



The Private Patients' Forum ('PPF') response to the Notice of Intention to vary the Private Healthcare Market Investigation Order 2014 and to bring Article 22 of the Order into force

PPF looks out for the users of private healthcare and remains robustly impartial on behalf of those users.

PPF position

- 1 PPF completely supports the aim of Article 22 as set out at para 6 of the Notice. Transparency of fees and, additionally, of hospital charges, insurance premiums and other costs associated with treatment in the private sector (including realistic estimates of potential overall cost to the consumer) is a proper objective (§7a and §23 et seq¹).

Market complication arising from PMI policies

- 2 There are some factors relative to this market that complicate what should be a simple exercise for patients. In response to the escalating costs of private healthcare, PMIs have largely adopted a policy of limiting the patient's choice of consultant and/or hospital. The result of this is that the PMI makes the decision on which consultant and/or hospital is used. This forces consultants into uniform pricing (as set by the PMI) or it removes some consultants as options available to the patient. It may, additionally, have the effect of causing the patient to receive treatment from less experienced or less specialist consultants. It is likely that the PHIN outcome data will alleviate that problem if such data can be used by the patient to exercise choice. Unless such direction is removed from the insurers, much of the point of PHIN is lost - an increasing proportion of patients who have PMI through their employers (~80% of all insured) face this reduction in choice as premium increases are minimised.
- 3 The obvious solution to this problem is to require PMIs to publish (or, at least, tell the insured) what they will pay for any procedure. The patient can then decide whether to face additional costs (called 'shortfalls') or accept only those consultant/hospital packages that would be funded under the insurance they have. Were such a stratagem to be adopted, it might also resolve the market into a more open and more equitable one in which the self-pay patient does not pay more than the hospital/consultant receives for the insured patient. Insured patients would see the 'self-pay packages' (now no longer 'self pay' but a total cost for private treatment) and make a decision on which to accept by reviewing the PHIN data on outcomes against the price and what their PMI will pay. This would also make meaningful the CMA's remedy to require publication of consultant's fees. PPF does understand that there are significant difficulties with some procedures in knowing what the costs will be until the intervention has started but this is covered in §7a ii.

¹ The sections (§) cited are those in the Notice

- 4 There may be circumstances in which a patient will want to purchase each of the constituent parts of the treatment separately. That could be to take personal control of any supplementary treatment (eg physiotherapy) or because they want to exercise greater choice. §24 deals with this.

Enforcement

- 5 PPF is concerned that there are a plethora of consents taken at admission: for treatment, for NHS number and so on. That the patient has a role in enforcing compliance (§7b iii) is, in PPF's view, unlikely to be real for the very reason that admission is already onerous and patients sign without great regard to the small print (cf T&Cs for computer software).

Proposed time frame

- 6 PPF supports the timetable in §11 - 18 though any improvement on 30 June 2018 (§18) would be welcome.

Duties on operators of private healthcare facilities

- 7 PPF does not support the proposal (§23 iii) that a list of insurers recognising the consultant should be provided. This could infer that PMI approval has some significance in judging outcome performance. The insured patient interest is covered by §23 iv. though PPF is concerned that much falls to the patient at what is often a difficult time.

Duties of consultants to give [privately-funded] patients relevant information

- 8 PPF strongly supports disclosures to patients on further tests etc. (§24). PPF notes that its proposal at paragraph 3 above would make the CMA remedies applicable to the benefit of all private patients.