



LaingBuisson  
Healthcare intelligence

WEBINAR

# How Covid is Reshaping Markets

In partnership with

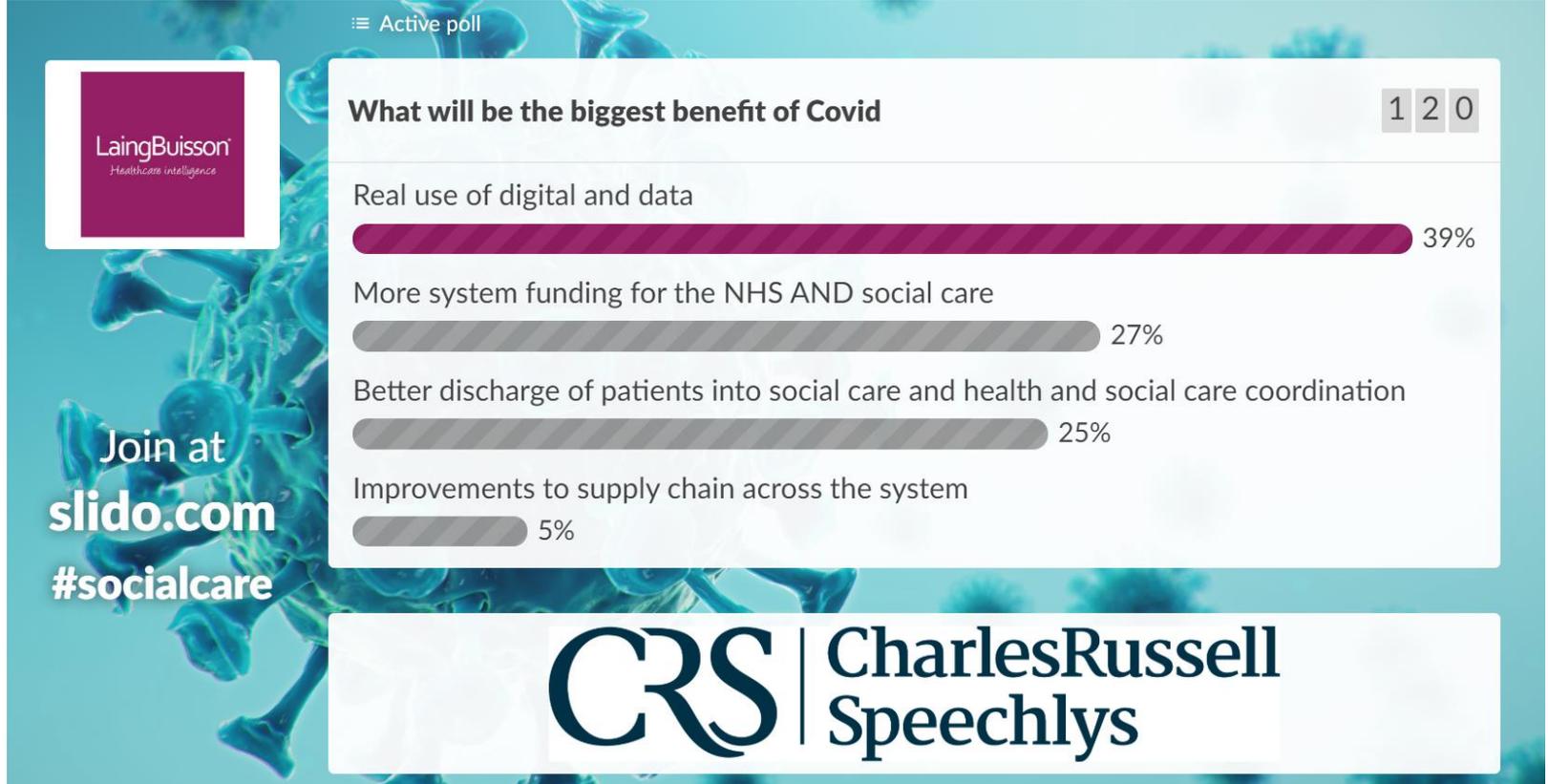
**CRS** | CharlesRussell  
Speechlys



the  
care  
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charity

**TURN2US**  
FIGHTING UK POVERTY

# LIVE Polling with **slido**



# LIVE Q&A with **slido**



# Key themes

- **If you could go back in time what advice would you give yourself in order to have handled this pandemic better**
- Are providers prepared for a potential "second wave" and if so how
- How will UK employment rules collide with the pandemic and what needs to be changed
- Supply demand dynamics and impact on bed pricing in the near, mid and long term

## FUNDING

- How sustainable is the current interim Covid funding arrangements
- The House of Lords has said it is time to end the scandal of adult social care and says £8 billion needed

## HEALTHCARE

- When will the NHS be back to normal and how will the private sector play its part
- Are healthcare companies on the verge of bankruptcy as a result of the NHS takeover

## SOCIAL CARE AND EDUCATION

- To what extent is the inevitable economical downturn likely to affect the provision of Social Care
- Post-covid, how do you think the physical layouts of care facilities will change in future new builds
- How will Direct Payments impact providers with moving people from commissioned services to having greater choice and control
- Do you expect care homes to have to incur major Capex to adapt their HVAC systems to post Covid-19 regulations
- How can we mitigate the risks of people being concerned about moving into care homes from the community
- How can we redeploy some res care resources/skills to enhance available care/support choices without destabilising the system
- How has the public perception of the assisted living market changed in the last 3-4 months, if at all
- Is there a future for the smaller independent care homes with high proportion of en-suite facilities
- Are there opportunities to start new businesses in care
- What are lasting the solution to the social care workforce challenge
- What is the impact on insurance providers in relation to new and existing entrants into either Domiciliary Care or Care Homes

