THE PRIVATE HEALTH SHIFT

How is the rise of private healthcare shaping the UK market?

Healthcare Advisory,

Ipsos

Examining the shift towards privatised healthcare in the UK

For pharmaceutical, MedTech and biotech (life science) companies in the UK, the strategic focus has traditionally been on public bodies like NHS trusts and NICE. However, a potentially significant shift is underway.

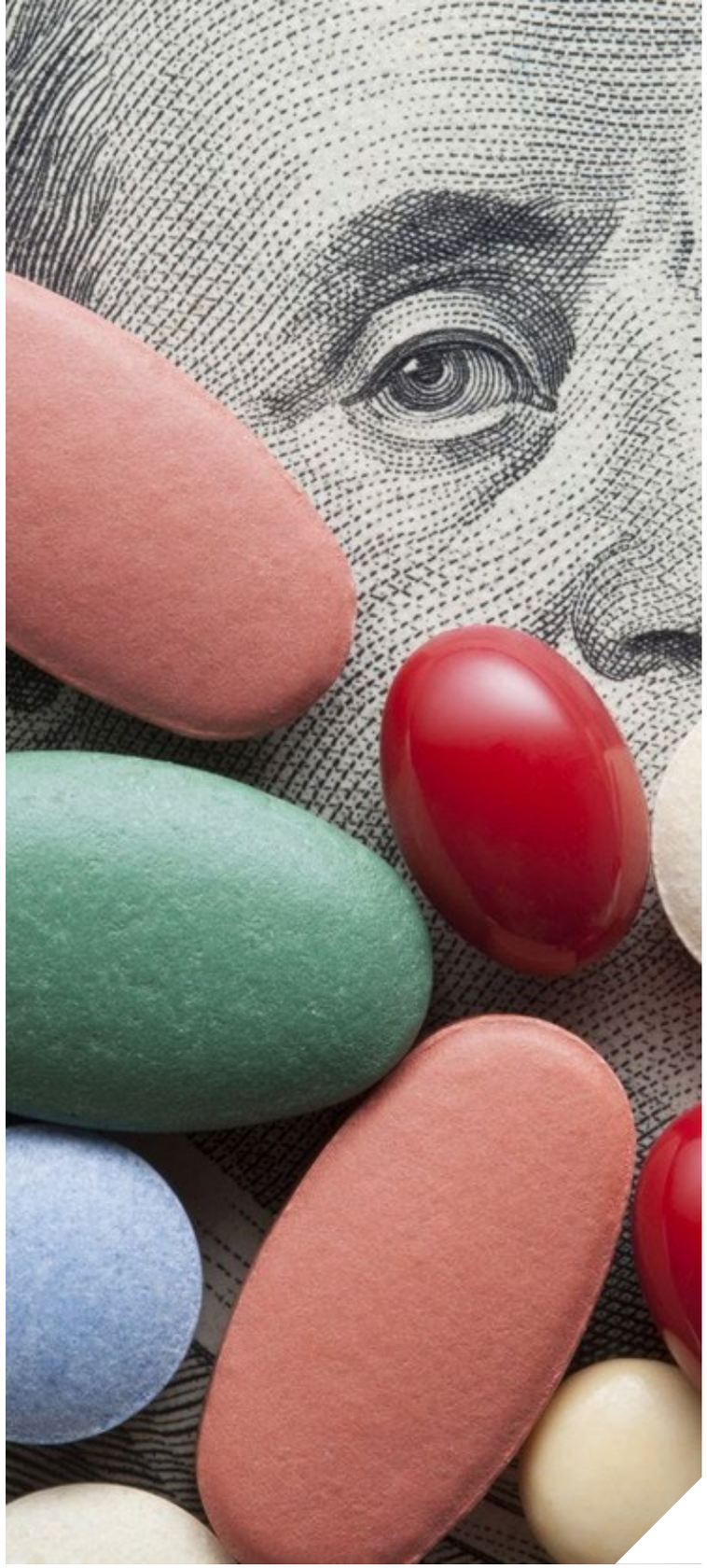
At Ipsos, our perspective at the intersection of patient behaviour and payer decision-making is revealing how private payers (insurers, employers and self-paying consumers), are increasingly shaping access pathways beyond the public system.

However, this shift is not uniform. It presents differently across therapy areas, driven by a dynamic set of push-and-pull factors, such as public system delays and restricted reimbursement.

