

THE MISSING MILLIONS

An investigation into the cost to the NHS of overseas visitors

Chris Skidmore MP

INTRO

We know that a great deal of overseas visitors receive NHS treatment, who do not go on to pay off the debt that they have incurred. This not only constitutes a serious financial burden on the health service- and in particular individual trusts- but it also not fair to those who do pay into the system through their taxes. It is estimated by the government that 3,600 people each year incur unpaid debts to the NHS of £1,000 or more. There is also a related problem of people receiving care for free that they are not actually entitled to.

It may at first glance seem harsh to focus on ill people in need of medical treatment. However, NHS services are paid for by British taxpayers, who work hard and are proud of the health service that successive generations have built. Opening this up internationally, free of charge, is not fair on those who actually pay for it. It is also important to note that this is not a question of 'health tourism', nor is it an attack on those who receive treatment in the UK. The flaws highlighted in this report are the fault of the current system, not of overseas visitors.

There is cross party support for action on this issue. Members of Parliament from across the political spectrum have been strongly supportive of the need to improve the existing system- from Priti Patel and Frank Field on the backbenches to Anne Milton and Jamie Reed on the frontbenches.

As the current government review says, *"The existing system is still too complex, generous and inconsistently applied."*

DATA FROM FOI

Last year, using Freedom of Information requests, I carried out an investigation, which asked every NHS Foundation Trust for the amount of debt owed by foreign nationals- both written off and unpaid. By October 2011, I had gathered responses from over 118 trusts, showing that that more than £40 million had been written off or was still outstanding - and past performance suggested that even the payments still due were unlikely to be recovered in their entirety.

Even more troubling is the dearth of information available- this sort of financial information is not collected centrally by the Department of Health. On contacting individual trusts, there was a significant disparity in the volume and quality of the financial data that they could provide- with some trusts not recording it at all.

Figures for each trust that responded are available in the Annex, the ten trusts with the largest sums written off and outstanding are listed below.

Top Ten

£8,094,620.00	Guy's and St Thomas' NHS Foundation Trust
£3,020,176.00	Barts and The London NHS Trust
£2,701,051.00	Imperial College Healthcare NHS Trust
£2,539,000.00	Barnet and Chase Farm Hospitals NHS Trust
£2,289,662.00	University Hospitals Of Leicester NHS Trust
£1,803,000.00	Southampton University Hospitals NHS Trust
£1,657,000.00	Royal Free Hampstead NHS Trust
£1,630,802.62	Croydon Health Services NHS Trust
£1,575,000.00	North Bristol NHS Trust
£1,322,000.00	Oxford Radcliffe Hospitals NHS Trust

EHIC

The other side of the coin is the European Health Insurance Card (EHIC), which covers medical treatment between EEA countries. At present, due to the number of British nationals living and travelling abroad, there is a large deficit between the amount that we pay and the amount that we receive.

<i>Financial year</i>	<i>Total paid by United Kingdom to other EEA member states</i>	<i>Total paid by other EEA member states to UK</i>
2007-08	93,200,000	19,700,000
2008-09	113,200,000	24,700,000
2009-10	117,900,000	27,700,000
2010-11	62,400,000	26,300,000

We are obliged to reimburse other EEA countries for medical costs incurred by our citizens, and vice versa. However, there is a disparity in that primary care in Britain is free to all, whereas in many European countries a charge is levied. There is scope to address this disparity.

WHY DOES THIS HAPPEN?

There are a number of limitations in the present system- not least the fact that many hospital trusts do not even record the sort of data that would show the full extent of the problem. So despite the fact that charging regulations are in place for secondary and acute care, they are often not enforced.

GPs are often the first point of contact with the NHS for individuals, and as such provide a gate keeping function. At present anyone can register with a GP, and it is not obligatory for the practice to check whether or not an individual is entitled to free hospital care. It is therefore entirely possible for a patient eligible for charges to be referred to a hospital for treatment, and not pay a penny, due to the necessary information not being transmitted.

At present, the guidelines “place a legal obligation on the trust providing treatment to identify those patients who are not ordinarily resident in the United Kingdom; establish if they are exempt from charges by virtue of the Charging Regulations; and, if they are not exempt, make and recover a charge from them to cover the full cost of their treatment.”