# WEBINAR: How Covid is Reshaping Markets

INTRO

EDUCATION

ASC

CARE HOMES

HOSPITALS

CLINICS



Michael Lingens  
Partner  
CRS



Farouq Sheikh  
Executive Chairman  
CareTech



Professor Martin Green  
CEO  
Care England



Dr Natalie-Jane  
Macdonald  
CEO/Chair  
Sunrise/Gracewell  
Nuffield Healthcare



Katya Zubareva  
Partner  
L.E.K. Consulting

Submit your questions at [sli.do](https://sli.do) Event code: **socialcare**

In partnership with

# Michael Lings

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Partner  
Charles Russell Speechlys

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questions at  
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## Introduction: Charles Russell Speechlys

The firm	Healthcare team	Personal interest in sector
<ul style="list-style-type: none"> <li>International law firm headquartered in London with over 500 professionals.</li> <li>A leading provider of legal services aimed at substantial privately-held businesses and their owners and managers as well as quoted companies and institutions.</li> </ul>	<ul style="list-style-type: none"> <li>Supporting providers and investors across the healthcare spectrum, notably in social care, retirement living, medical technology, dentistry and pharmacy.</li> <li>Over 40 professionals regularly work in the sector providing the full range of transactional, advisory and disputes services.</li> </ul>	<ul style="list-style-type: none"> <li>Stems from my involvement as a London borough councillor specialising in social services in the mid-80s.</li> <li>Previously NED of PE backed care home operator</li> </ul>



## The longer term impact of the COVID pandemic

Operational	Staffing	Funding
<ul style="list-style-type: none"> <li>○ PPE supplies, testing and infection control processes and training</li> <li>○ Accepting hospital discharges</li> <li>○ Home re-configurations</li> <li>○ Shift from residential to homecare, retirement living and assisted living settings</li> </ul>	<ul style="list-style-type: none"> <li>○ Social care work – more jobs and social value</li> <li>○ Less reliance on non-UK staff</li> <li>○ Training and career frameworks by larger employers</li> <li>○ Improving pay (including sick pay)</li> </ul>	<ul style="list-style-type: none"> <li>○ COVID fee supplements - what happened to the £3.2billion/£600m?</li> <li>○ Frontline status – government support and improved fees</li> <li>○ Catalyst for actual funding reform?</li> <li>○ National Care Service</li> </ul>

# Farouq Sheikh

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Executive Chairman  
CareTech

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# CareTech in a nutshell

## National leader in care

- 25 years of experience
- CareTech is a leading national provider of care services for children and adults with complex needs
- Care Pathway focussed on delivering positive outcomes

## Experienced Staff delivers quality



- Our people are key to our success
- Strong emphasis on staff empowerment
- Industry leading Ofsted and CQC ratings
- 550 National services, over 4,500 service users, c.11,000 employees give CareTech a best-in class track record

## Cambian acquisition



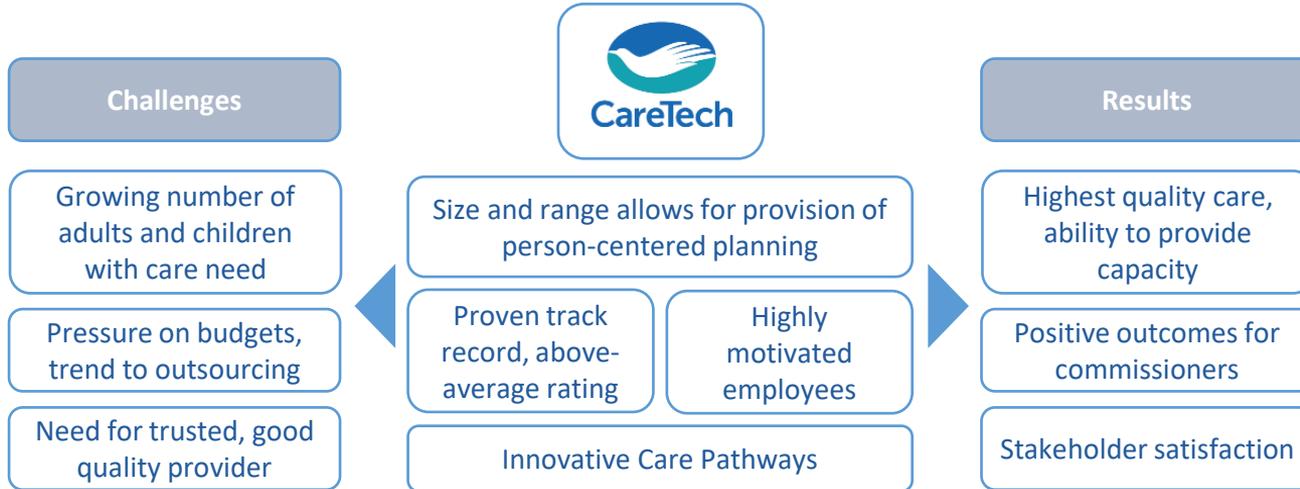
- CareTech acquired Cambian, the leader in children's care, in 2018
- We are the largest provider of care and education services to children in the UK

