

14 Queen Anne's Gate
London SW1H 9AA

tel 020 7222 0975
fax 020 7222 4424
email info@fipo.org
web www.fipo.org



Association of Ophthalmologists (UK)

TO ALL OPHTHALMIC CONSULTANTS

1st May 2009

Dear Colleague

Re: Ramsay Hospitals/AXA PPP new fee arrangements for cataract surgery

We at FIPO/AOO have recently been contacted by an ophthalmologist to alert us to a new scheme for reimbursement for cataract surgery that we understand has been agreed between Ramsay Hospitals and AXA PPP. Surgeons are being asked to sign up to become "network consultants" so that they can take part in this new extension of the PPP ophthalmic network and the letter is copied below:-

"Re: PPP Cataract Network

As you will know, Ramsay hospital has been successful in regaining entry to the PPP cataract network as part of this year's price negotiations. With effect from 1st January PPP have updated their systems to confirm that all the Ramsay Acute Units are now back in the network and PPP have confirmed that the next edition of their Directory of Hospitals will be published in April and will show the Ramsay Hospitals in their network. Their website has already been updated to show this change.

When their members call PPP to pre-authorise treatment they will be directed to a cataract network facility and a network consultant willing to carry out the procedure. I am writing to confirm whether you are willing to carry out this work at the fee levels shown below:-

<i>Surgeon fee Cataract GA</i>	<i>£600</i>
<i>Surgeon fee Cataract LA</i>	<i>£775</i>
<i>Biometry</i>	<i>£75</i>
<i>Pre- and post-consultations</i>	<i>£0 (included within the surgical fee)</i>

Should a patient not proceed to surgery, you will be able to invoice PPP for a consultation in the normal way.

Please could you sign the slip below and return this to [REDACTED] as soon as possible so that we can ensure that you begin to get PPP referrals, or continue to do so if this is already happening."

The fees set out in the letter are lower than the BUPA Benefit Maxima, and presumably would not allow consultants to charge patients directly for any top-up fees. What is also not clear, for surgeons who choose to go down this path, is whether by signing up to the Ramsay scheme they will lose

their rights to charge their normal fees if they use a hospital in a group other than Ramsay. However, what is much more important is the precedent being set by this sort of arrangement.

This is another attempt to create a preferred provider network of ophthalmic surgeons, similar to BUPA's previous proposed scheme. Each individual consultant should independently decide how they would like to respond to AXA PPP's request. Nevertheless, FIPO and AOO would urge each consultant to assess the benefits of joining a scheme of this type against all of the disadvantages, including the long-term loss of your independence as a practitioner.

If this is successful then it is likely that AXA PPP will try to introduce it in other hospital groups as a condition of their remaining in the "network". Patient choice and continuity of care will be adversely affected.

Other insurers and medical groups are also likely to be tempted to introduce similar schemes. You may be aware that BUPA are currently trying to implement such a scheme with the physiotherapists and the orthopaedic surgeons in the near future. BMI and Nuffield hospitals have already imposed fixed terms on radiologists, which has caused considerable disquiet amongst them. Usually, such schemes seek to reduce reimbursement and ask for compliance on the basis of being either "in or out". In all these examples it is the intention of outside bodies to break the consultant/patient contract.

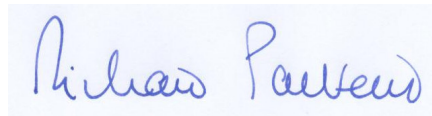
We would suggest that you consult colleagues to get a feeling as to how each of you may choose to react to this or similar initiatives. Please can you let us know, by emailing linda@fipo.org, whether you were aware of this scheme, if you use a Ramsay hospital, and what your feelings are about this.

Finally, we attach details of a meeting in London about the Managed Care problems and we hope to discuss this specific matter at that meeting. You are all welcome to attend but please register as soon as possible as indicated on the flyer.

Yours sincerely,



Geoffrey Glazer MS FRCS FACS
Chairman of FIPO



Richard Packard MD FRCS FRCOphth.
Chairman of the Association of Ophthalmologists (UK)