

## Boom or bust?

2019 was a good year for London's private hospitals, but what does the post-Covid future hold?

## City limits

Royal Marsden's Shama Mehdwala talks ahead of Government's health reform

## Shaping the future

King Edward VII discusses how Covid is leading to cross-sector collaboration

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# Healthcare Markets

*Independent. Intelligent. Insightful.*

In focus

## Back in the city

The pandemic pressed the pause button on growth in the central London private hospital market, but as lockdown ends will patients return?

LaingBuisson  
HEALTHCARE MARKET

Case management companies are a vital source of care coordination, helping to resolve claims between solicitors and insurers and access bespoke care packages for rehabilitation at a time when families are coping with an injury. **Dr Kristoffer Kenttä**, engagement manager at Candesic and **Dr Michelle Tempest**, partner at Candesic, provide insights into this niche market



# Catastrophic injuries and case management

It is tragic when a catastrophic injury occurs. Life can change in an instant, from being able to run marathons to needing help to turn in bed.

Early and effective rehabilitation is essential to help improve outcomes and manage physical and mental change. If the catastrophic injury is caused by an accident covered by insurance or through clinical negligence, compensation can be claimed to support rehabilitation.

A claimant solicitor specialised in personal injury claims will support the injured to get fair compensation. In order for the claimant solicitor to understand the rehabilitation needs and start the rehabilitation, a case manager is engaged by the claimant solicitor.

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Sometimes the claimant solicitor and insurance company agree together on a case manager, which is called a joint instruction. In this case, it is usually the insurance company that provides candidates.

The case manager's role is to structure a patient's rehabilitation back to their condition prior to the accident or to maximise functionality.

Services include meeting the individual's health, social care, housing accommodation, educational and employment needs. It could also involve recruiting and training support workers for the patient.

A case manager usually has eight to 16 cases on the go at the same time. The workload varies between cases over time, with more intense work in the beginning when the appropriate structures around the client are set up.

**For claimant solicitors the case manager is more important than the case management company**

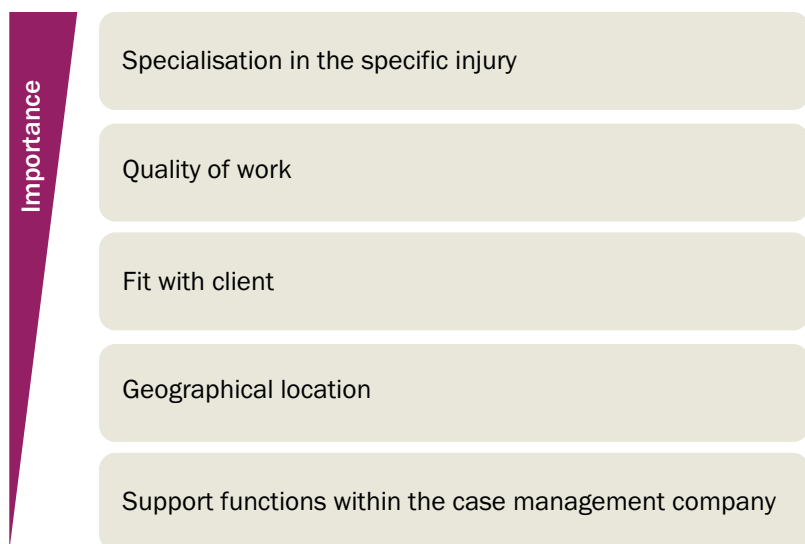
The most important criteria for solicitors choosing a case manager is that they have experience with the specific type of injury (see Figure One).

For example, a spinal cord injury or a traumatic brain injury. A good fit between case manager and patient is also important, as they will work together for years.

Therefore, it has become popular to organise a 'Meet and Greet' where the claimant solicitor lets the patient meet two or three different case managers before deciding.

'I usually propose two to three highly qualified case managers to the client.