This creates a critical question for life science companies: to what extent should they prioritise private payers?

This paper is designed to help answer that question. Firstly, we will explore which aspects of a treatment or therapy area make it compelling enough for patients or insurers to pay by examining two contrasting case studies; obesity, with its widespread private market boom, and oncology, where the shift is more targeted towards diagnostics. Secondly, we will provide key considerations to help you determine where similar opportunities may exist within your own portfolio.

Contents



The rise of private healthcare is reshaping how life science companies engage with the UK market

An increase in private healthcare in the UK

The UK healthcare landscape is at an inflection point. The concept of a two-tier system, where access to timely and comprehensive care increasingly depends on the ability to pay for private services rather than rely solely on the NHS, accelerated by the pressures of the COVID-19 pandemic, is now a reality. Stretched NHS capacity and persistent waiting lists are pushing a growing number of individuals to seek private medical insurance or pay for treatments out-of-pocket (OOP).[1]

Similar trends have been reported by other notable sources. In May 2024, The Nuffield Trust found that the number of people paying OOP for hospital care rose by 30% across the UK between 2019 and 2024.[2] Furthermore, the Health Equity Evidence Centre reported that, among G7 nations, the UK shows the most rapid increase in both private insurance expenditure and OOP healthcare costs.[3] These statistics signal that the time to engage with the private market is now.

Understanding the uneven shift

Crucially, this growth in the private healthcare market is not uniform. Increased private investment will not benefit all therapeutic areas equally and will be heavily influenced by factors such as public reimbursement and patient willingness-to-pay.[4] Recent Ipsos research into patient attitudes and trade-offs shows that almost half (47%) of the UK public remain unlikely to use private healthcare, either through insurance or OOP payments.[5]

Life science companies must avoid deploying a one-size fits all strategy across their portfolios. Instead, success requires a nuanced approach, identifying where engagement with private payers is genuinely relevant and likely to create value, how adaptive pricing models can mitigate risk and improve uptake (such as subscription models or instalment payments) and where patient OOP affordability and perceived value are relevant.

This means understanding where private uptake is already emerging, or where specific dynamics - such as long NHS waiting times, restricted access to new technologies or differing perceptions of value (payer and patient) across disease areas signal opportunities to integrate private healthcare more strategically within commercial plans.

The following case studies illustrate how different pressures, observed through Ipsos's perspective at the intersection of patient behaviour and healthcare system design, are driving shifts from public to private care. In obesity, restricted NHS reimbursement and increased disease awareness has driven unusually high patient willingness to pay. In oncology, by contrast, prolonged diagnostic wait times are driving patients towards private testing, propelled by the anxiety and clinical risk associated with time-critical disease.

As you read on, ask yourself: where might these same forces be playing out in your own portfolio?

Obesity: When public access stalls, private innovation accelerates

The past: public healthcare and limited pharmaceutical access (pre-GLP-1 era)

Historically, obesity management relied on lifestyle changes, which often proved insufficient for sustained weight loss. For severe cases, the primary public option was bariatric surgery - an invasive procedure with strict eligibility criteria, long waiting lists and significant risks.[6] Other medications like orlistat offer modest efficacy with tolerability issues, leading to minimal uptake and negligible population impact.[7]

The GLP-1 revolution and the rise of private markets

The arrival of GLP-1s such as Wegovy® (semaglutide) and Zepbound® (tirzepatide) has transformed obesity care, achieving 15–20% weight loss and proven cardiovascular benefits, yet public access remains tightly restricted.[8,9] In the UK, NICE limits GLP-1 reimbursement for obesity to patients with a BMI ≥35 and at least one weight-related comorbidity.[10] This is largely driven by budget impact concerns, with the UK Government's Obesity Mission Chair warning that offering treatment to all eligible patients could "bankrupt the NHS".[11]

This has created a gap in public access, fuelling rapid growth in the private sector - in March 2025, an estimated 1.5 million UK patients were already using these treatments, with over 90% paying privately.[11,12] This shift is generating opportunities to address access challenges through self-pay programmes, targeted pricing models, and insurer partnerships.

