

Consultant 122

23 September 2012

Dear Sirs,

Re the inquiry into services rendered in the private health care market.

To Whom It May Concern,

Please find below my concerns with the recently published "new BUPA procedural codes" and my concerns for the private medical insurance market as a whole.

BUPA has recently published new procedural codes that reduce significantly the level of complexity and therefore the remuneration paid for many procedures.

They have sought to identify the most common procedures and have reduced these in some instances by as much as 35-45%. In a very small percent of procedures, not commonly performed, they have been seen to increase the remuneration for these procedures by 10-20%.

In their letter of instruction, BUPA allude to the fact that this is done to provide high quality care and good value healthcare. "The schedule of procedure classifies surgical procedures according to their type and complexity, the time taken and competency level required to carry out each procedure."

These codes have not changed significantly in 12-15 years resulting physician or surgeon not receiving an increase in remuneration per code for this period.

Furthermore, in the last approximately 5 years, BUPA has bundled a number of codes into one, eg. Arthroscopic codes; in order that the fee provided to the surgeon is reduced. They have now acted to significantly reduce these fees further.

This is an action taken by a major healthcare provider to drive down surgeons fees under the pretext that somehow these surgical procedures have suddenly become less complex while requiring a lower level of competency to perform. I believe this is entirely inappropriate. As a specialist gastroenterologist, I consider myself to have developed a high level of competency. This experience and expertise allows me to do more complex procedures, obtain better results and would therefore expect to attract a higher, rather than a lower, procedural code and remuneration package.

BUPA are not allowing their members to see those consultants who do not sign up to the BUPA partnership or who continue to charge outside of the BUPA fee schedule. Moreover, they have threatened not to pay the hospital costs of such a member, if the member decides to pay the chosen consultants fees themselves.

Another area of concern in the PRIVATE HEALTHCARE MARKET (PHM), is the increasingly common practice of the health insurance company to direct members to consultants of their choice rather than the choice of the patient or the general practitioner. The insurance company may refer patients to one of their providers who may or may not be the appropriate specialist for the complaint. This then becomes a managed care pathway created and controlled by the insurance company. The GMC guidelines on private practice state that GP's should be the gatekeepers and triage patients according to their symptoms thereby ensuring that they see the correct specialist rather than the one who charges the least. The insurance companies are restricting patient choice in accessing consultants.

I understand that the Competition Commission is to investigate the private healthcare market and I firmly believe that these huge companies are driving the private healthcare sector according to financial rewards for the companies, rather than for good medical practice in which the doctor-patient relationship and contract is disregarded.