## Opportunity Ahead

- CareTech is in a unique position to further consolidate the market and deliver better care to more councils
- International
- Technology

# CareTech is a reliable and trusted partner

- **We create value for authorities in a range of care services, from residential care to supported living and education**
- **Person-centered planning, putting the service user first to deliver positive outcomes**



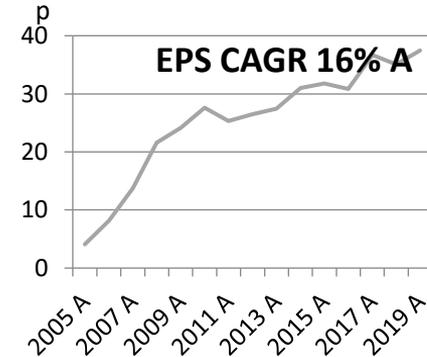
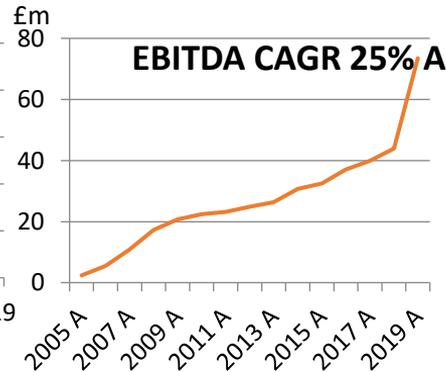
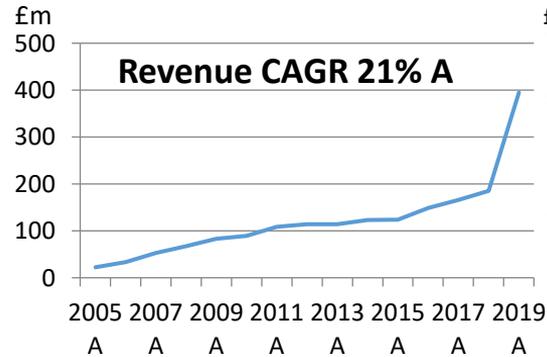
# Progress since IPO

## Proven track record

- Resilient business model
- Positive growth demographics which remain unchanged
- Growing and cash backed dividend

## COVID-19

- Majority of our service users are children or adults that are not NHS high risk categories
- Services remain fully operational and funded
- Additional funding available to recognise cost pressures e.g. PPE



# Professor Martin Green

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CEO  
Care England

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# Professor Martin Green OBE

## Chief Executive



@CareEnglandNews  
@CareEngOfficial



Professor Martin Green



Care England

[mgreen@careengland.org.uk](mailto:mgreen@careengland.org.uk)

## Health and Social Care Committee

Oral evidence: Management of the Coronavirus  
Outbreak, HC 36

Tuesday 19 May 2020

Ordered by the House of Commons to be published on 19 May 2020.

[Watch the meeting](#)

Members present: Jeremy Hunt (Chair); Paul Bristow; Amy Callaghan; Rosie Cooper; Dr James Davies; Dr Luke Evans; Barbara Keeley; Taiwo Owatemi; Sarah Owen; Dean Russell; Laura Trott.

Questions 446 – 491

### Witnesses

**I:** Adelina Comas-Herrera, Assistant Professorial Research Fellow, Care Policy and Evaluation Centre, London School of Economics and Political Science; Professor Terry Lum, Professor of Social Work and Social Administration, Hong Kong University; and Isabell Halletz, Chief Executive Officer, AGVP (Employers' Association – Care Homes), Germany.

**II:** James Bullion, President, Association of Directors of Adult Social Services; Professor Martin Green, Chief Executive, Care England; and Vic Rayner, Executive Director, National Care Forum.

# The Future



- Funding
- Workforce
- Regulation
- Technology



# Dr Natalie-Jane Macdonald

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CEO

UK Sunrise Senior Living &  
Gracewell Healthcare

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## COVID-19 immediate legacy

- Picture varies widely across care homes linked to geography, demography, architecture of the home, access and usage of PPE, whether patients discharged from NHS were admitted
- Common challenges of high costs associated with tackling the virus, LA funding too late and too restrictive, a tired workforce, occupancy drops and “not out of the woods yet”
- For some, buildings not fit for purpose and fee levels leave little margin to invest in recovery
- Media approach by some providers has had unintended consequence of damaging confidence and trust in the safety of the sector



## Next steps

- ✓ Sustain infection free homes through rigorous infection control, regular testing of team members and residents
- ✓ Re-introduce family access and welcome new residents
- ✓ Continued focus on greater recognition of and investment in people who work in care
- ✓ Sector wide PR and marketing to rebuild confidence in care homes and continue the momentum for change in the sector
- ✓ Frank appraisal of what care homes need to look like in the future to be safe and avoid having to be prisons to keep residents safe
- ✓ Virtual consultations, triage and treatment to avoid unnecessary hospital visits



# Katya Zubareva

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Partner  
L.E.K. Consulting

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## Short-term demand has been significantly reduced by closures, but providers should be ready for some patients to return to clinics shortly after re-opening

