experience that HCS cannot currently match.

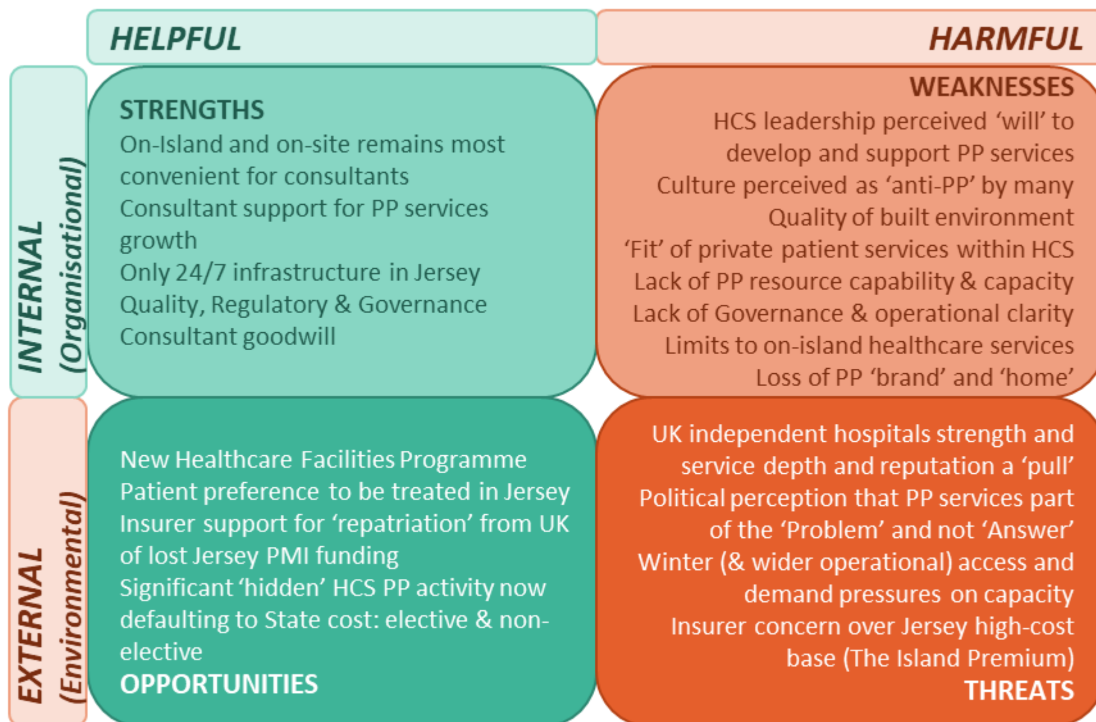
GPs and some consultants are increasingly providing ambulatory procedures that do not require an inpatient admission or full operating theatre, such as hand surgery and dermatology.

Jersey residents' demand for private healthcare is insufficiently catered for on-Island hence significant ongoing value is either defaulting to state costs and/or travelling off-Island to receive treatment and care in the UK and further afield. The value of these two opportunities for HCS private patients services growth is estimated at approximately £15.5 million a year and represents approximately 50% market share.

HCS has a number of market and service opportunities for developing private patients services that would extend the range of on-Island healthcare services. These would be funded through increased uptake and use of insurance and choices, and from Islanders who want these services delivered on Island choosing to self-fund for private patients services.

To deliver these benefits requires HCS to leverage its many strengths; mitigate identified weaknesses; take advantage of market opportunities and understand and respond proactively to commercial threats.

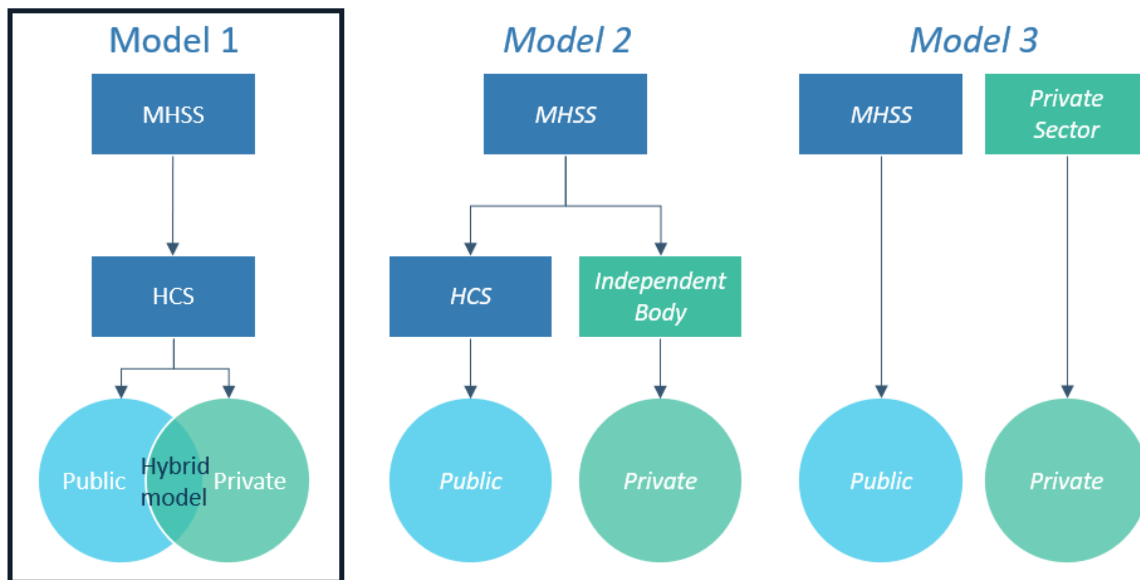
Figure 14: Diagram showing Strengths, Weaknesses, Opportunities and Threats of HCS' private patients services



Strategic policy themes

The GOJ's agreed policy is to require HCS to deliver a mixed-market in the Jersey healthcare system, with funding through both private medical insurance alongside state healthcare insurance – see Model 1 below. This means that HCS should continue to be enabled to deliver private patients services alongside state funded healthcare provision.

Figure 15: Diagram showing three contrasting models for GOJ to consider for HCS in relation to the management and development of private patients services during the strategic period



However, to enable HCS to protect its existing market share and maximise opportunity for future growth there will be an assessment of the benefits delivered through Models 2 and 3: an independent trading operation or incorporated body. These options might best enable:

- Differential branding and marketing away from other Government Departments;
- The autonomy to adjust prices according to market forces;
- Enable the use of excess funds for capital projects.

