

PRIVATE HEALTHCARE REMITTAL

Notice of provisional findings made under Rule 11.3 of the Competition and Markets Authority Rules of Procedure (CMA17)

1. On 4 April 2012, the Office of Fair Trading made a market investigation reference to the Competition Commission (CC) under section 131 of the Enterprise Act 2002 regarding the supply or acquisition of privately-funded healthcare services in the UK ('private healthcare market investigation').
2. On 2 April 2014, the Competition and Markets Authority (CMA), the CC's successor, published its Final Report in the private healthcare market investigation.
3. HCA challenged certain parts of the Final Report before the Competition Appeal Tribunal (CAT). On 12 January 2015, the CAT ordered (a) the insured AEC decision; and (b) the divestment decision, be quashed and remitted back to the CMA for reconsideration ('the Remittal').

Provisional findings

4. The Group considering this Remittal has found that HCA's large market share, combined with high barriers to entry and expansion in central London, result in HCA facing weak competitive constraints and this leads to HCA charging higher prices to private medical insurers than would be expected in a well-functioning market.
5. The Group's reasons are set out in full in the report of its provisional findings, and an excised version of the provisional findings report has been published on the CMA's website.

Next steps

6. The Group now invites interested parties to submit reasons in writing as to why these provisional findings should not become final (or, as the case may be, should be varied).

7. These reasons should be received in writing by the Group no later than **Thursday 3 December 2015**.
8. The Group will have regard to any such reasons in making its final decision in this investigation.
9. The Group is today also publishing a Notice of possible remedies which it considers might be taken by the CMA to remedy the adverse effects provisionally identified, comments upon which should also be received in writing by no later than **Thursday 3 December 2015**.

(signed) ROGER WITCOMB OBE
Group Chairman
10 November 2015

Note: A copy of this notice and the provisional findings report has been placed on the CMA website on 10 November 2015. The published version of the provisional findings report does not contain any information which the Group considers should be excluded from the report, having regard to the three considerations set out in section 244 of the 2002 Act.

Comments should be made by email to Private-Healthcare@cma.gsi.gov.uk or in writing to:

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