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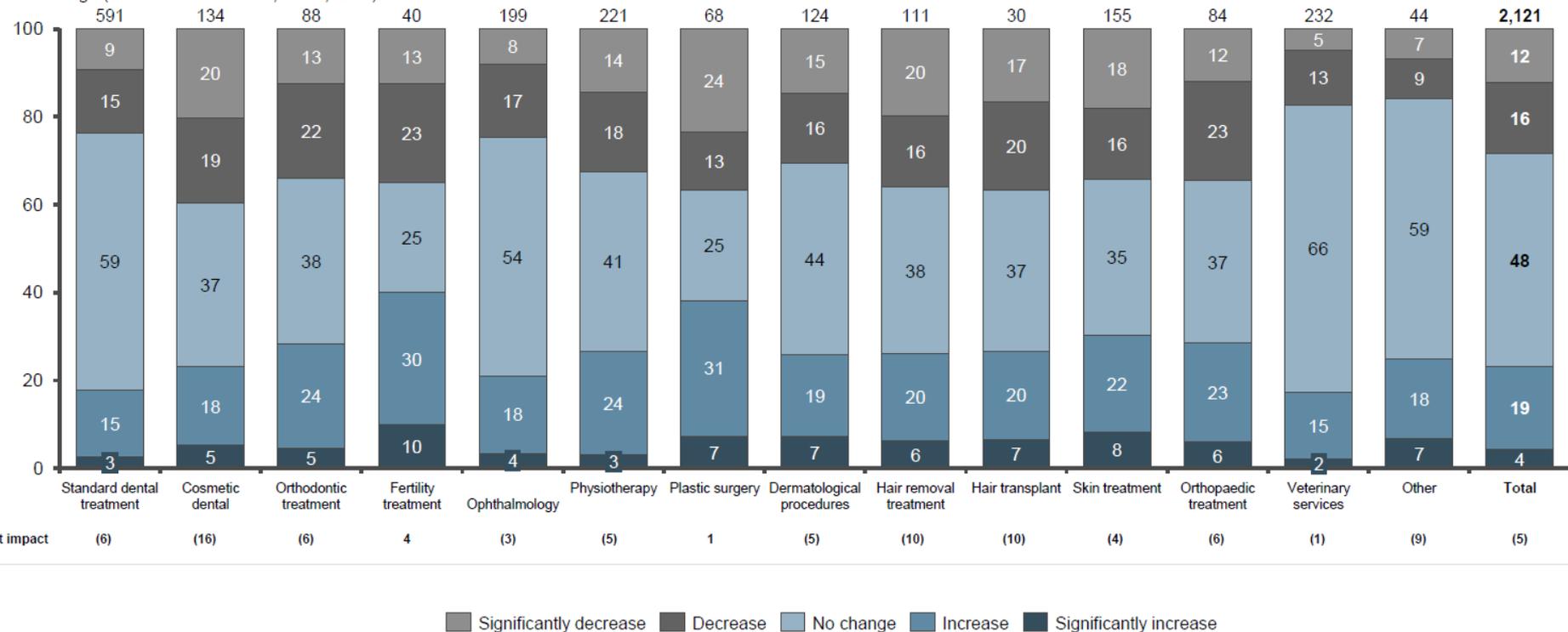
### Key findings

- There has been significant short-term disruption to privately funded healthcare due to clinic closures and limitations imposed on patient movement
  - respondents reported that c.85% of the U.K.'s private healthcare treatments were either postponed or cancelled on average across treatment types (higher for some treatment types)
- It appears, however, that many (up to 50%) respondents are not yet feeling a negative financial impact of COVID-19 – something that may change in the coming months
- Private patients are confident about returning to clinics once they feel safe to do so
  - 30% of patients would like to return as soon as possible after providers re-open, with another 30% following when all movement restrictions are lifted
  - patients currently expect overall spend on private healthcare to only be marginally less in the next six months compared to the same period last year
  - the more elective sectors, such as cosmetic treatments, are most adversely affected
- As lockdown restrictions are lifted, providers should consider several dimensions of clinic re-opening
  - a variety of safety measures are required to reassure patients. Masks, hand sanitizer and spacing of appointments appear to be the most reassuring
  - better, and tailored, patient communication is needed to ensure that those who are keen to return to treatment immediately do so
  - careful capacity planning is needed to ensure sufficient (but not excessive) availability
  - a regular assessment of patient behaviour is required as government restrictions evolve and the full economic impact of COVID-19 becomes clearer

# Privately funded healthcare spending is expected to be marginally lower in the next six months compared to the same period last year

## Impact of COVID-19 on treatment spend in the next 6 months\*

Percentage (number of treatments, N = 2,121\*\*)