Model 3, incorporation of Jersey Private Patients would give significantly more autonomy than movement to a trading arm, Model 2. Creating an incorporated company would remove operations from the administration of GOJ. There would not be the same requirement to provide expenditure and income projections to the Government Plan process, which would be required under the trading operation option. There would not be the same restrictions around charging policies, and staff salary scales could be re-defined.

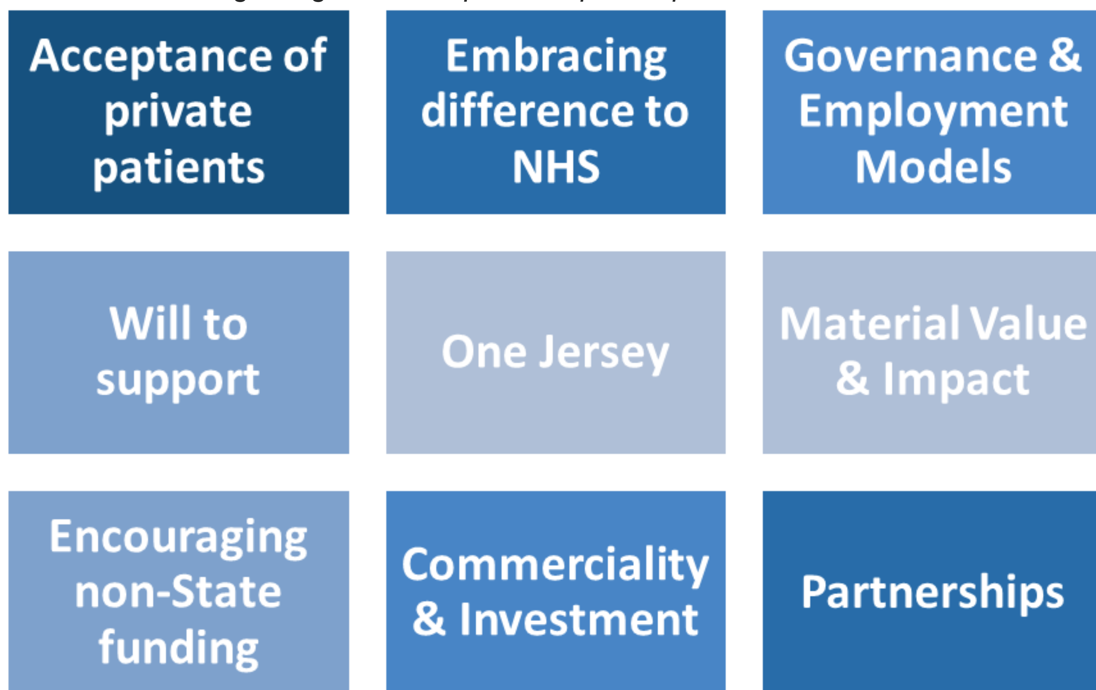
Acceptance of private patients: There is a political – and public – debate about private practice in Jersey because Islanders include both the 'haves' and 'have-nots'. Encouraging private patients services can support a better balance of healthcare spending and prioritisation towards those who depend most on state funded care, through:

1. Increased funding for improvements in services;

2. The reduction in demands on the public healthcare system;
3. The benefits of attracting staff and investment in public/private infrastructure; and
4. A demonstration that Islanders with the capability, bear a greater proportion of the growing demands on healthcare funding.

Embracing difference to the UK's NHS: As Jersey is funded differently it therefore does not have to be compared to the NHS and should 'embrace' this difference. PMI levels are c. 30% (UK 11-12%) but with insurance cover under pressure as it is only worth having PMI if there is an incentive to do so. Jersey businesses (who pay for most of the PMI) want the ability to access high quality service, on-Island, and at speed to increase the value of the benefit to their staff as well as maintain a healthier workforce, increasing productivity, etc. GOJ will therefore examine the potential for widening the channels through which healthcare on-Island is funded through engagement with private medical insurers, employers, and others.

Figure 16: Diagram showing the range of high-level policy choices facing GOJ HCS regarding the development of private patients services



Governance & Employment Models: Professor Hugo Mascie-Taylor's (HMT) report raised significant governance issues that must be addressed to manage individual and collective relationships with consultants whilst enabling them to grow their private practice. Over the strategic period the modernising of governance will also include reviewing other options for employment/engagement:

1. Variations on the present employment contract including assessing the option of a 'Minimum/Base State Provision' contract within a new consultant contract to replace the present form now over 20 years old;
2. An employed model combining State and private patient activity where there is an activity volume and quality requirement for a salary and no separate private patient billing as State/provider does it all and takes gross income and the risks;

3. The Guernsey type model of consultant resources being in a separate trading body that contracts with the States;

One Jersey – more than just Healthcare: The case for private patients services support and growth is not just for healthcare but linked to the Island's economic strategy and is a positive contribution to improving productivity and diversifying the economy. The benefits of supporting private patients services growth will therefore be considered for the identified direct economic benefit as a growth industry (and potential future export, looking at health tourism) and as a key driver in improving employee health and wellbeing (through rapid access to investigations and treatment which otherwise reduce work productivity and cause sickness absence).

Material Value and Impact: The private patient market opportunity is clearly of material strategic and financial (£severalM pa) and service value. Embracing and pursuing the benefits of the Island's unique 'mixed health care economy' enables Jersey to think and act differently about its' healthcare system. Private patients services are not part of 'The Problem', they are and can continue to be part of 'The Solution' to present and future operational, strategic and financial challenges. Private patients services can be the catalyst to a wide range of financial and non-financial benefits: a **win-win-win and win**.

Encouraging non-state funding: Therefore, there is appetite within GOJ for a consideration of discussing with private medical insurers options to extend non-state funded care, including tax breaks and/or other incentives for insurance policies. These must align with Jersey's already developed and published strategies on the economy and sustainable growth. There will also be engagement with employers to think about supporting increasing the range of non-pay benefits as cash pay rises have been challenged by inflation levels. Is it time for private healthcare cover to be part of an attractive benefits package for all Island employees?

Commerciality & Investment: HCS will enable private patients services to become more commercial in outlook, shifting to a full cost recovery that delivers a saving for reinvestment, while remaining as a GOJ service. Some additional commercial freedoms may be required to enable lower private patient costs/fees that could encourage Islanders to use local private patients services, as opposed to off-Island PP services. The HCS private patient service will create a surplus that will, in full, be re-invested to support capacity and upgraded facilities for patients including in the New Healthcare Facilities Programme.

