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Prime Minister

PRIME MINISTER

ABUSE OF THE NHS

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1. You ought to be aware of two instances of abuse of the NHS by consultants, which will attract considerable political interest. At one hospital in England our auditors' investigations, now in the hands of the police, showed that some consultants were failing to pay the health authority for the use of NHS facilities by private patients. A similar case has arisen in Wales and there may be a small number of others. The trial also began recently of an NHS consultant alleged to have stolen and sold blood.
2. We cannot comment on these cases until investigations are complete. The abuse of private patients' charges will, however, undoubtedly fuel an attack on our policy in relation to private care. I therefore intend to take swift and positive action as follows:

- (i) Our guidance on the handling of private patients' charges is comprehensive and detailed, and has been reissued several times asking authorities to bring it to the attention of all the staff involved. I shall, however, be asking all Health Authority Chairmen to review their arrangements for recovering charges, and to ensure that they comply with the guidance.
- (ii) A special study of the arrangements for handling private patients' charges at a sample of hospitals will be carried out in the next few weeks. In the light of the results, I will consider whether any further action is needed.

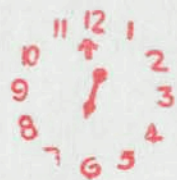
I intend to make a written statement outlining this action next week.

As regards the supply of blood, action has already been taken to prevent such abuses recurring, as part of steps to improve cost-consciousness and stock control.

Copies of this go to Willie Whitelaw, Nicholas Edwards and George Younger.

3 May 1984

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10 DOWNING STREET

*From the Private Secretary*

8 May 1984

Abuse of the NHS

The Prime Minister saw over the weekend your Secretary of State's minute of 3 May about two instances of abuse of the NHS, and has noted its contents.

I am sending copies of this letter to Janet Lewis-Jones (Lord President's Office), John Graham (Scottish Office) and Colin Jones (Welsh Office).

David Barclay

Steve Godber, Esq.,  
Department of Health and Social Security.

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