

Consultant 54

1 July 2012

Dear Sir,

I am a Consultant Dermatologist running a successful private practice and have serious concerns about the near monopoly of two private insurers in the provision of private health care in the UK and the effect this is having on patient choice and potentially the quality of care delivered.

The two largest private health insurer providers, BUPA and AXA-PPP account for approximately 60% of the market. They provide levels of reimbursement for the delivery of private health care and these have essentially remained unchanged for 16 years and recently BUPA have actually reduced the reimbursement for several procedures. In contrast to the static if not falling reimbursement to doctors, payments to private hospitals and laboratories appear to be continually rising year on year. This contrasts with the continually increasing expenses for consultants including rising medical malpractice insurance, costs of rental for consulting rooms and secretarial staff. Thus whereas income for private hospitals and laboratories appears to be protected, income for medical private practice is falling year on year despite subscriptions demanded by the private health insurers rising annually.

Recently BUPA have introduced the concept of controlling the referral pattern of patients from general practitioners to consultants. This is termed open and closed referrals. Basically if a general practitioner deems that a referral of a patient to a consultant is desirable, the patient has to ring the private health insurance provider to authorise such a referral. The person adjudicating whether to authorise the referral on behalf of the private health insurance provider is usually not medically trained and then makes a decision whether the condition does merit a referral. From what patients inform me this referral is often denied despite there being a medical reason for the referral. In addition BUPA are now only allowing referrals to be forwarded to a selected group of consultants who may or may not have the appropriate skills required for that particular patient. The criteria for doctors to be included on the approved consultant list has not been published but it would appear that this is based purely on the stated charges of that consultant. The skill of that consultant does not appear to be a priority and therefore patients may be put at risk of seeing a doctor who is not competent to deal with a particular medical or surgical problem.

General practitioners(GPs) have for many years been the gatekeeper for patients accessing secondary care. GPs are in a position to determine the benefits to their patients of being referred to a consultant with a particular expertise and this is now being denied by BUPA. Perversely this may have an effect of increasing the cost of medical care since the patient may not be dealt with appropriately by the initially BUPA proffered consultant and may require a further opinion to deal with the medical/surgical problem. It is as yet unclear whether BUPA would allow a second opinion in such circumstances. Thus patient choice is being seriously eroded and is being determined by the health insurance provider on cost alone.

Another area of concern is the ability of private health insurance providers to de-recognise consultants without leave of appeal. All practising doctors have to have regular appraisals and will shortly be required to be accredited. Despite this rigorous process, health insurance companies have often suspended recognition of a consultant with a minimum of reason and the evidence for this is then not provided. This dictatorial approach is another area which should be examined.

I hope that I have provided several pointers for your investigation and look forward to receiving feedback from you.