

Blue Cross Response to CMA provisional decision



The Blue Cross supports the CMA's aims to improve transparency of pricing and give pet owners more information when choosing a practice. However we have concerns that some of these measures could result in increased costs to practices (disproportionately affecting smaller independent practices) which will inevitably be passed onto the pet owner. It remains to be seen whether the 'cost of these changes would be significantly less than the value of the benefits that would accrue to pet owners' as stated in the report.

It is disappointing that the CMA has failed to recognise the market advantage of the LVGs particularly where purchase of medicines is concerned, and particularly in those LVGs which own online pharmacies.

It is also disappointing that there has been no acknowledgement of the contribution of the Prescribing Cascade to the rising costs of medication. In our view this has a significant impact on accessibility to medication and in turn on animal welfare. A review of the benefits and impact of the Prescribing Cascade is needed.

The Blue Cross strongly believes the delivery of contextualised veterinary care, in particular the provision of pragmatic approaches where resource is limited, is vital to keep veterinary care affordable and accessible to all pet owners thereby protecting animal welfare.

Choosing a First Opinion Practice (FOP) and Price Transparency

The Blue Cross welcomes the requirement for practices to publish comparable price lists, as this may enhance transparency for clients. However, we foresee several challenges:

- Loss leaders: Some routine or uncomplicated procedures may be offered at artificially low prices, potentially distorting competition.
- Variability in treatment costs: It is difficult to provide a single price in some cases due to patient-specific factors such as breed, size, and health status. The challenge with providing comparable prices increases with the complexity of procedure or treatment.
- Impact on welfare: Encouraging price comparisons after diagnosis may delay treatment decisions and negatively affect animal welfare.
- Additional context: We recommend that published prices are accompanied by relevant information such as additional veterinary qualifications, advanced diagnostic or surgical equipment, and the level of nursing care provided, as these factors legitimately influence cost.

Client Satisfaction Surveys

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We support the principle of collecting and publishing client feedback but request clarification on several practical points:

- Where will surveys be hosted and who will be responsible for monitoring and verifying results?
- When and how frequently will survey outcomes be published?
- Will there be a standardised format or template to ensure consistency and fairness across practices?

Choosing Treatments and Referrals

- We agree that it is reasonable for FOPs to provide estimates for treatments exceeding £500 within their own practice.
- However, we do not feel it is not appropriate for FOPs to provide written estimates on behalf of referral practices. This responsibility should rest with the referral practice itself who are much better placed to do this.

Purchasing Veterinary Medicines

- We agree that accessibility to medication is vital for both pet owners and animal welfare. However, we do not support a requirement for all clients to be issued a written prescription automatically. This is likely to add significant time and therefore cost to a consultation. Instead, all clients should be made aware that written prescriptions are available.
- Stronger regulation is needed to prevent prescription misuse or fraud, particularly the repeated use of prescriptions across multiple online pharmacies.
- The CMA notes that medicines are “usually available online at a much lower cost.” We are disappointed that this observation has not led to further investigation into the significant variation in wholesale medicine prices between suppliers to veterinary practices and online retailers, or into the impact of the cascade prescribing rules on the cost of medication to pet owners.

Difficulties in complaining

- We agree that FOPs should have an in-house complaints system which reasonable meets the needs of pet owners.

Barriers to Purchasing Veterinary Medicines Online

- A fixed fee for prescriptions may lead to practices compensating for lost revenue by increasing prices elsewhere.

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- Providing written or emailed prescriptions on the same day is reasonable; however, ideally, prescriptions should be sent directly to the chosen pharmacy to minimise the risk of fraud.

The Role of the RCVS

- We support the proposal to review guidance available to veterinary professionals on communicating complex treatment options and financial implications with clients. We recommend that this review also considers the potential impact on animal welfare.
- We request that charity veterinary practices should be exempt from the levy proposed to cover the costs of improving the functionality of the Find a Vet service, as they operate within a distinct financial and operational context.

Decisions for Government

- We support the call for an urgent review of the Veterinary Surgeons Act
- We agree that a regulatory framework should oversee veterinary businesses as well as individual vets and nurses to ensure professional standards are met.
- If the RCVS transitions to an exclusively regulatory body, an alternative mechanism for professional leadership and workforce support will be required.

Potential Impacts on Veterinary Businesses, Vets, and the RCVS

- Implementation of these measures will generate additional administrative costs, which are likely to be passed on to clients through higher prices.
- Smaller practices will be disproportionately affected by these administrative and financial burdens.
- The time required to produce detailed estimates will further increase operating costs.
- The benefits of joining buying groups do not offset the lower prices available through online medicine retailers.
- Although two-thirds of pet owners currently prefer to use independent practices, we are concerned that these proposals could place undue financial pressure on them, risking the closure of smaller independent providers and potentially further acquisitions by LVGs.