

## Consultant 75

5 July 2012

Dear Sirs

I understand that the Competition Commission is investigating the private health care market. I would like to make several points as to some of the practices within private health care that I feel are detrimental, both to the patients it serves and also to the market as a whole.

### Background:

I am an orthopaedic surgeon and have been a consultant for the last [✂] years. I hold both private and NHS appointments. My areas of concern are:

[1] Many health insurers cap the reimbursement fees for surgical procedures in an attempt to limit overcharging by consultants. I agree that there should be financial transparency between the consultant and the patient he serves, however, I feel that this contract should be between the surgeon and the patient rather than between the surgeon and the health insurer.

[2] Some health insurers have moved patients away from surgeons who do not charge within their fee scales. This move is not made on clinical grounds and therefore I cannot see how this is in the patient's best interest.

[3] I feel that certain insurers are trying to suppress consultants' fees to below a level which would occur in a competitive market. Because of the extent of the market that certain insurers control, it is felt by surgeons that if they speak out against this then their referrals from insurers will be stopped. I feel that this is to the detriment of patients in several ways:

- (a) More senior consultants may not take on this work that is less well paid and therefore deprive the general public of their expertise.
- (b) Newer consultants who are more willing to take up this less well paid private practice may feel under pressure to put more and more cases on their list to make up the financial deficit. Again, I think that this would be to the disadvantage of patients.

[4] It is recognised that certain insurers have contracts with private health care providers. This is not widely recognised by the public that the private medical industry serves. It is sometimes that patients are not allowed to go to their nearest private medical hospital to obtain treatment and I feel that this can only be to the detriment of a patient.

[5] Private medical insurers have stated trying to control referrals from General Practitioners into consultants based on practice other than clinical issues.

[6] It is recognised that private medical insurers allow consultants within the London region to bill for more than consultants outside the London area for the same items of service that are provided.

### Summary:

My summary is that quite clearly there needs to be more financial transparency between private medical insurers and their customers and I feel that the control that the private

medical insurers currently have over consultants is detrimental to patients and the industry for the reasons I have given above.