New models are already emerging to bridge this gap - Vitality UK now offers Wegovy® and Mounjaro® at up to a 20% discount, signalling insurer-led affordability schemes that broaden access and set new private pricing precedents. In the US, where OOP payment is common, manufacturers have launched direct purchase programmes such as NovoCare® Pharmacy and LillyDirect™, expanding access and reducing monthly costs for Wegovy® ($499) and Zepbound® (tirzepatide) ($349) for self-pay patients.[13]

Digital health is amplifying this shift, enabling private providers and manufacturers to deliver more personalised, continuous support through telemedicine, coaching, and remote monitoring. These platforms not only enhance adherence and outcomes but also generate real-world evidence that strengthens payer value propositions and supports innovative, risk-sharing approaches.[14-17]

As private models expand, understanding patient behaviour will be critical to predicting where they will gain traction. Ipsos's work in obesity has highlighted that visible results and lifestyle impact materially increase willingness to self-pay, compared with more clinically silent conditions such as MASH (recently FDA-approved for Wegovy®). This behavioural asymmetry has important implications for how manufacturers segment indications and design dual-track access strategies.

For life science companies, acting decisively now to build the private infrastructure and partnerships needed to operationalise these strategies, will be critical to securing a durable competitive position as the market becomes increasingly crowded. Commercial approaches must now extend beyond public reimbursement, integrating insurer, self-pay, and digital pathways to capture new patient segments and establish innovative pricing frameworks.

Will public reimbursement catch up with demand?

Despite NICE recommending broader access to GLP 1 therapies, NHS England has capped reimbursement at 220,000 patients over three years for Zepbound® and under a similar arrangement for Wegovy®.[18] This raises an important question: *will public reimbursement ever catch up with accelerating demand?*

The near-term outlook suggests not. Even as eligibility expands, NHS spending caps and cost-effectiveness thresholds continue to limit rollout. Price movements remain volatile: Zepbound® initially launched around 20% below Wegovy®, generic Saxenda® entered the UK market following its 2024 patent expiry, and Eli Lilly has announced a UK list-price increase of up to 170% for Zepbound® from September 2025.[19,20,21] These shifts reflect growing global pricing pressures, including US policy moves (MFN policy), and have reinforced payer caution rather than encouraging broader reimbursement.

Looking ahead, competitive dynamics may begin to rebalance the equation. The entry of generics and biosimilar GLP-1s is expected to drive price convergence and improve affordability that could eventually support wider NHS access. However, upcoming indication expansions to MASH and CVD are likely to compound, not relieve, public budget pressures - making affordability a moving target. Failure to anticipate how demand, value perception, and payer thresholds differ across portfolios/ indications could lead to unprecedented price erosion if public reimbursement is pursued too aggressively.

For these life science companies, this underscores the need for a dual-track strategy: focussing public reimbursement efforts on high-value comorbid indications where outcomes gains can offset costs, while leveraging private models to sustain access and growth in obesity, where patient willingness to self-pay remains strong. Until the economic case becomes sustainable for public payers, private channels will continue to lead, and the pace of public adoption will lag behind demand.

Oncology: NHS delays drive private diagnostics, leading to dual-track cancer care

Where the public health system is falling short of quality cancer care

Delays in diagnosis and treatment remain among the strongest factors driving patients toward private healthcare, particularly in cancer, where speed can be critical to survival.[22]

For decades, the NHS has been the primary provider of cancer care in the UK. Yet, the lasting impact of COVID-19, coupled with a growing, ageing population, has stretched capacity and lengthened waiting times for diagnosis and treatment.

In 2023, the NHS reaffirmed its core cancer standards: diagnosis within 28 days of an urgent referral, treatment within 31 days of decision to treat, and start treatment within 62 days of referral.[23,24] However, the 2024 Darzi Review noted that *"the 62-day target for referral to first treatment has not been met since 2015"* and by mid-2025 only one of these three benchmarks was being achieved.[25,26]

With NHS capacity under strain, the focus now shifts to understanding how evolving patient choices are redefining pathways to diagnosis and treatment.

The growing use of private diagnostic services

Growing awareness of the risks associated with delayed diagnosis is fuelling demand for faster test results.[27, 28] In 2024, over 1.1 million private diagnostic tests and scans were performed in the UK, funded through private insurance and OOP payments for one-off tests. Most clinics now offer scans within one or two days.[29] AXA Health reported a 52% rise in skin and breast diagnostic service utilisation between 2023 and 2024.[30] Whilst NHS capacity remains misaligned with patients' growing prioritisation for speed, private providers that can bridge this gap stand to capture increasing market share.

