



## UK health tourism for private cancer care

Cancer care generated revenues of £378 million for private hospitals in central London in 2017, according to a new report by health consultancy LaingBuisson. There are 25 private hospitals and clinics in London, plus 12 private patient units run by National Health Service (NHS) trusts. In total, the market is worth approximately £1.55 billion. Oncology was the most lucrative specialty in 2017, followed by orthopaedics, which was worth £257 million. Revenue for private hospitals and clinics decreased by almost 3% on the previous year, although revenue for the private patient units grew by more than 8%.

“Historically, orthopaedics have been the mainstay of the private sector across the UK”, explains Ted Townsend, who co-authored the LaingBuisson report. “But over the past 10 years or so in London, the larger hospitals have built up their capacity to treat more complex patient needs.” Cancer care has grown both in independent hospitals and in NHS private patient units. “The UK does very well in providing immunotherapy, radiotherapy, and chemotherapy; those things cost a lot of money to do properly,” said Townsend.

Medical insurance funds account for most private patients. The income mostly goes to private institutions.

By revenue, the largest of these are the Wellington Hospital, the London Bridge Hospital, the Harley Street Clinic, and the London Clinic, all of which offer oncology services. NHS trusts are permitted to raise 49% of their total funds from private patients. The Royal Marsden NHS Foundation Trust, a specialist cancer centre, received £104 million from private patients in 2017–18, accounting for roughly a quarter of its total revenue of £428 million. The Great Ormond Street Hospital for Children received more than £50 million in 2017. Both trusts were in LaingBuisson’s list of top ten earners from private hospital care in 2017.

Overseas patients generate substantial revenues. In 2017–18, the Royal Marsden received around £40 million from individuals who had come from abroad. “The largest cohort of our foreign patients are from the Middle East, but we also see patients from China, Europe, the USA and the rest of the world”, explains Nicholas van As, medical director at the Royal Marsden. Oil-rich Gulf states such as Kuwait, Qatar, and the United Arab Emirates are a key market. Given their small populations, it is not generally worthwhile for these nations to invest in hospitals specialising in complex care. Instead, they arrange for patients in need of treatment that is unavailable domestically to be flown overseas, along with their families. At the Gulf states’ embassies in the UK, health attachés are permanently stationed to help facilitate the process.

“London is very attractive to patients from the Middle East”, notes Townsend. “They feel comfortable in the city, there is lots to do, and they often have flats here anyway.” But the situation changed a few years ago when oil prices dropped and London became more expensive. So-called embassy patients switched

to countries such as India, Singapore, and South Korea for procedures such as cardiac bypasses, and Germany, Switzerland, and the USA for cancer care.

“From 2014, international patients, particularly paid for by embassies, declined significantly in the independent health-care sector, but continued to grow in private patient units in NHS hospitals”, said Townsend. About a quarter of private hospital care in central London is now provided by NHS institutions. Revenue from private patient units increasing at an average of around 9% per year. “London teaching hospitals have a good brand”, said Townsend.

For the Royal Marsden, the additional income has proved crucial. “We are predominantly an NHS hospital with a large focus on research; we are very strong believers in the NHS and the private care really allows us to stay at the forefront”, said van As. The private and NHS wards are separate, but surgical decisions are based exclusively on clinical need. “We do not have private patients jumping ahead of NHS patients for operations, and have the resources to help manage the extra capacity required for private care”, said van As. “There is no negative impact on our NHS patients.” He points out that some NHS hospitals outsource their private work to for-profit health-care providers, whereas the Royal Marsden runs its own private patient units and reinvests profits in the hospital. “It allows us to buy state-of-the-art machines, which help us to deliver the kind of care we want all our patients, private or NHS, to receive”, van As told *The Lancet Oncology*. He believes that other public hospitals would be well-advised to adopt a similar model. “It works well and the NHS benefits”, van As concluded.

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