Partnerships: HCS private patients services will explore the potential for long(er) term partnerships with one or more healthcare providers, which could encompass some/most/all:

1. Off-Island waiting list activity/directed state care transferred/tertiary care;
2. On-Island provision – could be private patient and/or state mixed (this raises issues relating to planning support for an on-Island private clinic/hospital; relationship/link to the new hospital development; any length and size/value of contract to help manage investment risk for the third party);
3. And the question of how this could play into the New Healthcare Facilities Programme.

Opportunities from working with potential partners

A wide range of potential partnerships have been identified through the stakeholder engagement process. These potential partnerships vary in size and scope and each present a range of different challenges and opportunities. The benefits of each of these potential partnerships will be explored during the strategy period.

Figure 17: Diagram showing a range of potential partnerships that HCS will explore during the strategic period in order to develop private patients services

Consultants are the key customers, alongside Allied Health Professionals and other clinicians that are able and willing to practice privately. These are the key customers for HCS private patients services as patients generally choose their preferred consultant and the consultant decides where to practice. HCS private patients leadership team will work

individually with consultants to plan, develop and grow the most mutually advantageous commercial services.

Potential exists to shape the market by working with **Consultant Groups**. Consultants are increasingly working together either to share the costs of premises or supporting staff or to cross-cover one another and sometimes share a group practice. HCS private patients services will engage pro-actively with such groups to deliver their practice in Jersey and to maximise the use of HCS facilities for their private patients.

GPs need to be engaged collectively and individually by practice as each is a separate business. As primary referrers to secondary care GPs are usually the first to be able to ask whether patients hold private medical insurance or would prefer to self-fund. HCS is committed to joint working with GPs to enable patient choice and to making this process as simple as possible.

Engagement with **private medical insurers (PMIs)** should be included within the Policy debate as this is a Jersey opportunity given the approximately 30% population coverage and unique mixed-funded health economy. Jersey health insurers are keen to engage with GOJ to have a discussion about how private healthcare funding can help the Island. GOJ therefore does have choices about the differential funding make-up of the Island's healthcare system and can proactively exploit the high proportion of private medical insurance take-up for the benefits of the whole population and economy.

Employers are key to many GOJ initiatives, including future island productivity and also have views on tax-break status of benefits to attract and retain talent.

The growing range of **on-Island providers** are also invigorating the market and extending service supply.

Putting effort into developing relationships with **UK NHS Trusts** to review off-Island flows offer potential for re-imagining state and private service provision. Several leading Trusts have a strong private patient service and might be interested in developing a relationship.

The New Healthcare Facilities Programme could consider additional services and capacity delivered with third parties such as **off-Island independent healthcare providers**. These might include private hospital chains or diagnostic imaging providers or others. Such an initiative should include an element of state funded healthcare in order to attract significant capital in additional capacity and infrastructure. Any such project could focus on complementing and extending the range of services presently provided in Jersey.

States of Guernsey have similar challenges for which common answers could potentially be found.

Ensuring the Private Patients Services Strategy succeeds

Learning from similar projects undertaken with NHS Trusts across England has identified the key building block underpinning a successful private patients services strategy.

For each of these, considering their impact on policy, strategy and future implementation is helpful in order to strengthen the resilience of Jersey's own bespoke private patients services forward strategy.

Political and Leadership Will/Buy-in from the Top: Consultants understand that the climate set by GOJ underpins the extent to which they can successfully practice privately within HCS and request clarity of message, direction and open support for the mixed healthcare economy. The whole HCS organisation will only embrace private patients as 'business as usual' if vocal, unambiguous and consistent positive messages to this effect come regularly from the HCS leadership team.

A High-Quality Offer: On Island, Jersey private patients (both insured and self-funding) expect a high and flexible level of access, good facilities and customer service. These elements should be extended across the whole patient journey. The growth of private patients services will enable the most efficient and effective use of already state funded HCS resources such as expensive buildings and equipment and highly skilled staff. Islanders with private medical insurance (and those preferring to self-fund) expect a certain level of service quality: both for the built environment and customer service. Those consultants that have invested in outside practice premises and services are generally at such a level of service and HCS needs to match this approach. With high quality service provision for private patients services to consultants as well as to their patients, then the growth potential is significant: both for presently unused insurance defaulting to state care and in repatriating growing off-island spend.

Alignment of HCS Culture and Administrative Support: Private practice success can be decided by non-clinical competencies and the ***present perceptions*** are that HCS has struggled with professional/commercial support for private patients. A culture change is required to embed 'private patients as business as usual' right across HCS in order to achieve the desired strategic shift in the proportion of private and self-funded patients treated within HCS.

Brand clarity, awareness and marketing: HCS' private patients services, such as they presently are, do not have a strong market/customer facing brand and when this is developed/re-energised it needs to unify all sites and services.

Commercial management team: HCS did, in pre-Covid times, invest resource in developing what was, up to 2020, a successful private patient service and business. To access the future growth potential identified in this report (and supporting reports) requires the development of a dedicated identified senior management and administrative team

leading a profit rather than cost centre. This will enable the HCS private patient service to be increasingly customer focused and nimble in the fast changing and increasingly competitive marketplace. Without such investment may lead to further decline in the service offer and revenues gained.

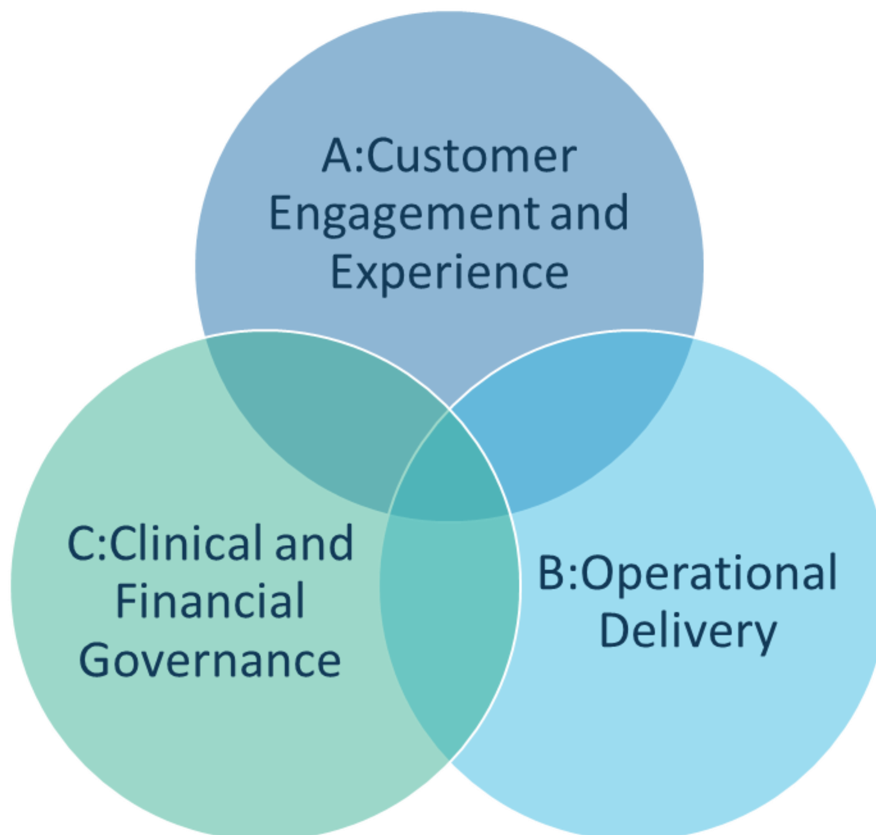
One Island joined-up thinking: Again and again differing stakeholders raised the question about why within Jersey as a relatively small jurisdiction, healthcare services are not more fully joined-up. Wider than this, many stakeholders also suggested that the Island's size meant it should be an ideal platform for joined-up government that enables 'One Island' thinking and creativity across all arms of policy and administration.

