

Donald Trump, the US Private Health Giant, and Top British NHS Officials - Special Relationships?

US private healthcare firm Optum has been 'planting seeds' in the English NHS for a decade, new research exposes.

By [Tamasin Cave](#)

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In the UK, we have a simple take on the US healthcare system as a for-profit, private system that fleeces its customers and fails the poor.

But here's the secret: the US has its own 'mini NHS'. Smaller than the UK's system, but still a government funded, (mostly) publicly-run system that serves people according to their need. It's called the Veterans Health Administration (VHA).

And Donald Trump wants to privatise it.

What's more, to set the reforms in motion, the firm that's been [appointed](#) to [create and expand new private networks within the Veterans health system](#) is Optum, the profitable 'healthcare services' arm of America's [biggest private health insurer, UnitedHealth Group](#).

Optum and UnitedHealth are familiar names to anyone who has been following the silent takeover of the NHS by private healthcare firms in recent years, though aspects of their involvement are fully exposed here for the first time.

Health privatisation, US-style – sounds familiar?

But first, it's worth a closer look at what's been happening to the US's own 'mini-NHS' – because there are some remarkable parallels with what's happening on this side of the Atlantic.

The Veterans Administration has a budget of \$70billion with which it provides healthcare for some nine million US military veterans. It has experienced serious capacity issues in the past, but a [study last year](#) found the quality of care it provides is the same, or significantly better than the private sector.



Donald Trump pictured with US healthcare executives in 2017, including (second from right) the then CEO of UnitedHealth Group | Twitter

Regardless, Trump passed a law last year that allows extensive latitude for a significant proportion of this care to be outsourced to private healthcare corporations.

The President's plan is backed by a small cabal of right-wing politicians and [lobby groups](#) on a crusade to talk down the care the Veterans Health Administration provides – and then to 'fix' it, through pushing veteran patients towards private providers. Trump began by [replacing senior Veterans Administration officials that stood in the way](#) and [reportedly allowed his close political associates](#) and [donors](#) to [influence](#) the reforms. All the while [running](#) a PR campaign, led by officials and their Koch-backed advisors, denying that funnelling billions of taxpayer dollars to private healthcare providers amounts to privatisation. On being appointed, Trump's new VA secretary [told](#) senators: "I will oppose efforts to privatize the VA."

Democrat Congresswoman, Alexandria Ocasio-Cortez [says](#) the real beneficiaries of Trump's reforms are "pharmaceutical companies, insurance corporations and, ultimately... a for-profit health-care industry that does not put people or veterans first." If he really wanted to "fix the VA so badly," she added at a packed rally earlier this year, "let's start hiring, and fill up some of those 49,000 [staff] vacancies."

All of this will sound eerily familiar to campaigners defending the National Health Service against privatisation: from chronic understaffing to legislative reform in the face of massive opposition, and all the while strenuously denying that the changes amount to privatisation at all.

We're told one thing about NHS privatisation – health firm investors are told another

"There is no privatisation of the NHS on my watch," Matt Hancock [assured](#) MPs earlier this year. Boris Johnson has since echoed his words: "We are absolutely

resolved. There will be no sale of the NHS, no privatisation.”

Look at the message US private healthcare firms are giving their investors, however, and a different story emerges.

“We’ve been planting seeds and I would say that we’re strong with the NHS,” US healthcare executive, Larry Renfro [told investors](#) in 2016. Renfro was then chief executive of Optum – the very same US company that’s recently been awarded huge contracts to take over the US’s ‘mini NHS’.

“We’re strong with [the regulator] NHS improvement. We are getting stronger with the Minister of Health, as well as the Secretary of Health,” Renfro said.

His colleague and Optum’s Executive Vice President, Jeffrey Berkowitz, spoke of the years Optum had spent building a “very strong foundation of work on the ground with the Department of Health”.

Investors and financial analysts were told this, but not the British public.

Official records show only that Health Secretary, Jeremy Hunt, [held](#) an ‘introductory’ meeting with Optum in March 2017 and that health minister Philip Dunne [visited](#) Optum in Boston and [again](#), a couple of weeks later in London.

It is only because Renfro told investors that a health minister is “as we sit here today, with us... on tour”, that we know that Lord Prior, now chair of NHS England, also visited Optum at its headquarters in Minneapolis in October 2016.

Donald Trump, the private healthcare execs, and NHS senior officials

This was one of many visits in recent years made by politicians and senior health officials to Optum’s various US offices. This includes officials from NHS Digital – guardians of NHS patient data – whose head of data was given a tour of Optum’s capabilities at its Washington office in January 2018. As an Optum lobbyist [said in 2014](#), the trips, some of which it paid for, are part of its efforts to “develop and mature” its relationship with the NHS.

