

## Consultant 21

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Dear Sirs

In their investigation of the private healthcare market, the Office of Fair Trading seems to have neglected to mention a great injustice that prevails in this market. The private health insurers, with BUPA as the market leader, and AXA PPP, next in order, have failed to increase their remuneration for procedures and operations to consultants, since 1992. Over this period of time the Bank of England inflation calculator indicates a 69% rise in inflation.

I believe that BUPA in particular are using their huge market share of about 40% to distort the market and unjustifiably discriminate against consultants. All the other insurers, with AXA PPP, next in line, follow the example of BUPA. No other group of professionals including lawyers, accountants, dentists, vets, etc. have had their fees capped in this way.

At the same time there has been a massive increase in members' premiums, which has been well above the rate of inflation. Personnel who work for BUPA have also undoubtedly seen a rise in their salaries since 1992. In the last week the Medical Protection Society, one of the medical indemnity insurers, put up their premiums for consultants by 9.6%.

In the last week BUPA have published a revised fee schedule which shows a further reduction of fees below the levels set in 1992. In some instances this reduction is over 30%.

I believe that the Competition Commission has an obligation to fully investigate this aspect of the private health care market as it is simply unfair and has been manipulated by BUPA and AXA PPP, in particular, in view of their virtual monopoly of the private medical insurance market.