

Member of the public 31

30 March 2013

Dear Mr Pigott

We understand that you are currently investigating the private healthcare market and wish to submit a viewpoint as a long standing user of Private Medical Insurance. We have been Bupa members for [X] years. Our recent experiences are that their actions are no longer in members' interest and could well be damaging to the competitiveness of the marketplace.

[X]

We have concerns as to Bupa's practices which we believe are restricting the choice available to its members. Their actions effectively denies members an option of choice of medical consultant – one of the key principles underpinning why we and many others pay for private medical insurance.

We have concerns as follows:

- Bupa's private medical healthcare insurance cover has recently been significantly changed without notification to its members, as their considerable market share allows them to dictate what they will now cover;
- It is very difficult for Bupa Members of long standing – we have been members for [X] years, - who have no health restrictions on policies to be able to get medical cover from alternative providers without health restrictions, effectively limiting choice, and leaving Bupa members in an impossible position;
- That Bupa has considerably reduced the rates that they will now pay to consultants requiring them to accept the new rates to remain approved or become Bupa 'recognised'. They have significantly reduced the amounts they will now pay consultants for certain procedures. Many talented medical specialists seeing their expertise devalued, that rates they have received for many years are being significantly cut are choosing not to be Bupa recognised as the rates do not reflect their years of expertise.
- New talented consultants – the future of the UK's medical profession, are receiving even lower rates, these are the consultants most contemporarily trained and keen to advance medical developments, which members will naturally want to receive; again Bupa is denying choice of medical practitioner.
- When Bupa advises that a consultant is 'not recognised' and members query why not, Bupa deny that this is a cost issue but give an inference that Bupa select only the best and most appropriate. It is said in a careful way which however gives an adverse impression of why those consultants are 'not recognised'.
- Should we use a consultant that is not 'recognised' all other costs associated with the healthcare, irrespective of whether provided by the consultant e.g. hospital costs, are also not covered, again denying us choice. However, if a procedure is covered, their claim advice notifications itemise these all separately – e.g. consultant, hospital, anaesthetist.
- That the number of hospitals that Bupa now 'recognise' is reduced and controlled, denying members the use of these centres, with all costs again not covered. Many were previously Bupa recognised centres.
- That members are not able to pay the difference between the Bupa dictated 'rate' for the procedure and the overall costs incurred.

We can appreciate that all organisations, especially in today's economic circumstances will seek to procure the best treatment at a competitive rate. Careful scrutiny as to saving costs is part of this overall process, however, what is occurring is not an assessment of where to save costs, but a wholesale reduction dictated by an organisation with very substantial share of the market.

Bupa in their submission to the Commission dated 19 April 2012 state:

“ Bupa is committed to the long term sustainability of the UK PH market. We want consumers to be able to access high quality and affordable PH, and a competitive and diverse marketplace of providers is needed to achieve this. As an organisation without any shareholders, Bupa seeks to represent the interests of our members to achieve high quality and affordable PH in everything that we do”.

However, in our experience Bupa's actions are in fact damaging the wide and diverse nature of sustainability of the private healthcare marketplace. They are seeking to use their substantial market share to dictate not just to members but to clinicians just what they will accept, who is 'recognised' and what they will pay. Bupa's actions are not supporting a diverse marketplace, their actions limit choice of consultant and limit, as compared to what as previously been the case, what treatment they will now cover.

If a consultant does not accept Bupa's dictated rates – all reduced from many years at the same levels, they are no longer 'recognised' - Bupa members are not allowed to receive treatment from these consultants at all, effectively denying choice.

We respectfully cannot support the statement that Bupa seeks to represent the interests of its members or the long term sustainability of the UK PH marketplace. In our view their actions are anti-competitive and not in the interest of the members. We hope that you will take these experiences into consideration during your investigation into the Private healthcare marketplace and ensure that the consumer does have choice and that no provider is able to use their substantial market share to restrict and dictate what occurs.