

## ANNEX 4

## LOCAL FASCIA COUNT FOR [X] RAMSAY HOSPITALS OF POTENTIAL CONCERN – 45 MINUTE DRIVE TIME

This Annex relates to the CC's Theory of Harm 1 (Market power of hospital operators in certain local areas). The CC has undertaken a quantitative assessment of competition in local areas to create filters for the purpose of identifying hospitals that are located in the more concentrated areas. Using weighted average market shares as well as catchment area analysis and fascia counts, the CC has identified [X] of Ramsay's 23 relevant facilities as "hospitals of potential concern", which will be subject to further investigation (the "**18 Facilities**").<sup>1</sup>

In response to the CC's initial assessment, Ramsay has carried out an analysis of local competition for each of the [X] Facilities, by identifying all relevant competitors located within a 45 minute drive time of each Ramsay facility.<sup>2</sup> The table below sets out, for each of the [X] Facilities, the total fascia count (excluding the Ramsay hospital) within this 45 minute drive time isochrone, with hospitals of the same group counted as one fascia. Additional columns provide the total fascia count excluding NHS facilities which do not operate a dedicated PPU,<sup>3</sup> a breakdown by fascia type and a list of the relevant competitors identified as part of Ramsay's analysis. Unless otherwise specified, all facilities identified as competing fascia operate inpatient facilities and provide most of the services within the cluster of 16 specialties as identified by the CC<sup>4</sup> (the "**CC's 16 specialties**"). Daycase centres<sup>5</sup> are identified as such and have only been included as competitors where they cater for at least several of the CC's specialties and where feedback from the local Ramsay General Managers suggests that these facilities compete actively with Ramsay.

The table shows that the number of local competitors facing each of Ramsay's [X] facilities is much higher than the number of competing fascia identified by the CC as part of its first filter assessment. This suggests that the CC has underestimated the level of competitive constraint affecting Ramsay's facilities at a local level and that these local markets should not be the subject of further investigation.

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<sup>1</sup> See AIS, paragraphs 1 and 4.

<sup>2</sup> The CC's Patient Survey shows that the average travel time for self-pay patients (which better reflects the choices facing patients due to the directional bias of the insured patients), is just under 45 minutes (see page 48 of the Survey). Accordingly, this has been used as a comparative benchmark.

<sup>3</sup> As discussed at paragraphs 3.8 and 3.9 of Ramsay's Response to the AIS, every NHS facility (including NHS wards), is able to offer private treatment to self-pay and PMI-funded patients (i.e. not just PPUs).

<sup>4</sup> AIS, paragraph 33(a) and footnote 12.

<sup>5</sup> I.e. facilities offering outpatient and day-patient care but not inpatient care.

Ramsay facility	Total fascia count (not including Ramsay)	Not counting NHS fascia (but including PPUs)	Breakdown by fascia type <sup>6</sup>	List of competing facilities (all include inpatient facilities unless otherwise specified)
[redacted] <sup>78910</sup>	[redacted] <sup>11121314</sup>	[redacted] <sup>8101522</sup>	[redacted] <sup>8101522</sup>	[redacted] <sup>151617181920212223242526272829303132333435</sup>

<sup>6</sup> Each NHS, PPU and Other Independent facility counted as one fascia. Any of the main PH Operators (i.e. BMI, Spire, HCA, Nuffield, Aspen and Circle) are counted as one fascia regardless of whether there is more than one facility within the isochrone. PPUs are counted separately to the NHS Trust in which they are located. PPUs that are managed by a PH Operator are counted as a PPU rather than a PH Operator fascia.

<sup>7</sup> [redacted] Hospital's services (by volume) are carried out on either a day-case or outpatient basis; competition from daycase centres is therefore particularly relevant to this facility. In relation to [redacted]. This indicates that quality is not driven down by the existence of less competitor fascia at a local level. [redacted].

<sup>8</sup> [redacted]. This indicates that quality is not driven down by the existence of less competitor fascia at a local level. [redacted].

<sup>9</sup> [redacted].

<sup>10</sup> [redacted].

<sup>11</sup> As the CC acknowledges, patients are willing to travel further in rural areas [redacted].

<sup>12</sup> In addition, there is another fascia located just outside the 45 minute drive time isochrone: [redacted].

<sup>13</sup> As the CC acknowledges, patients are willing to travel further in rural areas [redacted].

<sup>14</sup> In addition, there is another fascia located near the isochrone: [redacted].

<sup>15</sup> Services include 6 of the CC's 16 specialties: Ophthalmology (e.g. cataract surgery), general surgery (e.g. hernia repairs), anaesthetics (local only), urology (e.g. vasectomy), rheumatology (e.g. nerve/carpal tunnel decompression) and dermatology. [redacted].

<sup>16</sup> Services include 5 of the CC's 16 specialties: general surgery (e.g. spinal disc replacement), trauma and orthopaedics (e.g. hip replacement, cruciate ligament repair), anaesthetics, rheumatology (e.g. carpal tunnel release) and clinical radiology. [redacted].

<sup>17</sup> This is a specialist NHS with PPU facility [redacted]. Services include 3 of the CC's 16 specialties: trauma and orthopaedics, rheumatology and radiology.

<sup>18</sup> Services include 12 of the CC's 16 specialties: i.e. all except cardiology, otolaryngology, neurology and gastroenterology. [redacted].

<sup>19</sup> [redacted] and has therefore not been included in the fascia count.

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20 Formerly known as [§<].

21 [§<]. Services currently include 12 of the CC's 16 specialties: i.e. all except cardiology, urology, neurology and oral and maxillofacial surgery. [§<].

22 [§<].

23 Services include 12 of the CC's 16 specialties: i.e. all except cardiology, otolaryngology, neurology and otolaryngology. [§<].

24 [§<].

25 [§<].

26 [§<].

27 [§<].

28 Services include 15 of the CC's 16 specialties: i.e. all except oral and maxillofacial surgery. [§<].

29 This is a specialist NHS with PPU facility [§<]. Services include 3 of the CC's 16 specialties: trauma and orthopaedics, rheumatology and radiology.

30 [§<].

31 See private patients brochure: [§<].

32 [§<].

33 Services include 12 of the CC's 16 specialties: i.e. all except cardiology, plastic surgery, neurology and oral and maxillofacial surgery. [§<].

34 Services include 5 of the CC's 16 specialties: general surgery, trauma and orthopaedics, anaesthetics, rheumatology and clinical radiology. [§<].

35 Services include 5 of the CC's 16 specialties: general surgery, trauma and orthopaedics, anaesthetics, rheumatology and clinical radiology. [§<].