**FIGURE ONE**  
SOLICITORS CRITERIA WHEN CHOOSING A CASE MANAGER





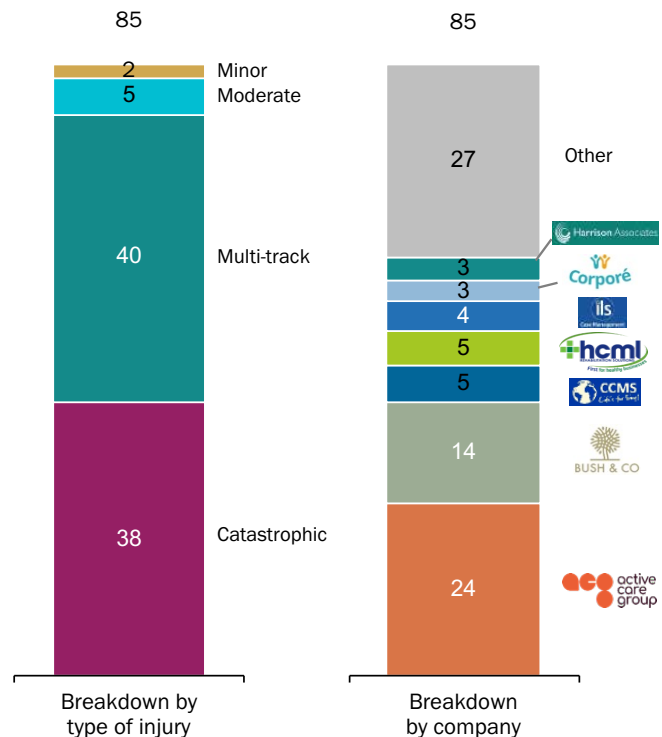
It is the client and family who decide the one they get along best with,' said James Davies, solicitor and partner at Irwin Mitchell.

Support functions within case management companies are also important to help deal with cases efficiently. Solicitors can choose to work with any case manager and case management company they want and do not use any frameworks or panels. On the other hand, insurance companies have tender panels where one to three case management companies typically share the volumes.

Some case management companies such as Independent Living Solutions also recruit and train support workers for catastrophically injured clients, so the client can employ their own support team. Clients appreciate this, as they will know who will come to them every day, compared to hiring a provider where the staff might change.

If a case management company recruits and trains support workers, they have to be CQC registered as they will be responsible for the care given.

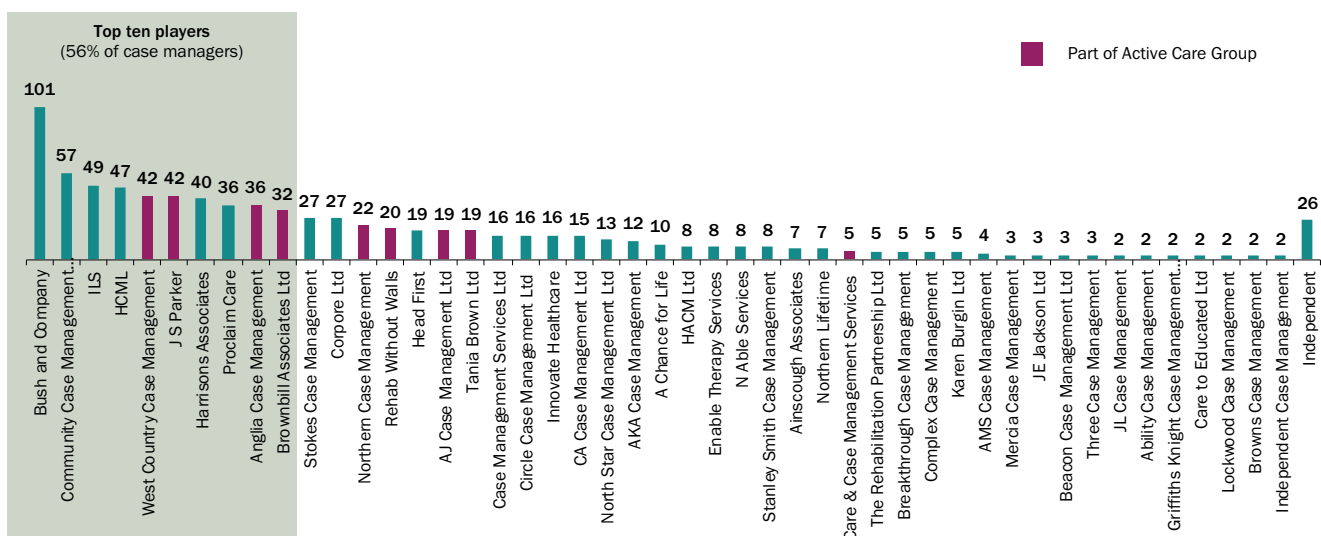
**FIGURE TWO**  
PERSONAL INJURY MARKET, £M, 2019



