THE LONDON CONSULTANTS' ASSOCIATION
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Ms Julie Hawes
Enquiry Coordinator
Competition Commission
Victoria House
Southampton Row
London WC1B 4AD

Dear Ms Hawes, 20th September 2013

I am writing to you in my capacity as Chairman of the London Consultants' Association (LCA). My colleagues' and I have now had the opportunity to read the Provisional Findings Report of the Competition Commission and have the following comments.

We support the rationale for the remedies proposed: patients in England already have information and soon will have more information on the performance of consultants and the same regime is to be extended to Scotland, Wales and Northern Ireland (Remedy 5); more information on hospital performance will be available as a result of the work of PHIN which is supported by the consultants (Remedy 7) and consultants themselves are to be subject to an obligation to publish more information on fees (Remedy 6).

There are some difficulties with these Remedies that we hope can be addressed. For example, we are fully in favour of transparency of clinical outcomes but the Competition Commission should realise that such data may be difficult to obtain and hard to interpret particularly for patients.

Broadly, however, we can see how the three remedies above could work together to create a market where patients could be better able to choose the treatment, the consultant, the hospital and this is exactly the kind of environment which LCA had been hoping for.

Unfortunately, though, unless it is clarified that the patients have a right to use the benefits available under their policies to see a consultant of choice, the remedies will have limited impact on patients' choice due to actions from some insurers who employ an "Open Referral" process. At a time where patients' choices are becoming a reality for the patients in the NHS system, this discrepancy between the NHS and private healthcare is likely to lead to further pressures on the NHS, which the country can ill afford.

In fact, why pay for a policy if the policyholder cannot choose the consultant (or the treatment, or the hospital)? It is unclear if the policyholder makes a fully informed decision when purchasing such a policy. We are also concerned that the Competition Commission has seriously underestimated the adverse clinical effects that such an insurance led referral system can cause on patients.

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Further, consultants' choice for patients can only be a reality if consultants do not face deregistration by the insurers for reasons which have nothing to do with their abilities in the medical field. All consultants who are properly recognised and qualified by the appropriate statutory bodies and who practise in the NHS (or have practised in the NHS) must be able to treat policyholders. Without this, patients risk being discriminated against on the basis that although they have a policy, it is with one insurer rather than with another insurer. This cannot be in the interest of the patients.

Finally, newly appointed consultants cannot be kept on a grossly reduced fee throughout their working lives despite what AXA say about potential uplifts at some indeterminate time in the future. They simply cannot practise long term on that basis, in the face of rising costs. A newly established consultant may accept the fees at the start of his or her career (in fact has no option) and may be told that patients will be directed to him or her by the big insurers. However soon the reality will become clear to them with the effect that many young consultants are entering the market and exiting it shortly afterwards, disillusioned with the whole process. It cannot be in the best interest of the patients and the private healthcare sector as a whole that new, ambitious consultants are so disheartened that they are leaving the private healthcare sector altogether.

More generally, there would seem little point in having a publication of fees if all consultants are driven into virtually the same fee structure. The same fee structure of course makes no sense anyway given the variation in specialty services and geographical costs that consultants face.

With these caveats, the London Consultants' Association fully supports estimates of fees being given to patients before treatment whenever possible and will work alongside the Competition Commission to find a practicable system of publication of cost information for patients. However this will only be practicable if Remedy 6 can be properly made to work.

May I ask on behalf of my consultant membership and the wider professional community that the Competition Commission looks carefully at these issues and its final report produces remedies that address these problems?

Yours sincerely

Dr Duncan Dymond
Consultant Cardiologist
Chairman – LCA