

GPs win more contracts than corporate providers as the primary care market opens up

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GP-led companies have been more successful than corporate healthcare providers in winning contracts to run GP practices in England, according to a new report from one of the country's leading health service research centres.

Choice and Competition in Primary Care: Much Ado About Nothing? by Jo Ellins, Chris Ham and Helen Parker from the University of Birmingham's Health Services Management Centre, reports that corporate providers like UnitedHealth, Care UK and Atos currently run a tiny proportion of practices in the NHS in England.

However, the number of companies led by GPs has grown to compete in the emerging primary care market and to date these companies have won most of the practices put out to tender locally.

GPs are also outnumbering private companies in the final stages of bidding to run 150 new GP-led health centres across England. The new government's initiative (Equitable Access to Primary Care) aims to establish a new GP-led health centre in every Primary Care Trust, as well as new practices in areas that have a shortage of doctors.

Although procurement has yet to be concluded, GP-led companies currently account accounting for nearly half of those shortlisted compared with corporate providers who comprise two fifths.

Jo Ellins, one of the report's authors comments said: 'Primary care has become a much more active market place as a result of government policies.

However, what we are seeing is that GP's are embracing this new landscape with a greater degree of success than corporate providers.

The bigger question is whether this reform will lead to better service. While there are promising early reports from some areas, it is not yet clear whether choice and competition are effective means of delivering better primary care."

The report also looks at the potential risks to existing services from the new market.

Professor Chris Ham adds: "While the entry of new providers may improve access for patients and lead to innovative ways of delivering primary care, there is a risk that they will destabilise existing practices that already a good service in their area.

There is also a risk that the procurement will represent poor value for money if the new services are under used. Patients are not always aware of the choices available to them, and therefore more needs to be done to explain changes and support patient choice in primary care."

The report highlights a number of potential risks with the new system that need to be monitored to ensure there is a level playing field between GP-led companies of different sizes and corporate providers. The problems include include:

- Primary Care Trusts imposing tough requirements in their contracts, leading to bidders pulling out of the tendering process
- Having a bidding process that is so costly and time consuming that it puts small practices at a disadvantage
- Corporate providers feeling that they are at a disadvantage in not having access to the NHS pension scheme

The report's co-author Helen Parker explains: "The government's procurement is time and resource intensive and it is not yet clear whether the benefits of new providers coming into the primary care market will outweigh the costs. Because Primary Care Trusts lack experience in commissioning new primary care services it is vital that the government's policies are properly evaluated.

'General practice is widely recognised as the jewel in the crown of the NHS so we really ought to gather evidence on the impact of the new services that are being established'

ENDS

Choice and Competition in Primary Care: Much Ado About Nothing? by Jo Ellins, Chris Ham and Helen Parker is based on research carried out by the Health Services Management Centre (HSMC) at the University of Birmingham. HSMC is one of the leading health services research centres in England.

For further information or to request a copy of the report, please Ben Hill, Press Officer, University of Birmingham, Tel 0121 4145134, Mob 07789 921163

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