This however, is clearly not working. A 2008 survey of NHS managers suggested that a third of them did not even bother to ask patients whether they were eligible for free treatment when they arrived at hospital.

A more specific issue is bad debt, as the Freedom of Information request showed. This is where patients eligible to be charged are identified, but the debt is ultimately written off. NHS Trusts also need to do more to recover debt that has been raised. Steps are also being taken by the Coalition government to deal with this- the Home Office has introduced measures that would bar anyone owing the NHS more than £1,000 from entering the country. It is believed that this might help recoup as much as 94% of outstanding debt.

SOLUTIONS

Here then, is a five point plan to alleviate the pressure on the NHS.

1. All trusts should be legally obliged to collect data on the cost of treating individuals not entitled to free NHS care, and those treated under the EHIC scheme. This is the subject of a Ten Minute Rule Bill that Henry Smith MP intends to introduce to Parliament in September 2012. Without this information, it is impossible to operate a watertight system.
2. When registering with a GP, all individuals should be obliged to demonstrate that they are ordinarily resident in the UK and thus eligible for free care. This is something that is permissible under the current guidance, provided that it does not involve discrimination. This should include providing proof of address and citizenship.
3. Non-residents should be charged for primary care- for example a flat fee for consulting a GP. At present primary care is free, however given the financial pressures on the health service and the need for fairness, it would make sense to extend charges for overseas visitors. This need not be a disproportionate fee, but it would underline the fact that health care has to be paid for by someone, and that the contributory principle of the British welfare state should apply to all.
4. The EHIC scheme needs to be renegotiated to address the disparity between the amount that the NHS pays and the amount that we receive. Though much of this disparity is caused by the large number of British retirees living abroad, the Health Minister Anne Milton has also accepted the need to do better at collecting income that we are entitled to. Moreover, there is the question of reciprocity. Given that UK nationals are eligible to pay any charges for primary care abroad, we should look at implementing similar charges for EEA nationals here.
5. All hospitals should follow the example of West Middlesex University hospital, and introduce a “stabilise and discharge system”. If a foreign national is admitted to hospital, the doctor first establishes whether there is a need for urgent life-saving treatment, which is obviously a priority for the NHS. If that is not the case, the person is told what treatment is required and how much it costs. If they are unwilling to pay, they are asked to leave.

CONCLUSION

It is to the credit of both the current government and the previous one that the issues surrounding foreign nationals using the NHS are being looked at afresh.

More positively, a Westminster Hall debate on the 22nd May 2012 showed that there exists a strong cross-party consensus that action on this issue is both possible, and desirable. The point was made that though the sums of money involved are not a vast percentage of the overall NHS budget, they do constitute a drain on resources that could fund vital additional services in local hospitals. The NHS is being asked to save £20 billion by 2015- a savings challenge backed by both main political parties. It makes no sense for trusts to write off bad debt from overseas visitors, which can help plug the gap.

Both Health Minister Anne Milton and Shadow Health Minister Jamie Reed expressed a desire that we should be doing better at recovering and identifying debt incurred by overseas patients.

This is not an impossible task- by following the steps outlined above we can regain control over who uses our precious health service, rather than write off millions of pounds a year in unpaid bills.

ANNEX I

The following table shows total payments made by member states of the **European Economic Area (EEA)** and Switzerland, to the United Kingdom, for health care benefits in kind under European social security regulations in the financial years 2007-08 to 2010-11.