Ambition: Linked to this was a subsequent desire for Jersey to have greater ambition. Not to judge the Island's healthcare system versus the UK's NHS, as this is perceived by many as stifling ambition, creativity and energy. Instead, by re-imagining the benefits of the already mixed funded healthcare economy the system might set the goal of exceeding NHS service delivery.

Delivering excellence in private patients services

This strategy concentrates on the key drivers of the business: customer engagement – with a particular focus on consultants; governance; and operational excellence. These are the three areas of focus of the business, which if robust will deliver success but, if fragile, will seriously damage HCS' ability to meet objectives.

Figure 18: Diagram showing high level summary of the three key areas of focus for the development of private patients services during the strategic period



A: Delivering excellent Customer Engagement and Experience

Consultants – and their patients – are the key customers. Consultants decide where their patients are treated. Whilst it is convenient for Jersey consultants to see and treat their private patients using HCS private patients services it should not be forgotten that they have a choice and that there are many other competitors working to entice them to their facilities. It is therefore important that consultants working at HCS private patients services are treated in the same way other independent providers would be, working to ensure they find HCS private patients services the best place for their patients, their work and their reputation.

The relationship between consultants and HCS private patients services is symbiotic and offers mutual benefits. Consultants are customers but they are also key stakeholders in the business; their input is valued and should be involved in the strategic and service development of the business. Fostering closer relationships where consultants feel invested in the overall success of HCS private patients services will deliver even greater benefits for all parties.

The private patients leadership team will engage actively with consultants. The successful consultant survey caried out in summer of 2023 will be repeated annually. There will be regular sub-specialty and individual consultant meetings to listen to commercial ideas and to understand the level of satisfaction the consultants and their patients have with HCS private patients services.

The private patients leadership team will work proactively to show how consultants benefit from working with HCS through four areas:

1. **Quality of care and service delivered to their patients** – If consultants choose to work with HCS private patients services they want to know that their patients will experience the very best care and service. This will help to enhance their reputations. It will also mean that HCS private patients services cultivates many positive ambassadors, both in terms of patients and its consultants. HCS private patients services will therefore ensure that the quality of care, both clinical care and customer care, are of the highest standard.
2. **Quality and efficiency of the support services provided to them** – HCS private patients services provides a billing service to consultants who choose to set up self-funding packages. Formal agreements will be in place clearly detailing what can be expected of each service. Processes for booking patients for surgery, booking consulting rooms and pricing will be made clear to all consultants from the time they start practising with HCS private patients services. All consultants will receive a formal induction and be issued with a Practising Privileges agreement.
3. **Generation of patients** – Through developing the Jersey Private Patients brand and passing on general enquiries and any unnamed referrals. The private patients leadership team will also promote consultants through educational talks, the website and other forms of marketing.
4. **Supporting practice managers** – Practice managers are also customers as they are influential as to where patients are treated should consultants practice at more than one facility. It is therefore essential that their experience and interaction with HCS private patients services is both user-friendly and positive. We shall hold regular forums with practice managers to both ensure they are involved in the business as well as gain their feedback.

B: Deliver excellence in Operations

For HCS private patients services to maximise its profitability and engage its customers it must have **efficient and effective systems and processes**. Therefore, the processes around all aspects of the patient journey, the interaction with practice managers and consultants will be regularly reviewed, seeking feedback from these key stakeholders. These processes will also support revenue capture and maximise capacity through efficiency.

If the systems and processes are to work well then **Information Technology** needs to be of a high standard of functionality. The private patients leadership team will assess MAXIMS and other present systems for improved functionality in support of private patients services. Additional IT systems on the market will be assessed and, if commercially advantageous, a business case will be made for investment.

The **quality and commitment of staff** are fundamental to the success of HCS private patients services. Without their engagement no amount of care pathways, systems and processes will make much difference. Therefore, emphasis in early 2024 will be to build a coherent and motivated team that is focussed on delivering the highest standards of care and service. Customer care training will be provided to relevant staff to both improve upon the quality of care and services as well as serving to motivate and retain staff. All staff will receive a formal induction to understand the vision of the business. Values based recruitment, with a focus on customer service will serve to ensure the right team is in place to deliver the strategy and operational plans.

It is also important that staff across HCS as a whole understand the purpose of private patients services and the contribution it makes. Stakeholder engagement sessions have indicated this has been unclear and is sometimes exemplified by a negative attitude to private patients services when cooperation is needed with HCS colleagues. In order to address this, the HCS Chief Officer and leadership team will clearly communicate the financial and non-financial benefits that private patients services bring to HCS and Jersey as a whole, and that private patients services are an intrinsic and normal everyday part of HCS services.

C: Delivering excellence in and through Clinical and Financial Governance

Underpinning all clinical services must be a solid foundation of governance.

