Consultant 144

4 October 2012

Dear Competition Commission

As a consultant ear, nose and throat (ENT) surgeon, I would like to submit my concerns about the current market for private healthcare in the UK. I became a consultant in [✂], and started undertaking private practice in the same year. I have specific concerns about the following:

- When gaining "recognition" from the healthcare insurance companies, I was required to agree to their specified schedule of fees. The "recognition" process took no account of my individual clinical skills – rather, it was simply based on the fee levels that I was prepared to agree to charge. If I had not been prepared to agree to their schedule of fees, I would not have been recognised by that insurer. In the case of BUPA, this would have removed the possibility of me seeing about 40% of insured patients.
- Private healthcare in the past has always been based upon a relationship between the clinician and the patient: the doctor would send an invoice to the patient, and the reimbursement then came from the insurance company to the patient. The new arrangement has fundamentally changed this relationship.
- Some consultants have, historically, charged higher fees than others; many clinicians are aware of incidents in which the patient is told that they are not allowed to see a specific consultant under the terms of their insurance policy: on occasions, the patients have even been told that a certain consultant "over-charges" and so the insurer will only allow them to be seen by an "approved" (and cheaper) consultant. This arrangement seems to take no account of the specific sub-specialist skills of the consultant to whom the patient has been referred. It also undermines the relationship between General Practitioners (GPs) and consultants – GPs frequently refer to a specific named consultant because they know that person to be the best-placed clinician to deal with a particular condition. It should not be for the insurers to decide which consultant a patient will see: this must remain a clinical decision.
- Fees from one insurer (BUPA) have been dramatically cut recently. In some instances, this has reduced reimbursement to a point where it is almost financially unsustainable to see a patient: when room rates, administrative costs and indemnity fees are taken into account, these consultations almost become loss-making interactions.
- I am aware that the decision by BUPA to cut its rates of reimbursement came as a very dramatic surprise. Multiple attempts by our professional bodies to discuss this matter with them failed to result in any change in position whatsoever from the insurer. They appeared to have no interest in meaningful discussion.
- I myself have had discussions with BUPA on a number of issues, and they consistently appear intransigent and unhelpful. It is my impression that they feel that they can threaten clinicians with removal of their "recognition" as a way of levering them into agreeing to unfavourable terms of engagement. For example, when discussing novel treatments that greatly enhance patient care (but are more time-consuming) they have flatly refused to discuss an increase in remuneration: they are only prepared to pay for a "basic" consultation, no matter how complicated the treatment that is provided.

Thank you for your consideration of these points.