

Member of the public 6

10 September 2013

Hi

Private health insurance and the costs of private healthcare

I have read with interest press comment about your investigation into the cost of private healthcare and, in particular with the charges made by private hospital service providers.

In view of my experience I would very much urge you to investigate the private health insurance market as a part of that enquiry.

At the risk of extending this letter to an exceedingly uninteresting length I would like to explain my own experience and the reason for this letter.

I am at present [X] years old and I have been insured for private health care expenses since I was born. Originally the family were covered by Bupa and subsequently, unfortunately, whilst I managed a company health care plan I was persuaded to switch to PPP which later was taken over by Axa insurance.

Without going into too much detail, in [X] I was diagnosed with [X]. During the diagnosis my insurers, Axa PPP, paid for consultations and biopsies. After further consultations with consultants offering alternative treatments I decided that it was best for me to have a radical robotic [X] to be performed by my consultant surgeon [X]. Axa PPP was kept informed.

I was booked into the [X] hospital for the surgery to take place on [X]. When I arrived, as requested, the previous day I was asked to check with the Almoners Department prior to being shown to my room. There I was asked for the immediate payment of some £8,500. Having expressed astonishment, since I believed the cost would be met by my insurers, the clerk explained that Axa PPP would only pay £7,500. As the clerk was sympathetic with my bemusement he, in great confidence, showed me the rate card, which, as I recall, showed the cost for the procedure proposed of £25,000 if paid by cash, £12,000 for BUPA insured and £16,000 for Axa PPP insured. Other prices were also indicated for other insurers of which I took no notice. When I queried why Axa PPP would only pay £7,500 out of the £16,000 the clerk said I would have to take this up with Axa PPP. Obviously this was not possible without all my correspondence on the evening before the operation. I therefore had no option but to find the money required at this short notice and pay it. Incidentally, the clerk explained that the reason the cost was higher for cash payment was because they had to offer a discount to the insurance companies and so any cash payment was made at an undiscounted price.

Sometime later after I had recovered from the surgery I spoke to Axa PPP and asked for an explanation. They told me that they would not pay for the extra cost incurred as a result in me having robotic surgery as their advisors said the outcome was no better than with traditional surgery. In fact the recovery rate was extraordinary; I went to watch a football match on [X], exactly a week after surgery and in the first week in [X] was able to drive down to the South of France alone for a holiday. [X] explained that this would not have been possible if I had received traditional surgery as he would have prescribed bed rest for at least two weeks and little or restricted activity for a month. The reason he thought Axa PPP refused to pay for robotic surgery was that they were advised by a surgeon who had not acquired robotic surgery skills.

I now pay the sum of £358 per month and others in our company group pay considerably more. However, I am told by the company health insurance broker that if we sought a change of insurers for this cover, whether at a higher cost or not, we would have to accept the 'pre existing conditions exclusion' which in view of the age of the contributors and previous history is not possible.

It is my belief that the insurance market is too restricted and that, as described above, various rates and condition are applied to the patient which are not explained to them. It was only later during my conversation with Axa PPP that they explained that if I had gone to [X] Hospital (as I remember) and had the robotic surgery there as their discount rate was higher in that hospital the cost to me would have been thousands of pounds less. But this was not explained to me at the time and, of course, I would have to have changed my surgeon as [X] does not use [X].

Even now, I am exasperated with my insurer. I have recently had a [X] removed. My [X] believes as a precautionary measure further [X] should be treated. Axa PPP refused to fund these. My letters of appeal against this decision and request for their codes of conduct have been met with no answer whatsoever after a two month period and despite the second intervention of [X]. To whom can I now apply to obtain an explanation from Axa PPP? [X]

In conclusion and to summarise can I make the following suggestions for your consideration?:

1. The market place is not transparent enough ie the rates of all charges including 'discounts' from individual hospitals to insurance companies and individual cash patients should be widely available to users and the hospitals should not be allowed the 'protection' of commercial secrecy.
2. Consultants should be required to provide all the information they have to their patients as to their charges as above and the charges of the hospital to which they are recommending their patients be treated.
3. As an immediate step to energise the private health insurance all those who have been insured with a reputable health care insurer for a period of ten years or more on a similar scheme should be able to switch their cover to another insurer without the 'pre existing conditions' exclusion. That may at least make the market a little more flexible.