The recent 'Review of Health and Community Services (HCS) Clinical Governance Arrangements within Secondary Care' by Professor Hugo Mascie-Taylor (Aug 2022)[9] (The HMT Report) and the Jersey Audit Office Report on 'Deployment of Staff Resources in Health and Community Services' (January 2023)[10] made a number of recommendations that specifically mentioned private patients services. These will be addressed through this strategy:

Figure 19: Table detailing the activities being undertaken to deliver to the HMT Report recommendations relating to private patients services

Rec	HMT Recommendation	Jersey Private Patients services actions
7	*"… private and public patients should be managed employing identical policies, pathways, and procedures."*	New Practicing Privileges documentation that provides the Governance Framework for private patient care within HCS will state this.
10	*"… the metrics which are needed to assure the safe*	All patients within HCS – both state funded and private – should be included within all relevant metrics. The

[9] Review of Health and Community Services (HCS) Clinical Governance Arrangements within Secondary Care
[10] Report-Deployment-of-Staff-Resources-In-Health-and-Community-Services.pdf (jerseyauditoffice.je)

	care of patients apply equally to public and private patients."	private patients leadership team will have responsibility to implement this.
38	*"… a need for HCS and Government to address the vexed question of the degree of advantage to be enjoyed by private patients."*	The financial and non-financial advantages of private care alongside the state service will be clearly and regularly communicated by the HCS Chief Officer and Senior Leadership Team.
39	*"…to clarify whether the alleged focus of consultant staff on private patients is in fact the case… …does this affect public patient outcomes…"*	Present and historically collected information has not been able to quantify this as data is not always accessible for all private care. HCS will work to ensure capture of all private activity and to manage this alongside consultant job plans and delivery of HCS core state health services commitments to ensure this can be effectively measured in future.
51	*"All patients, both public and private, should be included in audit processes."*	All private patients treated within HCS will be included within audit processes alongside state patients and the new Practicing Privileges documentation will require this.
54	*"The financial arrangements of the management of private patients should be clarified and made transparent …"*	The positive financial benefits to HCS of the Private Patients service will be regularly shared with all stakeholders, including capturing privately insured patient spend so it does not default to state cost; maximising Jersey insured and self-funding spend on-Island; reinvestment of all income in state services
55	*"HCS must audit the situation thoroughly to assure itself that the management of patients within its purview is equitable and equally safe for all."*	A thorough Private Patients Services Review in summer/autumn 2023 audited present processes and made recommendations for future action. These are referenced in this strategy and will be included in updated policies and procedures governing consultants' private practice and the responsibilities of HCS staff.

The renewed and proactive relationships with consultants will be captured within the new private healthcare governance structures, specifically Practising Privileges documentation which will set out how the rights and responsibilities of the two-way commercial and service relationship will be conducted. HCS will also establish a Medical Advisory Committee made up of representatives from each key specialty, initially chaired by the Chief Officer but with the option of future chairs being drawn from the consultant membership.

The private patients leadership team will lead a culture of continuous improvement by learning from incidents and complaints. These will be shared and acted on swiftly. Shared learning sessions across the Care Groups and the organisation will be held.

Further, there will be openness and transparency through risks and reporting.

- An expectation of full recording of all private patient activity using HCS facilities and staff.

- Review of the audit process in relation to improving standards and ensuring continuous monitoring is in place. All the learning will be included in the Medical Advisory Committee and Quality and Risk Assurance Committee.

- Robust review from the private patients leadership team of the risk register and escalating risk through the Quality and Risk Assurance Committee meetings as appropriate.

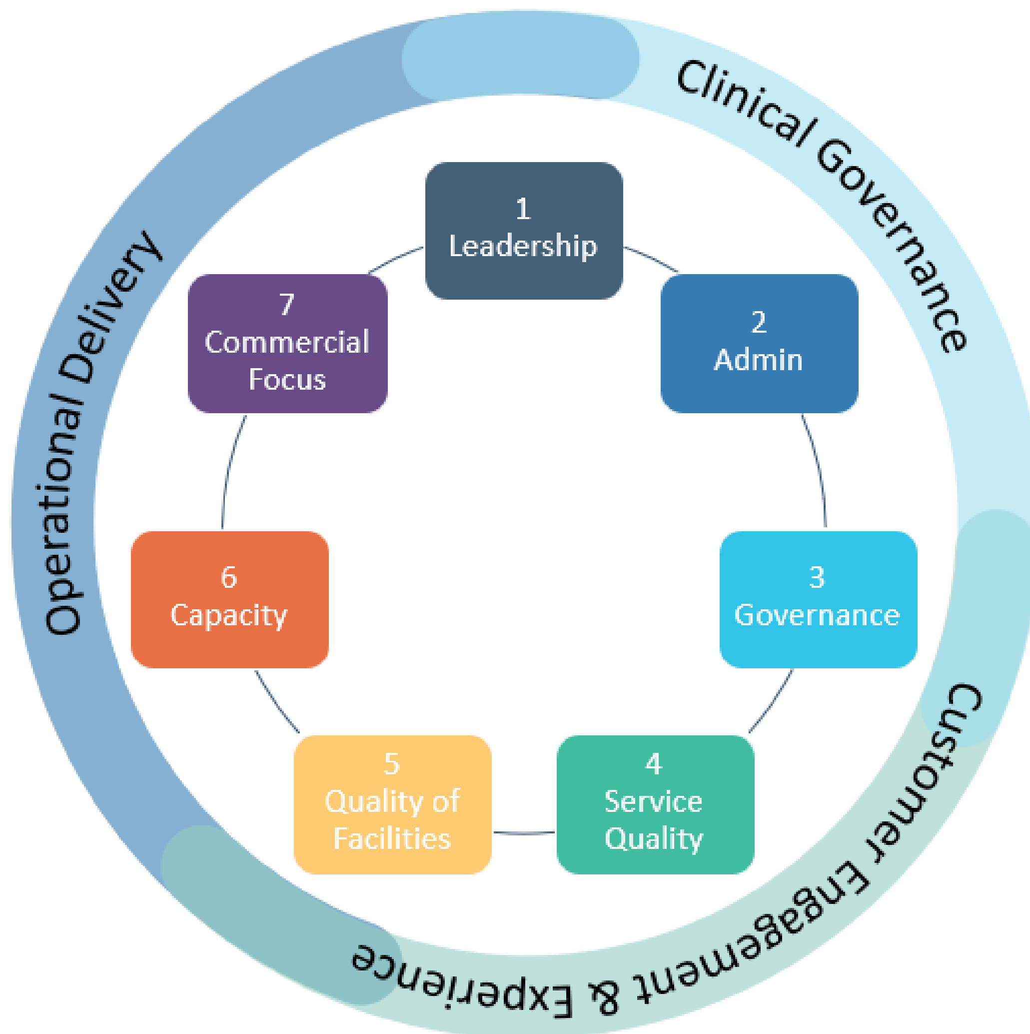
- All evidence, learning and governance will be shared in an open and transparent manner. It will be available in SharePoint, to which all staff will have access.

The Seven Workstreams

To support successful growth when delivering a blend of state funded and private patients services there needs to be consistency across seven key workstreams in order to deliver a safe, robust, commercially successful, high quality private patient service.