SOURCE COMPANIES HOUSE; ESTIMATIONS BASED ON THE NUMBER OF CASE MANAGERS; CANDESIC RESEARCH AND ANALYSIS

**FIGURE THREE**  
**NUMBER OF CASE MANAGERS PER CASE MANAGEMENT COMPANY**

MAJORITY OF CASE MANAGEMENT COMPANIES HAVE A SPLIT BETWEEN FULL-TIME AND PART-TIME CASE MANAGERS



SOURCE CMSUK; COMPANY WEBSITES; CANDESIC RESEARCH AND ANALYSIS

**The size of the UK case management market for personal injury is estimated at c.£85m with the catastrophic segment at c.£38m**

Case management companies mostly focus on severely injured people as they have the highest need for a case manager.

An additional segment to catastrophic is ‘multi-track’. In multi-track, people may have endured a severe injury, but they are expected to return to their previous level of functioning.

A multi-track case usually lasts less than one year, whereas a catastrophic case could last one to five years plus. Because multi-track has more cases per year, the market value is slightly higher than catastrophic (see Figure Two).

However, case managers are sometimes experts in both catastrophic and multi-track cases.

Active Care Group owned by Montreux Capital Management, is the largest provider followed by Bush & Co, Community Case Management and HCML. Active Care Group consists of several companies, with an estimated £24m in revenues from their case management services. Over the last decade, the case management market has been consolidated by acquisitions.

For example, Active Care Group has

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acquired West Country Case Management, JS Parker and Anglia Case Management. Figure Three shows that the top ten providers supply 56% of case managers.

