



# Healthcare – From Fully Tax Funded to Hybrid

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## Executive Summary

This document examines the true scale, cost, and structural weaknesses of the UK's National Health Service (NHS), arguing that the current tax-funded monopoly model is financially unsustainable, politically manipulated, environmentally damaging, and structurally incapable of meeting modern healthcare demands. It outlines how decades of expansion, medicalisation, welfare dependency, and political interference have created a system with infinite demand and no price signals.

The CHOICE GB proposal introduces competition, personal responsibility, and a pay-as-you-use model to restore sustainability, accountability, and efficiency. The document concludes that without structural reform, the NHS will continue to expand its remit, consume ever-greater resources, and burden future generations.

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## Current Issues:

### Structural and Financial Burden

- The NHS is presented as a £150 billion service, but its true annual cost exceeds £357 billion when capital spending, trust deficits, estate decay, and unfunded pension liabilities are included.
- Pension obligations alone add approximately £19 billion per year and represent long-term taxpayer commitments worth hundreds of billions.
- Doctors' defined-benefit pensions routinely reach actuarial values of £1–3 million, creating a fiscal burden far larger than salaries.

### Expansion of Remit and Medicalisation

- The NHS has expanded far beyond its original purpose, now covering hundreds of conditions including many historically considered part of normal human experience.
- Stress, anxiety, low mood, loneliness, and lifestyle-driven ailments have been reframed as clinical disorders requiring intervention.
- Advances in detection and pharmaceutical influence have widened the system's remit, increasing consumption and cost.

## **Welfare Dependency and Lowering Thresholds**

- As more conditions are recognised, welfare eligibility expands, pulling more people out of the productive economy.
- The system increasingly rewards withdrawal rather than participation, creating long-term dependency.

## **Environmental Impact**

- Rising diagnoses drive increased pharmaceutical production, packaging, transport, and waste.
- The NHS's expanding consumption footprint contributes to environmental strain.

## **Lack of Competition and Accountability**

- The NHS is a protected monopoly with no competitive pressure, no price signals, and no customer choice.
- Individuals cannot compare providers, costs, or outcomes.
- Inefficiency persists because the public pays regardless of performance.

## **Political and Union Manipulation**

- The NHS is routinely used as a political tool for vote-seeking and emotional messaging.
- Unions leverage millions of publicly funded workers to influence policy, resist reform, and protect inefficiency.
- The system creates a political feedback loop where governments fear electoral consequences of challenging union power.

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# **CHOICE GB Proposal**

CHOICE GB will develop and introduce a hybrid healthcare funding model. Accidents and emergency treatment will be fully tax-funded to ensure immediate and critical care access. All other healthcare requirements outside of the A&E scenario will be covered by the individual via personal insurance, savings, or other means, promoting personal responsibility and sustainable healthcare consumption. The current services and NHS estate will be devolved and sold to private companies, with this process to be completed by the end of term 1.

## **Pay-As-You-Use Model**

- Supported by savings, insurance, co-payments, or targeted assistance.
- Reconnects individuals with the true cost of care.
- Encourages thoughtful use, prioritisation of essential treatments, and elimination of non-essential consumption.

## Competition and Personal Choice

- Individuals can compare providers, costs, waiting times, and outcomes.
- Providers must compete on quality, efficiency, and service.
- Competition exposes waste, drives innovation, and improves performance.

## Removing Political and Union Control

- A competitive model takes healthcare out of the hands of politicians and unions.
- Prevents political parties from weaponising healthcare during elections.
- Reduces unions' access to tax-funded membership flows and limits their ability to influence policy.
- Breaks the cycle of industrial disputes, inefficiency protection, and reform resistance.

## Real-World Analogy

- Just as low-cost airlines transformed air travel through competition, choice, and innovation, a pay-as-you-use model would transform UK healthcare.
- Market forces that made flying accessible would make healthcare more responsive, efficient, and accountable.

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# Benefits & Summary

## Key Benefits

- **Financial Sustainability:** Restores discipline, introduces price signals, and limits infinite demand by shifting non-emergency healthcare costs to individuals.
- **Improved Service Quality:** Competition forces providers to raise standards, innovate, and respond to patient choice.
- **Greater Accountability:** Individuals become active participants responsible for their ongoing healthcare decisions and costs.
- **Reduced Political Manipulation:** Healthcare is removed from political and union control, preventing it from being used as a tool for vote-seeking or union leverage.
- **Environmental Gains:** Reduced over-medicalisation lowers pharmaceutical waste, emissions, and unnecessary resource consumption.
- **Long-Term Stability:** Aligns incentives, reduces welfare dependency, and protects future taxpayers by promoting personal responsibility.
- **Freedom of Choice:** Individuals have the freedom to choose the services that they receive and pay for.

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## Summary

The NHS Pig metaphor captures a system that has grown beyond control—consuming ever-greater resources while delivering diminishing returns. The current tax-funded monopoly model is financially unsustainable, structurally flawed, and politically compromised.

CHOICE GB proposes a hybrid, competitive, and transparent healthcare funding model where accidents and emergency treatment remain fully tax-funded, but all other healthcare costs are borne by individuals through personal insurance, savings, or other means. The current NHS services and estate will be devolved and sold to private companies by the end of term 1. This reform restores responsibility, empowers individuals, and ensures long-term sustainability. Without reform, the NHS will continue to expand its remit, deepen its financial burden, and strain the economy, environment, and future generations. With restructuring, the UK can build a healthcare system that is efficient, accountable, and fit for the future.

*Restoring the freedom to choose*