EEA medical costs—Payments to **UK** 2007-08 to 2010-11 ^(1,2)

£	2007-08	2008-09	2009-10	2010-11
Austria	0	30,000	48,000	145,000
Belgium ⁽³⁾	4,682,000	2,820,000	1,743,000	931,000
Bulgaria ⁽⁴⁾	0	0	0	0
Cyprus	0	0	0	0
Czech Republic	0	2,000	78,000	35,000
Denmark (Waiver) ⁽⁵⁾	0	0	0	0
Estonia (Waiver) ⁽⁶⁾	0	0	0	0
Finland (Waiver) ⁽⁷⁾	0	0	2,000	0
France	2,164,000	5,224,000	6,545,000	1,768,000
Germany	1,120,000	94,000	546,000	2,916,000
Greece	175,000	864,000	246,000	269,000
Hungary (Waiver) ⁽⁷⁾	11,000	8,000	38,000	0
Iceland	42,000	0	25,000	19,000
Ireland ⁽³⁾	19,004,000	19,560,000	22,723,000	20,229,000
Italy ⁽⁶⁾	4,655,000	0	672,000	19,517,000
Latvia	0	0	0	11,000
Liechtenstein	0	0	0	0
Lithuania	0	0	0	5,000
Luxembourg	0	0	0	10,000
Malta (Waiver) ⁽⁸⁾	0	0	0	0
Netherlands ⁽³⁾	0	0	6,581,000	0
Norway (Waiver) ⁽⁵⁾	0	0	0	0
Poland	0	0	0	374,000
Portugal	29,000	18,000	152,000	39,000
Romania ⁽⁴⁾	0	0	0	0
Slovakia	0	0	0	22,000
Slovenia	0	6,000	61,000	270,000
Spain	106,000	4,226,000	158,000	1,631,000
Sweden	951,000	280,000	865,000	3,334,000
Switzerland	9,000	0	38,000	211,000
Total	32,900,000	33,100,000	40,500,000	51,700,000

⁽¹⁾ Comparable data for years prior to 2007-08 cannot be provided as it would incur disproportionate cost. ⁽²⁾ Country totals are rounded to the nearest 1,000. Overall totals are rounded to the nearest 100,000. Sub-totals may not add up to totals due to rounding. ⁽³⁾

³)Belgium, Ireland and the Netherlands. Totals includes amounts offset for the value of certain UK claims as provided for by the bilateral agreements with those countries. ⁽⁴⁾)Bulgaria and Romania joined the European Union on 1 January 2007. Both countries have yet to produce average costs therefore there are no claims to date from either country. ⁽⁵⁾)Denmark—Full waiver. ⁽⁶⁾)Estonia and Norway—Waiver, excepting Article 22.1c (patient referral) and Article 55.1c (industrial injury) claims. ⁽⁷⁾)Finland, Hungary and Malta—Waiver, excepting Article 22.1c (patient referral) claims. ⁽⁸⁾)Italy—Totals for 2007-08 include an exchange rate currency gain arising from the payment offset provisions of the former Italy-UK bilateral agreement. That agreement terminated on 31 December 2009. No payments were received in 2008-09. *Note:* Payments in any one year may relate to claims for one or more previous years, and can vary significantly based on when other member states pay a claim and when the UK submits the claims. Therefore significant variations from year to year are common.

ANNEX II

FOI SUMMARY - FULL RESULTS AVAILABLE AT CHRISKIDMOREMP.WORDPRESS.COM

Acute Trust	TOTAL
Airedale NHS Foundation Trust	£37,263.00
Aintree University Hospitals NHS Foundation Trust	£61,000.00
Alder Hey Children's NHS Foundation Trust	£0.00
Barts and The London NHS Trust	£3,020,176.00
Barnet and Chase Farm Hospitals NHS Trust	£2,539,000.00
Basildon and Thurrock University Hospitals NHS Foundation Trust	£262,276.00
Bedford Hospital NHS Trust	£154,853.87
Birmingham Women's NHS Foundation Trust	£36,741.00
Bradford Teaching Hospitals NHS Foundation Trust	£458,898.00
Buckinghamshire Healthcare NHS Trust	£157,000.00
Burton Hospitals NHS Foundation Trust	£2,835.00
Calderdale and Huddersfield NHS Foundation Trust	£47,066.27
Chelsea and Westminster Hospital NHS Foundation Trust	£822,000.00
Chesterfield Royal Hospital NHS Foundation Trust	£51,906.00
City Hospitals Sunderland NHS Foundation Trust	£2,234.80
Countess Of Chester Hospital NHS Foundation Trust	£73,000.00
County Durham and Darlington NHS Foundation Trust	£27,047.45
Croydon Health Services NHS Trust	£1,630,802.62
Dartford and Gravesham NHS Trust	£113,000.00
Derby Hospitals NHS Foundation Trust	£214,354.97
Doncaster and Bassetlaw Hospitals NHS Foundation Trust	£14,000.00
The Dudley Group Of Hospitals NHS Foundation Trust	£183,725.78
Ealing Hospital NHS Trust	£319,963.00
East Cheshire NHS Trust	£47,718.88
East Kent Hospitals University NHS Foundation Trust	£203,468.00
East Sussex Hospitals NHS Trust	£71,000.00
Epsom and St Helier University Hospitals NHS Trust	£1,174,580.00
Frimley Park Hospital NHS Foundation Trust	£211,000.00
Gateshead Health NHS Foundation Trust	£59,335.35
George Eliot Hospital NHS Trust	£19,395.55
Gloucestershire Hospitals NHS Foundation Trust	£706,000.00
Great Ormond Street Hospital For Children NHS Trust	£293,000.00
Great Western Hospitals NHS Foundation Trust	£57,000.00
Guy's and St Thomas' NHS Foundation Trust	£8,094,620.00