**There are an estimated 2,000 catastrophic and 7,700 multi-track cases per year in the UK**

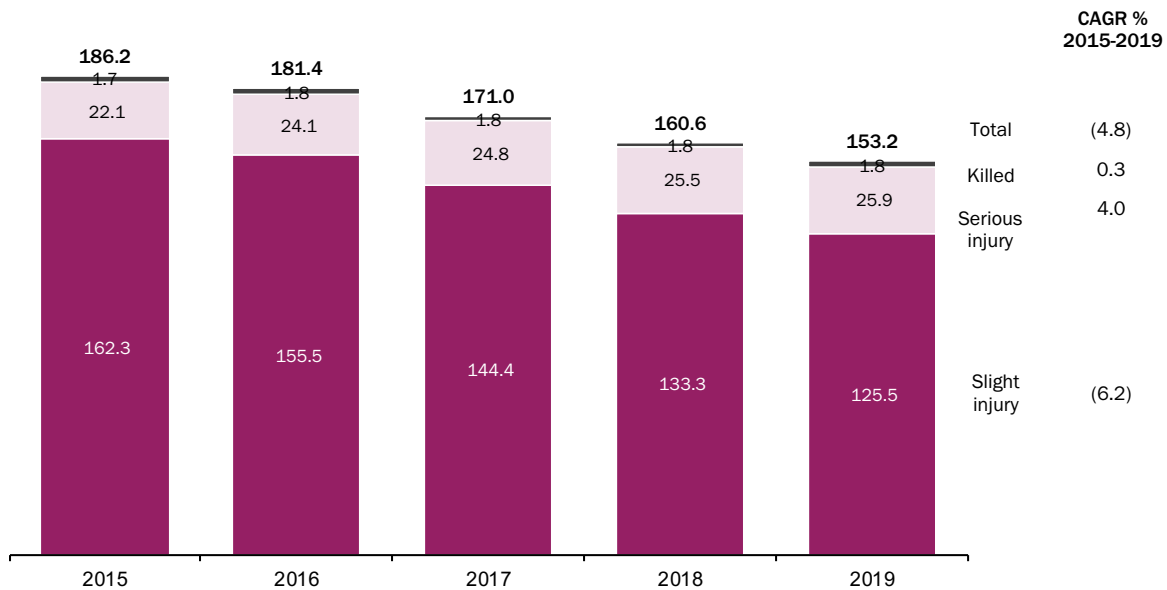
The majority of cases – c.1,400 catastrophic and c.6,100 multi-track – come from road traffic accidents which are around 30% of 25,900 seriously injured (see Figure Four), the other 70% being classified as moderate as the dataset merge very, moderately and less serious injury in the same category. The total number of people who reported an injury in road traffic accidents has declined by a 4.8 % CAGR since 2015.

However, in the same period, seriously injured people have risen at 4% p.a. During the first lockdown starting in late March, traffic went down by 60%, reducing the number of injured in 2020.<sup>1</sup>

It is predicted that following a successful vaccination programme and easing of lockdown restrictions, even though our work habits might have changed a little, it is likely that road injuries will sadly increase again.

The second largest personal injury claims come from workplace accidents, an estimated 300 catastrophic and 1,600 multi-track cases, which

**FIGURE FOUR**  
NUMBER OF PEOPLE THAT REPORTED AN INJURY IN ROAD TRAFFIC ACCIDENTS, 000s



SOURCE DEPARTMENT OF TRANSPORT; CANDESIC RESEARCH AND ANALYSIS

is around 3% of the 65,000 reported non-fatal injuries in 2019.<sup>2</sup>

Neil Elliott at Novum Law said: ‘At the moment, the market is facing challenges with fewer cars on the roads and fewer clinical negligence cases because of Covid. However, dozens of patients’ diagnoses may be delayed or missed, which is unfortunate and can lead to an increased failure to diagnose cases.’

Clinical negligence also contributes with around 300 catastrophic cases per year. The majority of them come from NHS birth injuries, where compensation has to consider the whole life of the individual.

The annual pay out from NHS resolution in the year ending in March 2020 was £2.3bn and this has been increasing at approximately 10% per annum.<sup>3</sup> As clinical negligence compensation claims are lengthy, for significant amounts and with large proportions of payouts (£0.6bn) going to the legal profession rather than victims, a ‘No fault’ compensation system has been discussed for years.

In a ‘No fault’ compensation system the claimant files a claim without solicitor involvement. However, as less evidence is needed to make a claim the number of claims will rise, so even if the claim size goes down with fixed tariffs the total amount paid out could potentially be the same.

There are currently many reviews

into maternity units considering how to reduce injury during birth. It is hoped that investment can be made to increase staffing levels and operationally spread best practice.

In summary, case management companies are ahead of their time – offering age inclusive care-coordination across hospitals, community care settings and in-home care. They have the capability to manage multiple clinical specialties. As

a result, these companies have built up a wealth of experience in care pathway management alongside budget responsibility; an emerging area of interest for investors, insurers and the NHS.

**NOTES**

- 1 Gov.uk, Driving and transport in the UK during coronavirus
- 2 Health and Safety Executive, RIDDOR
- 3 NHS Resolution