Limited momentum behind private cancer treatment

While there has been a clear shift towards private healthcare for cancer diagnostics, the movement towards private treatment is less pronounced. Although chemotherapy was among the top five most common procedures accessed privately in the UK in 2022 (66,000 chemotherapy procedures), this figure was modest in comparison to the 320,000 cancer treatments the NHS delivered within the same year.[22, 31]

Although smaller than public provision, this nearly 20% share of chemotherapy treatments delivered privately is likely to increase in the coming years.[22, 32] As private diagnostic utilisation rises, uptake of private treatment has the potential to follow. Depending on the NHS' future ability to accommodate privately diagnosed patients within public systems, some individuals may instead continue along more navigable private care pathways rather than face the complexities of moving between public and private provision.

This underscores the need for life science companies to monitor how patient pathways evolve, something Ipsos tracks closely across public and private settings, ensuring their access strategies remain aligned with the shifting balance between public and private care.

Future landscape of a dual-track approach to cancer care in the UK

Overall, while cancer treatments like chemotherapy largely remain within the public domain, life science companies should still be mindful of emerging private segments, particularly higher-income individuals and those with private insurance who are seeking faster diagnostic and treatment options. Private diagnostics are showing the strongest growth, offering rapid results that can still be integrated into NHS care pathways. Rather than a wholesale shift, a layered model is emerging where private and public systems operate in tandem. For life science companies, this calls for a dual-track strategy: partnering with private diagnostic providers to expand capacity and streamline triage back into the NHS, while aligning commercial and access approaches across both settings.

The National Cancer Plan for England, published in February 2026, commits to meeting cancer waiting time targets by 2029 and expanding diagnostic capacity. How quickly these ambitions translate into reduced wait times will shape the trajectory of private diagnostic demand, making this an evolving landscape where life science companies will need to track change closely and adapt their strategies in real time. More broadly, this highlights how swiftly policy decisions can reshape market dynamics, and why strategies are built for agility, not just response.

Conclusion: A call to action

Concluding remarks

The UK is experiencing a measurable but uneven shift towards private healthcare, with growth concentrated in areas where restricted public access meets strong patient motivation. As the contrasting case studies of obesity and oncology show, this shift does not follow a single pattern. In some therapy areas private markets are already sustaining access, while in others private engagement is reshaping specific points in the pathway, most notably diagnostics.

For life science companies, this variability makes a one size fits all response increasingly risky. Relying solely on public reimbursement may limit access and growth where private demand is accelerating. A dual track approach, operating effectively across both public and private systems, is therefore no longer optional but essential.

The companies that act early to understand where private healthcare is most relevant within their portfolios will be best placed to secure durable advantage. The question is no longer whether the private market matters, but where it matters most and how decisively organisations are prepared to respond.

Key takeaways

1. **No single playbook:** Private healthcare shifts are occurring, but the pace and scale vary significantly by therapy area and due to changes in policy and funding, the landscape is never static
2. **Push meets pull:** Restricted NHS access and wait times push patients towards private options, but affordability and insurance coverage determine real world uptake
3. **First-mover advantage:** Whether your portfolio leans public or private, exploration of integrated strategies across both channels will secure durable competitive positions as the market matures

Where else might this apply?

Similar dynamics are emerging in other therapy areas where restricted access meets high patient willingness to self pay. The common thread is motivated patients facing access barriers. What differs is the pull:

- **Fertility:** Time sensitivity and preference for personalisation
- **Dermatology:** Visible outcomes and quality-of-life impact
- **Mental health:** Continuity of care and lifestyle impact
- **Sexual health:** Discretion and speed of access

The Ipsos perspective

At Ipsos, we see healthcare markets through the lens of human behaviour, not just market structures. Our understanding of how patients and payers weigh cost, convenience and outcomes, and how system pressures shape decision-making, gives us a differentiated view of where private uptake will gain traction.

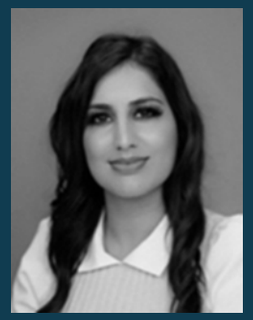
The question isn't whether the private market matters, it's what it means for your therapy area.

Get in touch with us to start the conversation.