These seven workstreams together comprise the areas of organisational skills, competence and experience that are required to establish and grow a successful commercial private patient service alongside a state funded health service:

Figure 20: Diagram illustrating the activities being undertaken to deliver private patients services through the 3 key areas of focus and 7 workstreams



The single most important factor is the will of the HCS senior leadership team to support private patients services development and the actions required to improve operational and commercial performance.

1. **Leadership** – Defines the momentum and commitment of the organisation to endorse and develop integrated services. The HCS senior leadership team should make clear that within HCS the private patient service is 'business as usual' and 'part of everyone's role'. This will be achieved at the start of the strategy implementation through the appointment by the Chief Officer of a Private Patients Services/Income Generation Project Lead. This project role will lead the delivery of Phase 1 including the vital contribution to the FRP and the establishment of strong foundations on which to build growth through Phases 2 and 3 and be succeeded by a senior substantive appointment to lead private patients services.
2. **Administration** – Describes the current administrative and IT infrastructure and the ability to deliver a bespoke, fully supported patient pathway.
3. **Governance** – Predominantly focuses on clinical and financial governance and the mechanisms these facilitate to allow complete alignment with HCS' quality assurance agenda and patient safety profiles.

4. **Service Quality** – Considers patient safety for private patient pathways and customer service across all touchpoints, also ensuring procedural due diligence, benchmarking where relevant and obligations to promote standardised best practice.
5. **Quality of Facilities** – Looks at the challenges faced by HCS to provide differentiated accommodation to meet the quality assurance stipulations of private medical insurers and expected by consultants and their patients.
6. **Capacity** – Assesses the challenges of delivering an integrated private patient service alongside core state funded public health services. This element focuses on the services which are central pathway components and include diagnostics, theatres and critical care. The restitution of ring-fenced private patient inpatient bed capacity in Sorel Ward has been agreed following the recent services review.
7. **Commercial Focus** – Service viability and sustainability is driven by commercial opportunity. Opportunity is underpinned by the ability to effectively reconcile income and minimise debt profiles.

Delivering the Seven Workstreams

Location: Can HCS compete with UK providers to enable repatriation of the lost market share? Yes, with strong leadership, dedicated capacity, commercial management skills and brand clarity HCS can thrive against UK, overseas and on-Island competition.

On-Island v Off-Island: The limits to on-Island care lead to off-Island activity in specialist services, drawing non-specialist insured and self-funded activity with it. Can private patient range and volume activity help support increasing resilience of the Island's health system? Yes, this strategy outlines how HCS might grow delivery in a phased and coherent way to enable PP services to encourage repatriation of some of the presently lost off-Island spend.

Commercial: Can internal GOJ and HCS incentives be aligned to ensure private patients services are able to operate as a profit rather than cost centre? Options for enabling the management of private patients services more commercially will be explored during the first phase, 2024-26, of this strategy delivery.

Figure 21: Diagram showing a range of dilemmas faced by HCS across the key 7 workstreams in developing private patients services

State and private patients: Can HCS embrace and manage both cultures harmoniously, built on a patient first approach? Yes, other state funded systems have shown that leadership from the top, with sustained messaging, will enable state and private patients services to co-exist harmoniously, with private patients making an increasingly important contribution to supporting growing state healthcare expenditures.

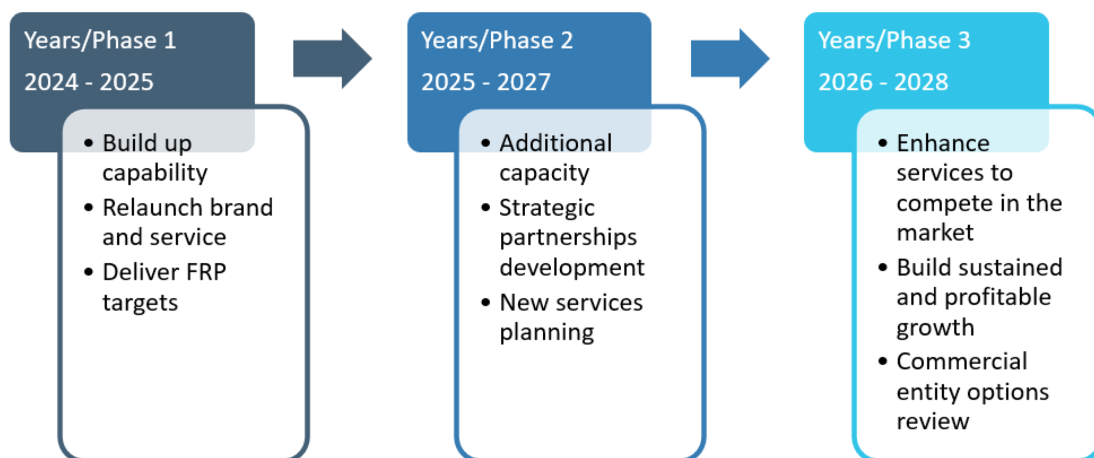
Capital for capacity: Can HCS find a compelling design solution for private patients that can intertwine with delivery of the complex state site and services priorities? Yes, this strategy sets out a phased route to growth, including proactive exploration of the many and varied options for partnerships.

HCS private patients services 2024-2028

The private patients services strategy for HCS for the five-year period 2024-2028 has been set out in three phases. These phases are deliberately blended across financial years as the activities involved will require significant resources and time to deliver and a number are best managed contemporaneously:

1. **Phase 1 (Years 1-2) 2024 and 2025**: The starting place is that HCS leadership will now embrace private patients services as 'business as usual' within both HCS' shorter term operational objectives and annual business plans, and also in longer-term strategic planning. There will be investment early in Phase 1 to improve the resilience of HCS' private patient capabilities – specifically establishing a dedicated leadership structure and professional back office. This team will relaunch the brand as Jersey Private Patients, and work to deliver FRP target income through supporting organic growth of existing private patients services (principally identifying insured patients already in Jersey General Hospital (JGH) and seeking market share growth from lost off-Island referrals).

Figure 22: Diagram showing high level summary of the three phases for the development of private patients services during the strategic period



2. **Phase 2 (Years 2, 3 and 4) 2025 to 2027**: The private patients leadership team will review the wide range of potential partnership opportunities and will identify and support policy discussion where appropriate. The team will also bring forward any relevant and required business cases to support individual partnership initiatives or structures that may be proposed. The team will also assess the potential for provision of additional day case/ambulatory service provision in dedicated capacity aligning fully with (and potentially accelerate) the developing plans for private care within the New Healthcare Facilities Programme (NHFP).

