

Consultant 52

1 July 2012

Dear Sirs,

I wish to report a further abuse of BUPA's virtual monopoly position in the private medical insurance market. BUPA hold approximately a 42% share of this market. As a result of this, they have just announced a 61% reduction in the remuneration for the Consultant Ophthalmologist for cataract surgery, with effect from 25th July 2012. It is worth reiterating that the BUPA schedule of procedures has been virtually unchanged since 1992, and certainly the fee for cataract surgery has not altered in this time. Taking inflation over this period into account, this represents at least a 69% reduction in real terms. Now BUPA are demanding a further 61% reduction! I believe that this is totally unfair and a distortion of normal market forces due to BUPA's monopolistic position.

Furthermore, by reducing the Consultant remuneration to such a degree, it is highly likely to make it uneconomic to undertake this sort of operation, in the context of ever increasing expenditure. An example of this is medical malpractice insurance which has escalated by 9.6% this year alone. The result of this perverse initiative by BUPA is likely to result in the withdrawal of cataract surgery in the private medical arena, with a highly detrimental outcome for patients. This is occurring at the same time as patient access to NHS cataract surgery is becoming progressively restricted.