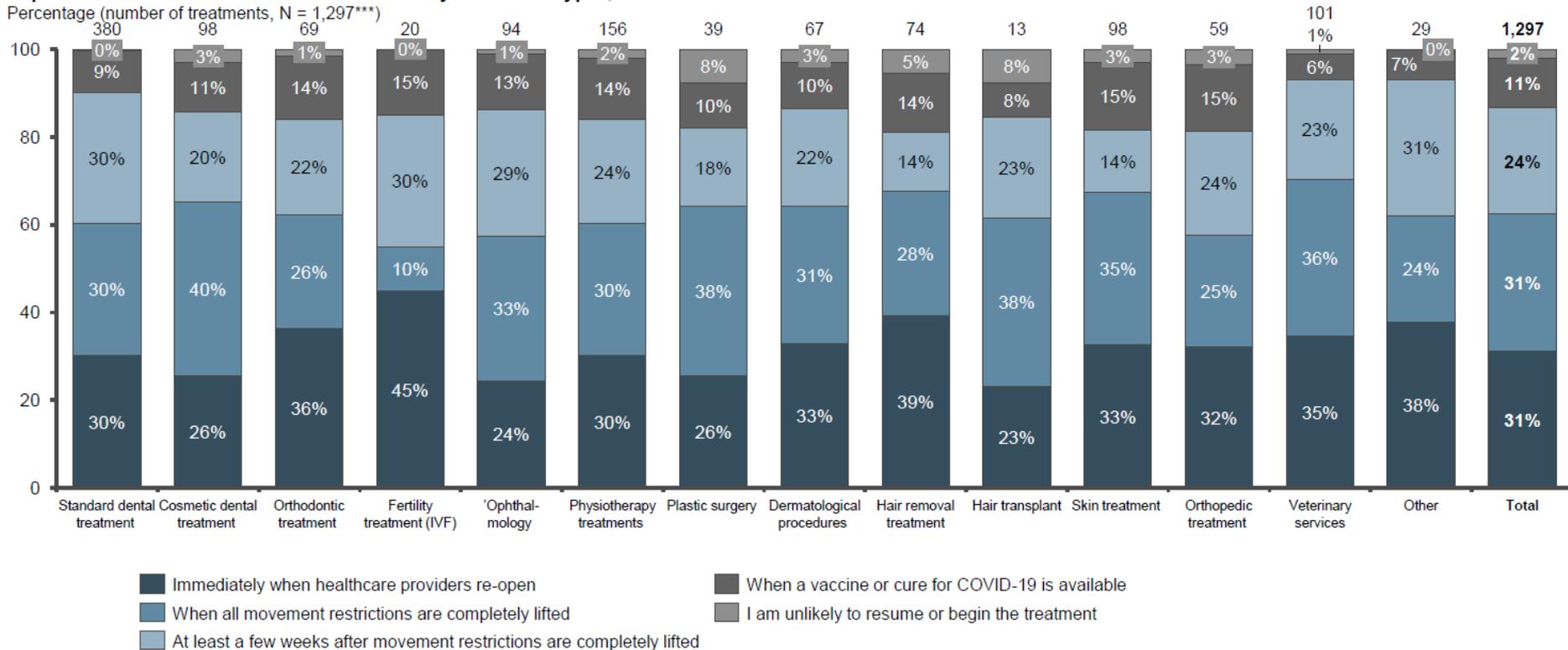


Notes: \*For each of the treatment types you receive on a regular basis, how do you expect your spending on treatment over the next 6 months to change versus the same time period last year? \*\*Patients can undergo more than one treatment  
Source: Consumer survey; L.E.K. analysis

# 30% of private patients would like to return to treatment immediately after providers re-open, with another 30% following when all movement restrictions are lifted

## Impact of COVID-19 on return to treatment by treatment type\*,\*\*

Percentage (number of treatments, N = 1,297\*\*\*\*)



Notes: \*How soon would you like to resume or begin treatment once healthcare service providers re-open and are able to accept patients? Only patients who had their meeting postponed or cancelled answered the question \*\*Results are fairly consistent across employment type \*\*\*\*Patient can undergo more than one treatment

Source: Consumer survey; L.E.K. analysis

# Thank you to our partners

Content



Media



Charity



# A survey of 1.1k U.K. consumers of privately funded healthcare, conducted on 24-28 April 2020, assessed the impact of COVID-19 on demand for services

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## Survey background

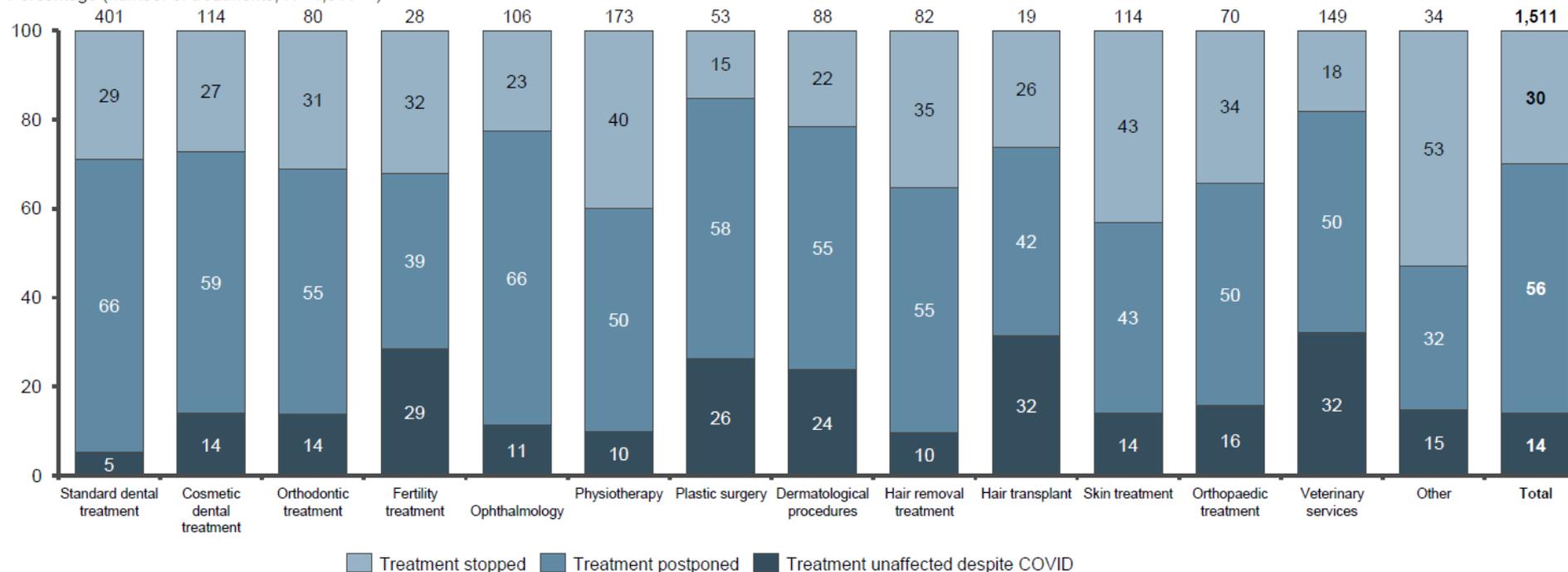
- This survey was conducted to gain a better understanding of private healthcare customers' expected behaviour after the COVID-19 outbreak in the U.K.
- The key questions addressed were:
  - how quickly will the patients return to their treatments after COVID-related clinic closures are lifted?
  - will spend on private healthcare in the U.K. be significantly impacted?
  - what can providers do to reassure patients about the safety of their treatments after re-opening?
  - how good was provider communication with patients during the crisis?
- We asked these questions across 13 treatment types (selected for typically having a higher share of self-pay services)
- A total of 1,122 completed the survey, qualifying based on their usage of private healthcare and demographics; these patients represent c.2k treatments
  - N by treatment type varies significantly, from c.20 hair transplant patients to over 400 standard dental patients
- The survey took place between 24 and 28 April 2020
- The survey was run in partnership with Dynata, the world's largest first party data and insights platform