3. **Phase 3 (Years 3, 4 and 5) 2026 to 2028**: The private patients leadership team will engage fully in the developing the potential offered by the NHFP and the bringing to market of any of the wide range of potential partnership opportunities. These will be designed to enable proactive activity in the market, including the developing of new services for Jersey and potentially also non-Jersey residents. The private patients leadership team will plan for and deliver sustained growth in profitable private patients services. In this period there will be an assessment of the advantages that may be accessed through differing commercial entities/models that might develop or change the present direct management of HCS fully within HCS structures. Throughout the team will work closely across HCS to maximise the contribution of private patients services in enhancing state services and aligning and enabling wider Jersey healthcare and economic transformation.

The annual action plans for each of these three strategic phases will ensure delivery of the three Areas of Focus (page 31) through seven workstreams and will be approved by the HCS Advisory Board.

Delivering the strategy

PHASE 1: 2024 – 2025				
Work stream	**Ref.**	**Objective**	**Deliverable**	**Ownership**
Leadership	L1.1	Operational and organisational responsibility for private patients services clarified	Private Patients Services/Income Generation Project Lead and team established	Chief Officer: Q1 2024
	L1.2	Ongoing positive messaging and communications to HCS and other stakeholders regarding benefits of private patients services	Improved understanding	Chief Officer and SLT: 2024 and ongoing
Admin	A1.1	Improved admin processes to support income capture, billing and activity growth aligned with GOJ Treasury and health insurers	Review of Income Office and private patient IT support systems including MAXIMS and other products	Private Patient Services Project Team: Q2 2024
	A1.2	Expand private patient 'back office' Team to improve debt recovery	Reduced bad debt	Private Patient Services Project Team: Through 2024
Governance	G1.1	Review of HCS private patient governance to provide a basis for growth and aligned with the recommendations of the HMT Report and C&AG Reports	Adoption of standard private practice governance models including a Private Patients Policy for HCS staff, and Practicing Privileges document together with supporting structures of a Medical Society, and Medical Advisory Committee and Chair for consultants	Private Patient Services Project Team: Q2 2024
	G1.2	HCS should develop and ratify a Private Patient Complaints Policy	Define the working arrangements and responsibilities for consultants working privately within HCS (aligning with Practicing Privileges documentation; and aligned with GOJ complaints policy)	Private Patient Services Project Team: Q3 2024

Service Quality	SQ1.1	Robust internal SLAs with supporting HCS departments for private patients services delivery	SLAs in place, to be reviewed annually	Private Patient Services Project Team: Q2 2024
	SQ1.2	Customer service improvements to the private patient experience and care pathway	Review of opportunities to be summarised in a costed action plan	Private Patient Services Project Team: Q1 2024
	SQ1.3	Continued consultant engagement	Follow up the 2023 consultant survey sharing with consultants the service improvements to be made; also develop a specialty by specialty (consultant by consultant) action plan following up on identified growth opportunities	Private Patient Services Project Team: Ongoing through 2024
	SQ1.4	Introduce customer care training for staff	Improvements to feedback from consultants and their patients	Private Patient Services Project Team: Q3 2024
	SQ1.5	Introduce Amenity Bed product	Offer of a 'hotel services only' daily charge for state patients choosing a private bed if available	Private Patient Services Project Team: Q2 2024
Quality of Facilities	QF1.1	Improving Sorel Ward through a modest uplift from a partial redecoration	A plan has been proposed to Estates	Private Patient Services Project Team with Estates: Q1/2: 2024
	QF1.2	Private patient branding should be featured in the range of other locations across JGH and HCS that are regularly used for private patient care	A plan has been proposed to Estates	Private Patient Services Project Team with Estates: Q1/2 2024
Capacity	C1.1	Ring-fenced designated inpatient accommodation for private patients to be agreed	Sorel Ward to be private patient base	SLT: Q1 2024
	C1.2	Clarity over access to other capacity across HCS including: Theatres, Day Surgery Unit, Clinical Investigations, Endoscopy, Diagnostic Imaging, Theatres and others	Service Level Agreements (SLAs) in place with Care Groups and departments	Private Patient Services Project Team: Q1 2024

Commercial Focus				
	CF1.1	Review contracts with Private Medical Insurers (PMIs)	Negotiated contracts as part of developing a more strategic relationship with PMIs	Private Patient Services Project Team: Q2-3 2024
	CF1.2	Review of tariffs	Reviewed to ensure tariffs cover the cost of delivery, with a focus on the costs of high-cost devices, consumable and drugs and the impact on future procedure-based tariffs	Private Patient Services Project Team with FRP Team and FBPs: Q2-3 2024
	CF1.3	Working with Care Groups and FRP team to maximise income	Identification and capture of already insured patients within HCS that are presently treated and funded by the state	Private Patient Services Project Team with FRP Team and FBPs: Q2 2024
	CF1.4	Develop standard operating procedures to enable HCS private patients services to operate from 2024 as a profit and not cost centre	Introduce a high-level model for the internal purchasing of services provided under SLA's (these to include theatres, critical care, diagnostics, paediatrics, etc)	Private Patient Services Project Team with FRP Team and FBPs: Q2 2024
	CF1.5	Increase number of self-pay packages, focusing on popular, affordable procedures. To include colonoscopy and gastroscopy diagnostic procedures, in the first instance	Agreed packages with consultants	Private Patient Services Project Team with consultants: Ongoing
	CF1.6	Review brand and consider options for refresh including website	Business case	Private Patient Services Project Team: Q1/2 2024
	CF1.7	Improve communications with GPs to smooth referrals of private patients	Arrange GP study and information days and regular communication with GP practices regarding service changes	Private Patient Services Project Team: Q2 2024 and ongoing
	CF1.8	Review contracts with third party providers	Assessment of commercial improvements	Private Patient Services Project Team with FRP and FBP support: Q3 2024