It is also only through documents released under Freedom of Information law that we know that Ed Smith, the chair of the NHS’s powerful regulator NHS Improvement, held a series of ‘working dinners’ with UnitedHealth Group CEO, Stephen Hemsley – first in [September 2016](#) and again [in January](#) the following year. Another ‘working dinner’ took place with Renfro in [March 2017](#). The documents don’t reveal what these men discussed.

In February of that year, Hemsley visited the White House to meet Donald Trump [photos from the meeting: second right and slightly hidden [here](#); leaning forward hands on table behind Mike Pence [here](#)]. The President [tweeted](#):

“Great meeting with CEOs of leading U.S. health insurance companies who provide great healthcare to the American people.”

Once declared the highest paid CEO in the US, Stephen Hemsley is now executive chair of

UnitedHealth Group. He earned a [reported](#) \$65m last year. [Fortune described](#) him as the “corporate chief who’s arguably created more wealth for shareholders... than any sitting CEO”.

The secrecy of these trans-Atlantic meetings matters. It has allowed the UK government to tell one story to the public, while quietly inviting a giant, for-profit US corporation, bent on overseas expansion, to embed itself in our NHS.

Optum’s parent company, UnitedHealth Group, which reported earnings in 2018 of over \$220 billion, is opposed to efforts in the US to introduce a universal, public health system like the NHS. Its current CEO [said](#) Medicare for All, as the proposals are known, would “[destabilize](#)” the American healthcare system. It goes without saying, they would also eliminate its industry.

Healthcare markets – why are we looking to US firms to help shape our healthcare?

As [support rises in the US for an NHS-inspired ‘Medicare for All’ system](#) to replace the current broken model, in contrast, the Conservative Party has spent the past decade rushing to adopt a US model in its reform of the NHS. This has involved taking our national health system and breaking it up into [mini healthcare markets \(known as Accountable Care Organisations, or ACOs\)](#) to be run, increasingly, with technology and expertise supplied by companies like Optum.

Optum specialises in using data and algorithms to predict and make decisions about who gets what care, something it has honed in America’s private health insurance system, where the more insurers cut costs and ration care, the more money they make. Optum’s algorithm was also recently [found](#) to show dramatic biases against black patients.

“Nationally, there are various things going on with data and information and digital that we are actually working with them [the UK] very, very closely right now,” Renfro [told investors](#) in April 2017. The health secretary and a “subset of the NHS board” were due to visit, he added: “So things seem to be breaking a lose [sic] right now.”

All of which adds up to quite a different picture to the one used by the Conservatives to sell the reforms to the public in 2010. Health secretary Andrew Lansley’s pitch back then was that his changes were about [handing GPs](#) control of the NHS budget to spend locally as they saw fit.

Optum had been involved in discussions from the start in 2010, as [revealed](#) in Lansley’s diary (which was released only after a court ruling). Four years later and documents released under FOI [showed](#) Optum in prime position to pick up some of the first wave of contracts. In April 2017 – by which time the NHS had been divided into 44 regional areas, each with a plan for reforming its region – Renfro [updated](#) investors on “what we’re doing in the UK” and Optum’s UK “44 market strategy”.

“So in February, we won our first business.... with one of those [regions].... that’s where you’re going to manage with an ACO process. And so we’re tying in everything we do in the States into that win that we just received.” According to Renfro, it was “very, very close” to picking up another two regions and the firm had moved people over to the UK to manage the projects.

Since then, it has been hired by NHS England to “accelerate” these reforms across the

country. In the West Midlands, for example, Optum has [advised](#) the region's GPs, hospitals and local councils on their plans. With its partner, PwC, it provided a 12 week programme of training for senior health officials across Birmingham, Solihull, Coventry, Warwickshire, Herefordshire and Worcestershire. It has also gone into partnership with [GP "super-practice", Modality](#).

Among the other regions receiving Optum coaching and support are: [Cumbria](#); [Cambridge and Peterborough](#); [South East London](#), [Staffordshire](#) and [Norfolk](#), Optum was also brought in to help remodel health services in the region spanning [Bedford, Luton and Milton Keynes](#).

Yeovil Hospital, which has led the reforms in Somerset, [said](#):

"The ACO model born in the US market is new to the UK, and as such we have partnered with globally experienced Optum who are guiding our journey into this new world."

At the same time, Optum has been on a hiring spree across the country of former NHS staff to undertake the work, led by former NHS England directors who have also passed through the revolving door. Ultimately, though, the man steering these reforms is Simon Stevens, CEO of NHS England. He previously, [spent a decade at the top of UnitedHealth Group as Executive Vice President](#) and president of its expanding global health businesses.

The health secretary will still deny that privatisation is occurring on his watch. And Boris Johnson will continue to insist that the NHS is not for sale. Meanwhile, the seeds that Optum has been planting for a decade under the Tories are beginning to bear fruit.

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