# c.85% of the U.K.'s privately funded healthcare treatments have been postponed or cancelled due to the coronavirus

## Impact of COVID-19 on private treatment timing (excluding treatments that have been completed or are far into the future)\*, \*\*

Percentage (number of treatments, N =1,511\*\*\*)



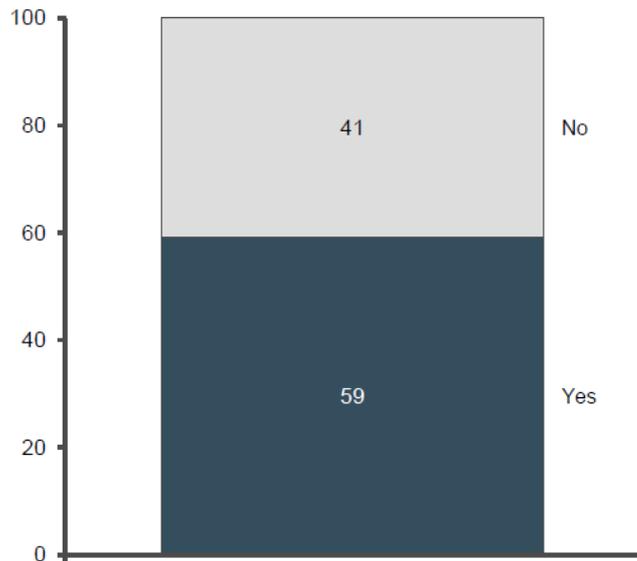
Unaffected treatments likely include those with a longer treatment pathway and/or those that can be delivered remotely

Notes: \* For each of the treatment types you were receiving or had planned to receive, did you have to stop treatment or have treatment postponed due to closures as a result of the COVID-19 outbreak? Survey respondents includes those that have undertaken a privately paid healthcare services in the past 12 months or were planning to use in the next 12 months \*\*Results are fairly consistent across age and income groups \*\*\* Patients can undergo more than one treatment  
Source: Consumer survey; L.E.K. analysis

## Quality of patient communication at the start of the lockdown varied significantly among providers

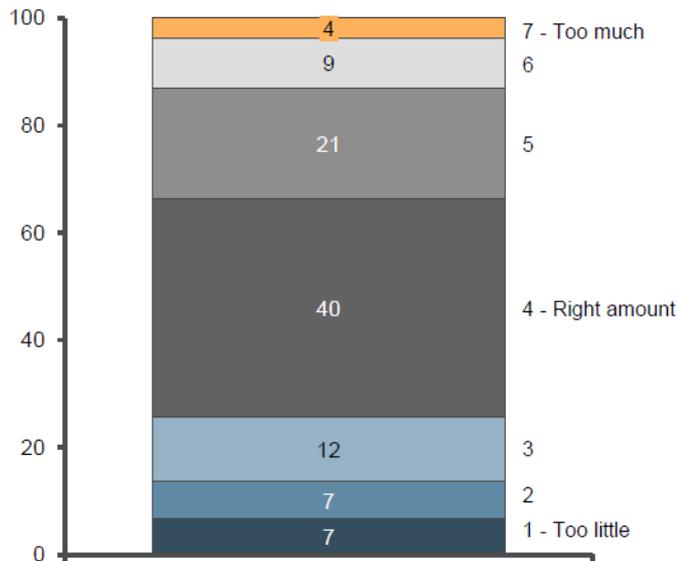
### Percentage of respondents who have received regular communication regarding planned treatments\*

Percentage (number of respondents, N = 1,122)



