## **Consultant 34**

1 May 2012

## Dear Sir/Madam

I am an orthopaedic surgeon working in the NHS as a consultant and in two local private hospitals and would like to make a couple of points for your investigation.

BUPA have recently had discussions with the BMI group about recognising the hospital for treatment for their patients with a temporary ban on patients being treated in certain BMI owned hospitals. There was a reversal of the decision following discussions with the BMI South African owners.

BUPA have since written to all consultants having re-graded many orthopaedic procedures usually to a lower fee. There has been no increase in BUPA fees for surgeons for ten years. Is it right that consultants cannot get together to discuss fees so that they can approach BUPA without being accused of price fixing?

BUPA have recently tried to make consultants sign up to be 'fee assured consultants' and make doctors agree to their fee structure. If patients wish to see surgeons who are not partners they are actively encouraged not to see them by BUPA. This is not in the interests of the patient who has a right to see the consultant of their choice.

When I was telephoned in the Autumn to be encouraged to be a fee assured partner I specifically asked whether there were any plans to reduce or increase(!) surgeons fees. 'Not in the foreseeable future was the reply". I believe they had every intention of signing up as many doctors as possible who would then agree to BUPA terms. After recruiting the doctors they had every intention of reducing the fees so as to save them money.

It is my view that this was partly driven to balance the recent negotiations with the BMI hospitals.

My surgical fee for a procedure is on average 28% of the total hospital fee which has decreased significantly over the past 14 years of practise. The hospitals have taken an ever increasing slice of the fee no doubt to pay ever increasing costs but forcing the insurers to continue to drive down specialists fees.

It seems that insurers will actively discourage patients from seeing a specialist based on price alone with no reference to reputation, complications, experience. This is usually due to the fact that surgeons have not signed up to a specific insurers' price structure although the prices they charge may actually be within the price guidelines.

I work in a [ $\gg$ ]. I will often get fixed price quotes for patients to undergo procedures. There is always a wide variation in the figures but either hospital will often come down in price in order to attract the business. Whilst this is good for the patient I think it demonstrates the importance of having some local competition but also reflects the view that the hospitals themselves tend to overcharge.

Hospitals never seem to have to chase shortfalls from the insured patients whilst specialists do. We are regarded as easier to pick off.

It seems that we are being driven to a managed care type private system which will reduce patient choice unable to see a specific consultant.

I hope these points are helpful and if you want to discuss anything further please let me know.