References

1. Vize, R. (2021). England is sleepwalking towards a two-tier health system | Richard Vize. Available here.
2. Nuffield Trust. (2024). Patients drift towards paying for hospital care out of their own pocket across all four UK countries. Available here.
3. Health Equity Evidence Centre. (n.d.). Private health care: the emerging two-tier system. Available here.
4. LaingBuisson. (2024). New report highlights the growing trend of self-pay healthcare demand. Available here.
5. Ipsos. (2024). Public perceptions of health and social care.
6. Bariatric and Metabolic Institute. (n.d.). Risks and Complications. Available here.
7. Rodgers, R.J., Tschop, M.H. and Wilding, J.P.H. (2012). Anti-obesity drugs: past, present and future. Disease Models & Mechanisms, 5(5): 621–626
8. Novo Nordisk. (n.d.). Chronic weight results | Wegovy® (semaglutide) injection 2.4 mg. Available here.
9. Eli Lilly and Company. (2023). Lilly's Zepbound® (tirzepatide) superior to Wegovy® (semaglutide) in head-to-head trial showing an average weight loss of 20.2% vs. 13.7%. Available here.
10. NICE. (2024). Tirzepatide for managing overweight and obesity. Available here.
11. Walsh, F. (2025). "I feel blessed to get Wegovy weight-loss jab" - but can the NHS afford it for all? Available here.
12. C Robertson, J. (2025). Around 1.5 million UK citizens used weight-loss jabs in March 2025. Available here.
13. Keck Medicine of USC. (2025). Cost of popular weight loss drugs goes down for people without insurance. Available here.
14. Hinchliffe N, Capehorn MS, Bewick M, Feenie J. The potential role of digital health in obesity care. Advances in Therapy. 2022 Aug 4;39(10):4397–412.
15. Dr Shilpa Davé Health. (2025). Lifestyle Medicine and Weight Loss. Available here.
16. Ard, J.D., et al. (2024). Twelve-month analysis of real-world evidence from a telehealth obesity-treatment provider using anti-obesity medications. Available here.
17. Vitality. (2025). Vitality to offer weight loss medication through health insurance. Available here.
18. Institute for Global Change. (2025). Anti-Obesity Medications: Faster, Broader Access Can Drive Health and Wealth in the UK. Available here.
19. Lincoff, A.M., et al. (2023). Semaglutide and cardiovascular outcomes in obesity without diabetes. Available here.
20. Flick, M. (2025). Lilly to hike UK price of Mounjaro weight-loss drug by 170%. Available here.
21. Campbell, D. (2023). Record rise in people using private healthcare amid NHS frustration. Available here.
22. NHS England. (2023). Statistics: Historic CWT data before September 2023. Available here.
23. BBC News. (2023). Many cancer waiting time targets set to be dropped in England. Available here.
24. Darzi, L. (2024). Independent investigation of the NHS in England. Available here.
25. Lowes, S. and Momoko, B. (2025). Cancer waiting times: Latest updates and analysis. Available here.
26. BMJ Group. (2020). Every month delayed in cancer treatment can raise risk of death by around 10%. Available here.
27. Healthwatch England. (2023). The hidden wait for cancer care. Available here.
28. Hayward, E. (2025). Young professionals go private for MRI scans and cancer checks. Available here.
29. Pocock, L. (2024). Evolving cancer care – AXA Health. Available here.
30. NHS England. (2023). A record year for people receiving NHS cancer treatment. Available here.
31. Public Health England. (2023). Chemotherapy, radiotherapy and surgical tumour resections in England. Available here.
32. Harker, R. (2023). Cancer statistics for England. Available here.

CONTACT US



Kiran Khepar
Principal, Market Access
Ipsos
kiran.khepar@ipsos.com

Imogen Palmer
Associate Consultant, Healthcare Advisory
Ipsos
Imogen.Palmer@ipsos.com

Adam Franklin
Associate Consultant, Healthcare Advisory
Ipsos
Adam.Franklin@ipsos.com

ABOUT HEALTHCARE AT IPSOS

We are a global insight, evidence and advisory partner to the healthcare sector and one of the world's leading healthcare primary market research businesses. We provide insights, evidence and guidance across the healthcare product lifecycle, empowering our clients to align commercial success with what matters most: Improving patients' lives.

www.ipsos.com/en/healthcare
www.linkedin.com/company/ipsos
www.instagram.com/ipsos_uk