



c/o British Orthopaedic Association
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London
WC2A 3PE

Inquiry Manager
Private healthcare market investigation
Competition Commission
Victoria House, Southampton Row
LONDON
WC1B 4AD

1 May 2012

Dear Sir/Madam

We write as members of the council of the British Orthopaedic Foot & Ankle Society (BOFAS), on behalf of our members. We are a professional association of Orthopaedic Surgeons involved in the care of patients presenting with foot and ankle conditions. We are delighted to hear that the Competition Commission is undertaking a review of the private healthcare market, as we believe that the recent actions of a number of private medical insurance companies may have a negative impact on the quality of care afforded to patients presenting to the private sector for their treatment.

The concerns we have are as follows:

1) The Introduction of a "Fee Assured System"

One of the PMI (Private Medical Insurance) companies has initiated a scheme that they have called their "Fee Assured" Consultants. This scheme has been instigated to allow them to introduce a managed care system for patients. This is contrary to the GMC guidelines on referral, which encourage all patients to be referred by their General Practitioner to an appropriate specialist. We believe that the selection of patients should be made by General Practitioners after consultation with the patient and should be based on quality, experience, and sub-specialist expertise. We have numerous personal examples of patients being directed by PMI companies away from specialist highly trained Consultants, to less experienced general Orthopaedic Surgeons, or non-medically qualified healthcare practitioners, who have opted (or been forced - see Point 2) to become fee assured, but are not able to offer these patients the level of expertise that they should expect. We believe that this move is not in the best interests of the patient

2) Restrictions Enforced Upon Newly Appointed Consultants

A number of PMI companies have introduced systems for newly appointed consultants, whereby these consultants have been advised that in order for them to see and treat private patients, they have no option but to sign up to the PMI companies fee schedule. We believe this to be anti-

competitive and has no basis in clinical need, expertise or patient choice. A system such as this, again, can only reduce choice for patients and may be to the detriment of their clinical care.

3) Anti-competitive Behaviour of PMI Companies

We believe that in a free market, all appropriately trained and qualified consultants should be able to set the fees for their specialist services at a fair and competitive rate. By their actions, as described above, the PMI companies are removing the natural free market and have introduced an enforced fee structure on consultants in private practice which is not in the interests of the patients or consultants. We feel it worth stating that the remuneration for both out-patient and in-patient treatment of private patients has not increased for the last 10-15 years, which with inflation at its current rate, is a real term reduction year on year. This is despite the increased costs of running a private practice and increasing medical indemnity fees. We believe that this fee reduction is enforced, undebated and unfair, and unlikely to enhance patient care.

4) Misinformation to Patients

We have come across a number of situations where patients have been redirected from their original referred consultants to fee assured consultants who are not sub specialised to deal with foot and ankle problems; this would not be in the interests of the patient who would then require a further referral to the appropriate sub specialist. We believe that patients are being misinformed about their ability to see their preferred appropriate consultant and may be forced to see consultants of the company's choice which we believe is anticompetitive and unproductive at best and clinically unsafe at worst. In particular, this will inevitably lead to delays in the correct diagnosis being made and risks exposing these patients, who have opted to use the private healthcare sector, to significant adverse clinical events.

We would be very happy to attend any meetings, or to provide further information, regarding the above. As has been stated, we very much welcome the investigation by the Competition Commission and believe that this is an excellent opportunity to ensure that we are able to offer the highest standards of care to our patients, by offering appropriate and informed choice, as well as maintaining clinical practice in line with that set out by the General Medical Council.

Please do not hesitate to contact us if any further information is required.

Yours sincerely

(Approved but unsigned, to avoid delay)

Kartik Hariharan
President, BOFAS

Simon Henderson
President Elect, BOFAS

Steve Bendall
Chair Education Committee, BOFAS

Anthony Sakellariou
Secretary, BOFAS

Fred Robinson
Past President, BOFAS

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