Heart Of England NHS Foundation Trust	£683,905.00
Heatherwood and Wexham Park Hospitals NHS Foundation Trust	£826,153.00
Hinchingbrooke Health Care NHS Trust	£20,490.48
Homerton University Hospital NHS Foundation Trust	£268,958.00
Hull and East Yorkshire Hospitals NHS Trust	£27,814.91
Imperial College Healthcare NHS Trust	£2,701,051.00
Ipswich Hospital NHS Trust	£188,726.00
Isle Of Wight NHS PCT	£9,864.00
James Paget University Hospitals NHS Foundation Trust	£52,000.00
Kettering General Hospital NHS Foundation Trust	£130,678.00
Kingston Hospital NHS Trust	£246,927.61
Lancashire Teaching Hospitals NHS Foundation Trust	£18,000.00
Leeds Teaching Hospitals NHS Trust	£154,186.00
Luton and Dunstable Hospital NHS Foundation Trust	£373,205.00
Medway NHS Foundation Trust	£263,770.00
Mid Cheshire Hospitals NHS Foundation Trust	£34,120.00
Moorfields Eye Hospital NHS Foundation Trust	£22,100.00
North Bristol NHS Trust	£1,575,000.00
North Cumbria University Hospitals NHS Trust	£12,497.04
North Middlesex University Hospital NHS Trust	£1,176,728.00
Northampton General Hospital NHS Trust	£218,319.36
Northumbria Healthcare NHS Foundation Trust	£39,744.00
Nottingham University Hospitals NHS Trust	£259,000.00
Oxford Radcliffe Hospitals NHS Trust	£1,322,000.00
Pennine Acute Hospitals NHS Trust	£1,209,000.00
Peterborough and Stamford Hospitals NHS Foundation Trust	£75,100.88
Poole Hospital NHS Foundation Trust	£87,306.14
Portsmouth Hospitals NHS Trust	£377,558.00
Royal Berkshire NHS Foundation Trust	£778,000.00
Royal Cornwall Hospitals NHS Trust	£143,535.39
Royal Free Hampstead NHS Trust	£1,657,000.00
Royal Liverpool and Broadgreen University Hospitals NHS Trust	£204,929.42
Royal National Orthopaedic Hospital NHS Trust	£347,674.21
Royal United Hospital Bath NHS Trust	£46,436.18
Salisbury NHS Foundation Trust	£6,345.00
Sandwell and West Birmingham Hospitals NHS Trust	£210,608.00
Sherwood Forest Hospitals NHS Foundation Trust	£2,265.00
Shrewsbury and Telford Hospital NHS Trust	£46,904.02
South Devon Healthcare NHS Foundation Trust	£22,876.36
South Tees Hospitals NHS Foundation Trust	£38,985.68
South Tyneside NHS Foundation Trust	£23,905.11
Southampton University Hospitals NHS Trust	£1,803,000.00
Southend University Hospital NHS Foundation Trust	£301,704.31
St Helens and Knowsley Hospitals NHS Trust	£56,000.00
Surrey and Sussex Healthcare NHS Trust	£426,000.00
Tameside Hospital NHS Foundation Trust	£56,168.00

