



DEPARTMENT OF HEALTH AND SOCIAL SECURITY

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Telephone 01-210 3000

From the Secretary of State for ~~Health Services~~ Health**CONFIDENTIAL**

The Rt Hon John Moore MP

NBBm

PCC6
10/7

7 July 1989

Dear John,

COMMUNITY CARE AND HEALTH AUTHORITIES

Thank you for your letter of 21 June about the possible activities of health authorities as a result of our proposals for community care. Your concern rests with the possibility that, between our announcement and implementation date, they might be disposed to encourage patients to move out of hospital and into some sort of residential care setting at public expense. Thereafter these individuals would have their existing entitlements to benefit protected once our new arrangements are in place.

I think you will appreciate that my position in respect of the moratorium is somewhat difficult. I can confirm that the moratorium has not been explicitly lifted and I have no intention of doing so in advance of the implementation of Griffiths. However, our stated concern in imposing it was to reassure ourselves that health authority activity was consistent with community care policy and was legal. It was never designed as a brake for public expenditure purposes, nor did it refer specifically to the activities of the private sector. Health authorities have a legal obligation to plan services and to live within their cash limits. They have no obligation to continue to take responsibility for people who have no further need of their therapeutic and clinical care and who can be more appropriately cared for at home or elsewhere. I could not, obviously, instruct health authorities to stop the planned discharge of patients that they were no longer treating.

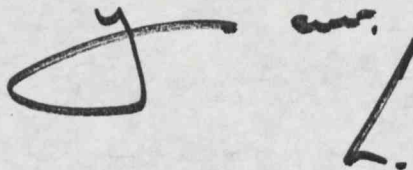
I do not believe that in practice we will see activity from health authorities significantly different from what it would otherwise have been. I think that this has no significance at all for the PES outcome. As you say, any large scale proposals from individual authorities have to be planned and are subject to a complex bureaucratic process of consultation and discussion. In addition health authorities cannot simply move patients into the private sector without their knowledge and consent and that of their caring relatives.

file into PCC

E.R.

Whilst, theoretically, there might appear to be an incentive for health authorities to take advantage of the short-term situation, I do not believe that in practice they will try or manage to do so on a large scale. If you have any useful evidence to the contrary I would, of course, be pleased to see it.

I am copying this letter to the Prime Minister, Peter Walker, Nicholas Ridley, Malcolm Rifkind, John Major, Sir Roy Griffiths and Sir Robin Butler.

A handwritten signature in black ink, appearing to be 'K. Clarke', with a large loop on the left and a vertical stroke on the right.

KENNETH CLARKE