### Respondents' perception of communication volume by healthcare providers\*\*

Percentage (number of respondents, N = 1,122)



These results are fairly consistent for all types of treatment, with fertility clinics communicating the most (some fertility patients noted they received too much information)

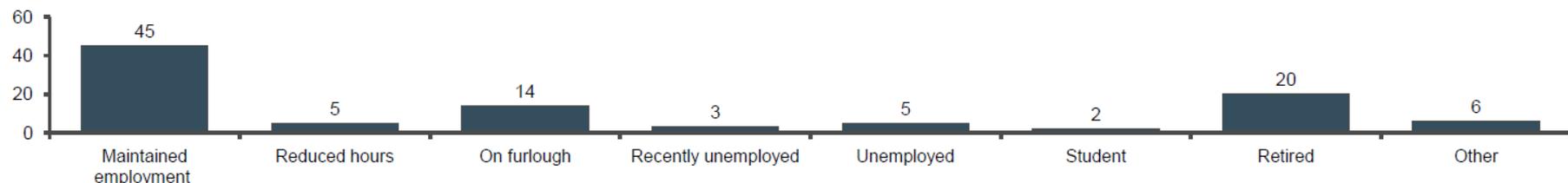
Notes: \* For each of the treatment types you were receiving or had planned to receive, have your healthcare service providers communicated with you regularly during this COVID-19 related lockdown / closure?; \*\* Do you believe your healthcare service providers have had enough communication with you during this COVID-19 related lockdown / closure?

Source: Consumer survey; L.E.K. analysis

## c.35% of respondents report that COVID-19 has left their financial position unchanged and c.50% at least somewhat worsened

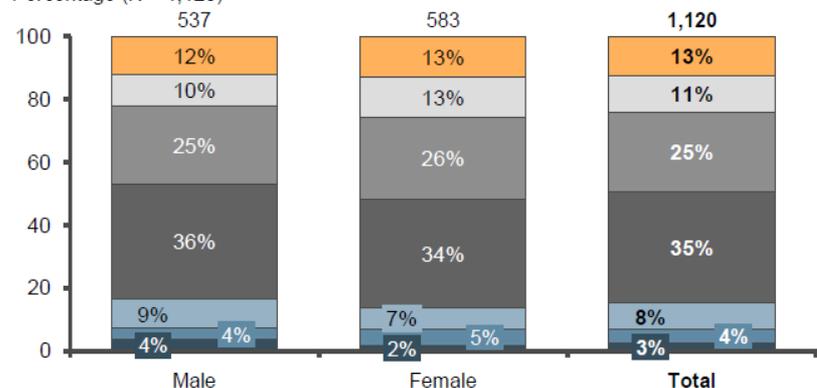
### Employment status of respondents during the survey period\*

Percentage (number of respondents, N = 1,122)



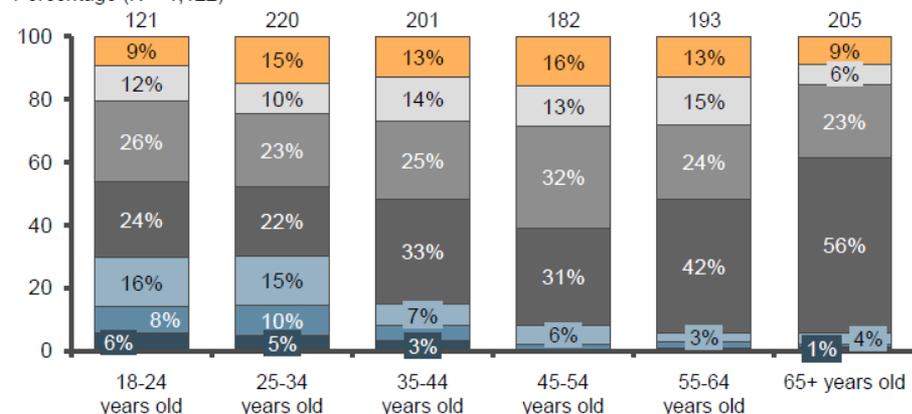
### Impact of COVID-19 on financial position, by gender

Percentage (N = 1,120)



### Impact of COVID-19 on financial position, by age

Percentage (N = 1,122)