PHASE 2: 2025 – 2027				
Work stream	**Ref.**	**Objective**	**Deliverable**	**Ownership**
Leader ship	L2.1	Private Patients Team established	Recruitment to permanent Director position	Chief Officer: Q2 2025
Admin	A2.1	Review of (paid for) practice management, med sec and admin support services to consultants	Assessment of commercial potential in a business case	Q1 2025
Governance	G2.1	Include private patients within any review of Consultant Contracts	Updated consultant contract	Chief Officer and Medical Director: 2026
	G2.2	Medical Indemnity	Clarity over consultant indemnity with potential for private patient activity growth included	Chief Officer and Medical Director: 2026
Service Quality	SQ2.1	Review referral routes to Off Island providers and identify potential commercial gain through a partnership approach	Review of options	Private Patients Leadership Team: Q2 2025
Quality of Facilities	QF2.1	Review the present JGH and HCS estate to identify the potential for private patients services income and growth	Business case(s) for investing in improvements to the fabric for specific dedicated capacity for private patients and for additional capacity	Private Patients Leadership Team with Care Groups: Through 2025
Capacity	C2.1	Identify options for strategic improvements to private patients capacity	Review the New Healthcare Facilities Programme to seek all opportunities for inclusion of private patients services income to support the case for new/improved capacity and service change	Private Patients Leadership Team with NHFP team: through 2025
	C2.2	Develop an Emergency Department private patient offering	Business Case	Private Patients Leadership Team: Q1 2025
Commercial Focus	CF2.1	Repatriation of Jersey insured and self-funding patients presently being referred and/or choosing to travel off-Island for treatment	Income and activity growth from this segment	Private Patients Leadership Team with Care Groups: Through 2025
	CF2.2	To engage purposefully with the wider range of identified potential partner organisations	Review of options shared with Chief Officer; engagement with Minister(s) as required	Private Patients Leadership Team: through 2025

PHASE 3: 2026 – 2028				
Work stream	**Ref.**	**Objective**	**Deliverable**	**Ownership**
Leadership	L3.1	Private Patients Leadership team established	Part time clinical leader and other posts invested in as required to support business growth	Private Patients Director: though 2026-28
Admin	A3.1	Commercial standards applied to Private Patients	Evidence of organisational resilience	Private Patients Director: through 2026-28
Governance	G3.1	Governance clearly a tool that supports efficiency and attracts consultants to use Private Patients	New consultants choosing Jersey and choosing to commence private practice	Private Patients Leadership Team working with Chief Officer and Medical Director: through 2026-28
Service Quality	SQ3.1	Culture of continual improvement to foster customer goodwill and referrals	Ongoing stakeholder and customer engagement and feedback	Private Patients Leadership Team: through 2026-28
Quality of Facilities	QF3.1	Review the present JGH and HCS estate to identify the potential for private patients services income and growth	Business case(s) for investing in improvements to the fabric for specific dedicated capacity for private patients and for additional capacity	Private Patients Leadership Team with Care Groups: Through 2026-28
Capacity	C3.1	Opportunities for private patients fully communicated to NHFP team with full participation in detailed planning	Private patients services identified within NHFP	Private Patients Leadership Team with NHFP team: through 2026-28
	C3.2	Opportunities for partnership with 3rd parties assessed for fit and shared with the HCS Board and Health Minister for review	Potential investment by one or more 3rd parties in capacity	Chief Officer and Private Patients Leadership Team with NHFP team: through 2026-28
Commercial Focus	CF3.1	Development of service to cater for private inbound health tourism from other Channel Islands, UK and Northern France	New service business case	Private Patients Leadership Team with Care Groups
	CF3.2	Review of options for moving to a Trading Operation to enable tariff to reflect market rates and margin for re-investment in service	The Options Review will be shared with the HCS Board and Health Minister for review	Private Patients Leadership Team with Chief Officer: Q4 2027

Stakeholder engagement

The development of the private patient strategy involved extended wide and deep stakeholder engagement. This took place with a range of staff groups and others widely drawn from:

- Consultants
- HCS Leadership and wider management team
- Other staff
- Government of Jersey
- Referrers and suppliers of service
- Funders of care
- Service users
- And other stakeholders

The engagement was achieved through a mix of:

- Online surveys and 1-1 and group team meetings with consultants
- Meetings with other staff from across GOJ and HCS
- Presentations to senior leadership and care groups teams, Medical Staff Committee and more
- Contact with service users on and off Island
- Workshops and strategy 'drop-in' sessions

There were a number of recurring themes raised by these stakeholders that have shaped the development of the private patients services strategy for HCS:

1. **Political and Leadership Will**: Consultants and staff from across HCS request clarity of message and direction for private patients services and many asked for more open support for a mixed healthcare economy.
2. **Culture and Governance**: Consultants and other staff drew attention to ned for the 'rules of the game' to be made clearer for all and that a culture change is also needed to embed 'private patients as business as usual' right across JGH.
3. **Efficiency**: Generally, staff are aware that providing successful private patients services enables the most efficient and effective use of already funded expensive resources: buildings and equipment, highly skilled staff.
4. **Island Market Opportunity**: With the relatively high proportion of the population with private medical insurance, then the growth potential is significant: both for presently unused insurance defaulting to state care and in repatriating growing off-Island spend.
5. **High Quality Offer**: HCS staff understand that Jersey residents with private medical insurance (and those preferring to self-fund) expect a certain level of service quality of accommodation and customer service.
6. **Dedicated Capacity**: Identified and ring-fenced/dedicated capacity for private patients is understood to be a fundamental requirement.

7. **Professional commercial support**: Consultants expect a professional service in order to work successfully with HCS. This requires investment in commercial leadership and back-office support systems.
8. **One Island joined-up thinking**: Many differing stakeholders raised the potential for Jersey healthcare services to be more fully joined-up as the Island's size is an ideal platform for joined-up 'One Island' thinking and creativity.
9. **Ambition**: There is a desire for Jersey to have greater ambition, not judging the Island's healthcare system versus the UK's NHS, but instead re-imagining the benefits that the already mixed funded healthcare economy the system might set the goal of exceeding NHS service delivery.

These issues are strategic enablers of change to drive increased operational efficiency, market share gain and overall improved service and financial performance across HCS.

This strategy will be made relevant through continued engagement with stakeholders including an ongoing proactive process to communicate with clarity and positivity the benefits of private patients services within GOJ and across HCS and JGH:

- With consultant individually and in specialty groupings, including consultant 'chambers' and company structures where these exist;

- With wider HCS staff through care group management lines and an organisation-wide communications strategy;

- With external third parties with which there is a mutual interest in developing private patients services.

Glossary

Term	Description
FBP	Finance Business Partners
FRP	Financial Recovery Plan
GOJ	Government of Jersey
GP	General Practitioner
HCS	Health and Community Services
HCS Board	The Health and Community Services Advisory Board
HMT Report	Professor Hugo Mascie-Taylor’s Report
JETS	Jersey Emergency Transfer Service
JGH	Jersey General Hospital
MAC	Medical Advisory Committee
MAXIMS	HCS’ patient administration system (PAS)
NHFP	New Healthcare Facilities Programme
NHS	National Health Service
PET scan	Positron Emission Tomography scan
PMI	Private Medical Insurers
PP	Private Patients
SLAs	Service Level Agreements
UK	United Kingdom