Consultant 138

8 August 2012

Sirs,

I have written to you before. I am a consultant in anaesthesia and pain medicine in [✂]. I wanted to give you some insights on my personal experience with PMIs.

For my pain work I used to charge [£190-£210] for a new patient consultation and [£140-£160] for a follow up consultation. Consultations in my specialty take a long time and are usually difficult. Colleagues in other specialties charge the same amount for consultations lasting 10 or 15 minutes, but in my speciality they take 30 - 60 minutes. My contention has always been that consultants should be free to charge whatever they like, that fees should be determined by market forces alone, that patients should have a fee liability guide before treatment, and that insurance companies should make a flat contribution that should not be influenced by where a consultant works or how long they've been a consultant. With this in mind I don't begrudge my colleagues any of their fee income, but it is wrong that insurance companies can tell me what I can charge.

Several years ago I had a conversation with a senior manager at AXA-PPP about fees and he told me that they have not, and will not, make an allowance for fee reimbursement based on time spent in consultations - so they would reimburse the same for a 10 minute consultation as for one lasting an hour. Around this time, I found out one day that I had been "capped" by AXA-PPP. Officially this would mean that they would tell their customers that my fees wouldn't be paid in full, but I was told by so many patients on so many occasions that I find it hard to be believe that it might not be true, that their call centre staff would tell their customers that I "overcharged", and that they would offer to find them a different consultant who didn't "overcharge." The truth, however, was that my fees had not increased in the 10 years that I had been a consultant, and that in fact AXA-PPP had reduced the amount they would pay towards my fees. So, from having previously charged [£190-£210] for a one hour consultation, AXA-PPP reduced their reimbursement to [£145-£165]. Meanwhile, they still allowed colleagues to continue to charge £200 for 10-15 minute consultations. I have asked AXA-PPP on numerous occasions why I was capped, but they have never answered my question.

BUPA has recently made many changes to its schedule – downgrading large numbers of commonly performed procedure codes, upgrading a few rarely performed ones, and delisting some altogether. For example, of the 58 benefits changes they made in June this year 49 were reductions, and taking the increases into account as well as the decreases, the overall effect on the altered codes was a reduction in median benefit from £548 to £335, or 36%. Look at this on the background of the fee benefit categories being unchanged since the early 1990s, and the effects of inflation have a reduced a nominal £100 from 1992 to be worth £56 now. In simple terms they reimburse doctors about half what they did in real terms in 1992. Add to that the further recent 36% reduction, and real fee reimbursement now is down between 50% and 66% of 1992 values - for procedures that are just as difficult now as they were then, take just as much skill, take just as long, and carry just as much risk.

At this point I'd like to talk for a few minutes about coding. We have a fee for service compensation model. You can argue about the problems and pitfalls of having this but until someone comes up with a better model it is what we have. All of the operations and procedures we do have codes. The reimbursement to surgeons, anaesthetists, and hospitals is determined by these codes. The codes are written by a group called CCSD, which is owned by AXA-PPP, Aviva, Bupa, Simply Health, and Pru Health. On behalf of all

doctors I would welcome the CC's view on collusion and market control with respect to this organisation.

I would like to give you an example of how BUPA's recent changes have affected both doctors and patients. There is a commonly performed procedure for people with nerve root pain, such as sciatica, called a nerve root block, or dorsal root ganglion block. This has a code 25120. BUPA used to class this as an INTER 3 procedure, which would attract remuneration from BUPA of £289. BUPA has recently, unilaterally, and without consultation with any of the spinal surgeons and radiologists who perform this procedure, changed the code, to a new, BUPA specific code - AA536. At the same time, they have changed its category from INTER 3 to INTER 2, which has a remuneration of £249, rather than the former £289. Both of these figures £289, and £249 have remained unchanged in the BUPA schedule since 1992. The nerve root block is no easier to do now than it was in 1992.

I hope you will publish my submission. For your interest I also attach the BUPA Schedule of procedures, and their recent schedule changes, and here is the link to the CCSD - http://www.ccsd.org.uk/Home.