Taunton and Somerset NHS Foundation Trust	£9,000.00
The Newcastle Upon Tyne Hospitals NHS Foundation Trust	£100,000.00
The Rotherham NHS Foundation Trust	£15,941.39
The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust	£9,808.94
The Royal Wolverhampton Hospitals NHS Trust	£191,000.00
The Walton Centre NHS Foundation Trust	£25,748.71
The Whittington Hospital NHS Trust	£828,031.00
Trafford Healthcare NHS Trust	£29,879.00
University Hospital Of North Staffordshire NHS Trust	£7,962.00
University Hospitals Bristol NHS Foundation Trust	£120,530.30
University Hospitals Coventry and Warwickshire NHS Trust	£179,124.00
University Hospitals Of Leicester NHS Trust	£2,289,662.00
University Hospitals Of Morecambe Bay NHS Foundation Trust	£22,000.00
Walsall Hospitals NHS Trust	£59,905.00
Warrington and Halton Hospitals NHS Foundation Trust	£21,516.72
West Hertfordshire Hospitals NHS Trust	£662,249.00
West Middlesex University Hospital NHS Trust	£174,031.00
West Suffolk Hospitals NHS Trust	£11,954.68
Wirral University Teaching Hospital NHS Foundation Trust	£26,107.21
Wrightington, Wigan and Leigh NHS Foundation Trust	£37,246.01
York Hospitals NHS Foundation Trust	£216,197.00

£44,595,840.73

Foundation trust name	TOTAL
Cornwall Partnership NHS Foundation Trust	£109.98
Oxfordshire and Buckinghamshire Mental Health NHS Foundation Trust	£11,474.52
Royal Devon and Exeter NHS Foundation Trust	£644,816.12
Surrey and Borders Partnership NHS Foundation Trust	£2,051.00
The Christie NHS Foundation Trust	£6,814.73
York Teaching Hospital NHS Foundation Trust	£73,299.00
	£738,565.35

ANNEX III

CURRENT DEPARTMENT OF HEALTH GUIDANCE ON GP REGISTRATION

GPs and primary care

5.11 GPs have discretion to accept any person, including overseas visitors, to be either fully registered as a NHS patient, or as a temporary resident if they are to be in an area between 24 hours and three months. There is no minimum period that a person needs to have been in the UK before a GP can register them. Furthermore, GPs have a duty to provide free of charge treatment which they consider to be immediately necessary or emergency, regardless of whether that patient is an overseas visitor or registered with that practice.

5.12 Being registered with a GP, or having a NHS number, does not give a person automatic entitlement to access free NHS hospital treatment. It can be helpful to ensure that local GPs understand this, so that they do not unintentionally misinform their patients regarding hospital charges and so that they identify in the referral letter any patient whom they believe may be an overseas visitor, which the relevant NHS body could then check. OVMs should consider establishing formal contacts with local GPs to aid this process, which can be used by them as an extra useful tool in identifying potential overseas visitors who have to pay for treatment. GP surgeries could also be encouraged to display the posters regarding entitlement to free hospital treatment.

However, GPs should not be discouraged from referring their patients to the relevant NHS body. It is the relevant NHS body's duty, not the GP's, to establish entitlement for free hospital treatment. Furthermore, neither relevant NHS bodies nor anyone acting on their behalf, should imply that a particular patient should not be registered with a GP practice as that is exclusively a matter for that GP.

5.14 Charges only apply under the Charging Regulations for services provided in a hospital or, when provided outside a hospital, by staff employed by, or under direction of, a hospital. Therefore services provided in the community cannot be charged for unless provided by hospital employed/directed staff.

5.18 It is important to see that all patients are treated the same way, to avoid discrimination. It is not discriminatory to ask someone if they have lived lawfully in the UK for the last 12 months as long as you can show that all patients – regardless of their address,

appearance or accent – are asked the same question when beginning a course of treatment. The answer to that question may result in others needing to be asked, but again you will not be breaking any laws as long as those questions are asked solely in order to apply the Charging Regulations consistently.