1 - Significantly worse off 2 3 4 - No change 5 6 7 - Significantly better off

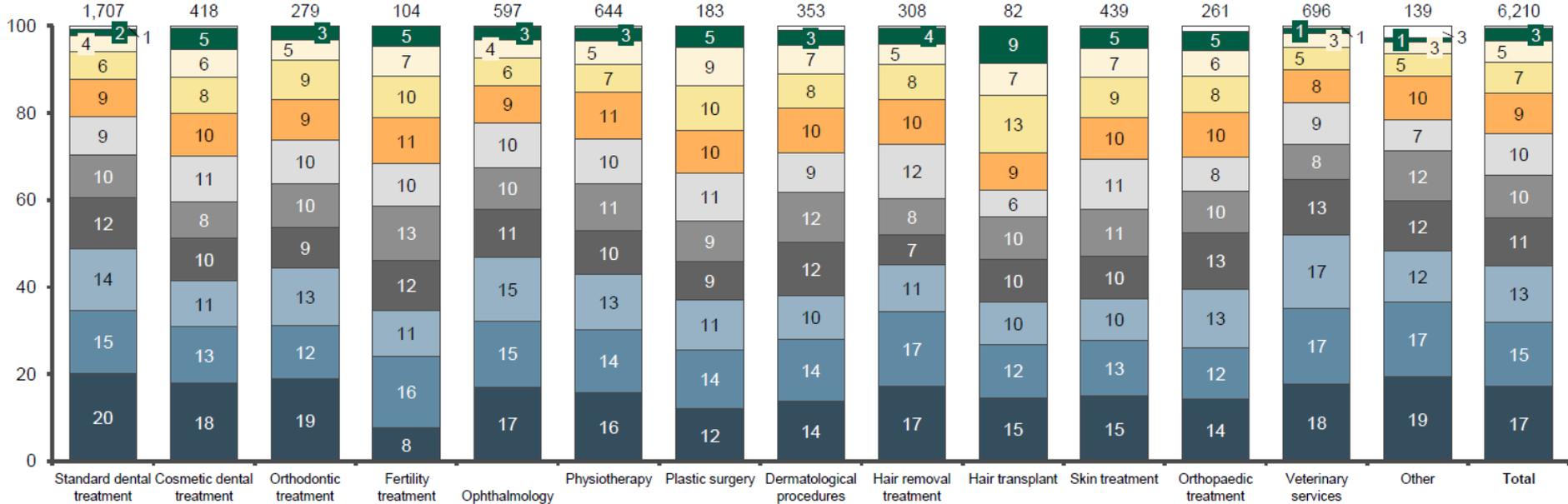
Note: \*Which employment category best describes your current job status?

Source: L.E.K. Survey and analysis

# As clinics re-open, patients would value a variety of safety measures. Masks, hand sanitizer, and spacing of appointments appear the most reassuring to patients

## Safety measure that healthcare service provider can adopt to reassure safety for patients

Percentage (number of respondents, N = 1,122\*)



- All staff wearing masks
- Provision of hand sanitizer
- Spaced out appointments with a time buffer between each
- Distancing protocol for all staff except for direct healthcare providers
- Checking of all patient temperatures before allowing entry to facilities
- Additional facility cleanings
- Provision of masks and gloves to all patients entering facilities
- Self-certification of no COVID-19 symptoms
- Required use of symptom tracking app
- Rotational shifts of healthcare providers
- Other (please specify)

Note: \*respondents were able to tick multiple boxes  
Source: Consumer survey; L.E.K. analysis

# Respondents provide a representative sample of the U.K. population

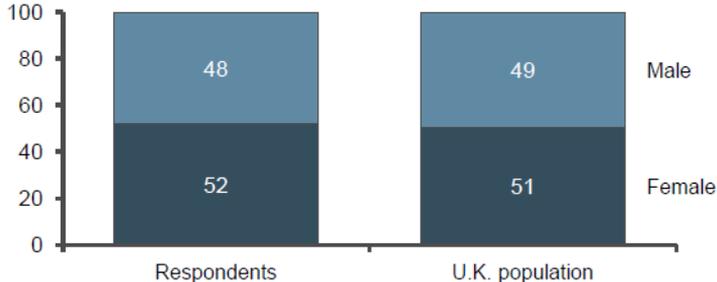
## Age profile of respondents vs. national age profile

Percentage (number of respondents, N = 1,122)



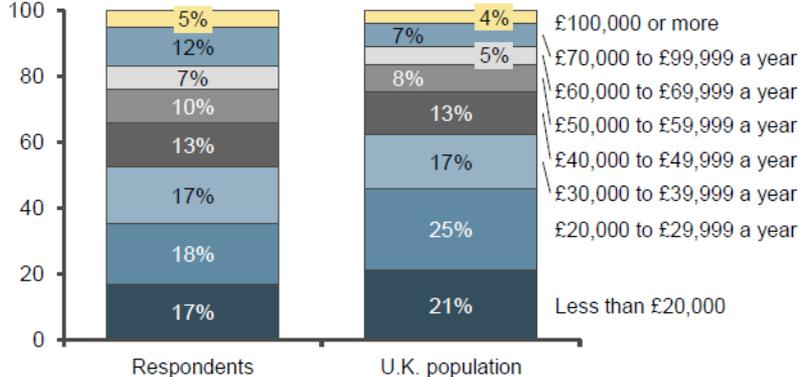
## Gender split of respondents

Percentage (Number of respondents, N = 1,122)



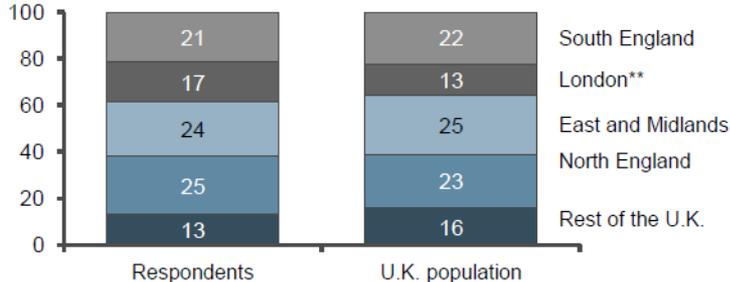
## Household income profile of respondents\*

Percentage (number of respondents, N = 1,079)\*



## Regional split of respondents

Percentage (Number of respondents, N = 1,122)



Note: \*Excludes 43 respondents who did not wish to answer \*\*Respondents from London answered includes greater London  
 Source: L.E.K. Survey and analysis

## Disclaimer

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