

14 Queen Anne's Gate
London SW1H 9AA
tel 020 7222 0975
fax 020 7222 4424
email info@fipo.org
web www.fipo.org

FIPO
federation of independent
practitioner organisations



Association of Ophthalmologists (UK)

To All Consultant Ophthalmologists and Anaesthetists

Dear Colleague,

27TH March 2007

We are writing to bring you up to date with a number of issues and attach a general newsletter from FIPO.

General Meeting 23rd May "Meet the Insurers"

We are sending you an invitation to a meeting on 23rd May 2007 entitled "Meet the Insurers" at the Medical Society of London. There are limited places for this meeting which will be on a first come first served basis. This will allow you to question the insurers directly about their strategies.

The BUPA Insurance Ophthalmology Tender

You will no doubt be aware that the first BUPA tender that went out last spring (wrapped up in a quality camouflage) was rejected by the profession (including large numbers of your colleagues in radiology, orthopaedics and ENT). Since then, and in a more silent way and without any quality pretensions, AXA PPP has also begun to implement a similar strategy starting outside London.

Thereafter, despite prolonged and potentially promising negotiations with BUPA Insurance by the BMA and others, this insurer came back with a second wave approach. As you know, this involved an individual or a hospital taking the lead to set up a local preferred provider group. The uptake for this was very low. The fact that BUPA insurance has repeatedly put back the implementation date of this tender suggest that they do not have a critical mass of support.

However, BUPA Insurance has now stated that they will go ahead with their network approach from the middle of April 2007. There is of course a considerable amount of spin associated with the BUPA announcement and it is hard to accurately gauge the take up of their offer. It is clear, however, that whilst BUPA may claim that virtually all the private hospitals in the UK have joined the scheme this is highly misleading. Hospitals will no doubt have stated that they provide ophthalmic services but this does not mean that they have in any way engaged a full preferred consultant team. Many large hospital groups have stated that they will not try and engage their consultants under these terms (including BMI, HCA, the London stand alone hospitals and many illustrious NHS private wings such as Moorfields Hospital). Other hospital groups may however be trying to exert pressure on individual consultants.

BUPA insurance has released documentation which many of you have seen and in addition those consultants working in a BUPA hospital may have received a letter from the BUPA Hospital division. BUPA Insurance is now trying to implement the previously rejected concept of a "recognised" consultant (someone outside the preferred network) and an "approved" consultant who is within the network. BUPA Insurance is attempting to use crude market forces by offering differential reimbursements to patients who will receive less for their consultant fees if they see a recognised consultant as opposed to an approved consultant. We would reiterate to you that insurers do not pay the consultant's fee; they reimburse patients for the fee a consultant may charge within the limits of the insured's scheme. They are thus penalising patients.

The documentation from BUPA Insurance is complex. For the less common procedures they are providing a small uplift in patient reimbursements for approved consultants and no change for recognised consultants. For the common procedure of phacoemulsification with or without implant the reimbursements for recognised consultants (in fact their patients) have been lowered to £386 from £741 and for bilateral cataracts from £1040 to £619. All this is to be accompanied by two other major BUPA initiatives; 1) changes in insurance policies with three levels of cover (akin to a first class, business or economy flight ticket) and 2) BUPA states that it will preferentially divert patients only to "approved" providers.

Reimbursements to patients for their medical fees will thus depend not only on their level of cover but also whether or not they see an approved or recognised consultant. To add to this the BUPA Hospitals documentation has built on their previous "BUPA Panel" document. This had envisaged consultants at their hospitals joining this Panel predominantly, it was alleged, to assist in NHS contract work. It is now apparent that this Panel will allow the BUPA Hospitals to blend in with BUPA's insurance strategy for preferred provider systems. The hospital will add another layer of control on referrals and as part of the process consultants will be forced to stick to BUPA directed clinical care plans.

This is really a crunch time for the profession and much more importantly for the patients. Ophthalmologists are in the front line and we do not need to reiterate here the vital importance of this step which impacts on patient choice, continuity of care and ultimately of course would affect the quality of care (through potentially restrictive care plans and because the prices being paid put at risk the best treatment or future investment of hospitals in capital equipment). Overall, it will not be cost effective as the prices to other small insurers and self pay patients will go up.

In some areas there has been misinformation (stories that hospitals and/or consultants have enrolled when they have not) and anxiety that failure to join would leave individuals or groups isolated. FIPO stresses that it is up to individual consultants to review and decide on their course of action. We recognise the very difficult decisions that face ophthalmologists and can only reiterate our previous advice. Whilst you may consult with your colleagues you will need to consider not just the immediate but the long term implications of BUPA's reforms. If you enter a negotiated package you will have broken part of your contract with the patient and you will have no future control over your practice or your referral base and quite possibly the clinical decisions that you will need to make.

Consultants will need to consider and weigh up the attractiveness and financial incentives of BUPA's offer against patient care and a consultants' own clinical, ethical and financial independence. So, as you individually weigh up the arguments we hope this letter will assist you in coming to a considered decision.

Yours sincerely,

Geoffrey Glazer MS FRCS FACS
Chairman of FIPO

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