



Spire Healthcare  
P O Box 62647  
120 Holborn  
London  
EC1P 1JH

## **Open letter to MAC chairs and Hospital Directors**

Tel 020 7421 9502  
Fax 020 7421 9500  
robert.wise@spirehealthcare.com  
www.spirehealthcare.com

4 May 2010

We have watched with interest recent insurer initiatives in respect of consultant fees and consultant recognition. The purpose of this note is to let you know where Spire stands on these issues and to initiate further discussion via local Medical Advisory Committees. I will place this matter on the agenda for our MAC Chairs meeting scheduled for 18<sup>th</sup> June.

### **Spire Healthcare's position on consultant fees**

1. Consultants are independent practitioners and businesses. The contract for services is between a consultant and their patient, and we believe that consultants should be free to set their own fees.
2. Insurance companies reimburse patients for some or all of the costs they have incurred, and it is for insurance companies to determine the level of this reimbursement.
3. We believe it is crucial for all consultants to endeavour to ensure their patients are fully informed of any potential shortfall prior to treatment. This is a matter for the consultant and patient to agree.

### **Spire Healthcare's principles for PMI funded referrals**

We believe that any commoditising of consultants expertise through proposals to direct referrals in return for lower fees is bad for the private healthcare market and we do not support these initiatives. We believe private healthcare is stronger when patients and their GPs are able to choose their consultant on the basis of reputation and expertise, and not on the basis of lowest price.

We believe any attempt to interfere with the ability of GPs to refer to the consultant they consider most appropriate is contrary to the best interests of the patient and is bad for private healthcare. Spire actively works with GPs to encourage referrals to named consultants, and will continue to work hard to promote consultants who work with us.

We believe that specialty Colleges and the General Medical Council are the only appropriate bodies to determine when a consultant is competent to practice privately. This is evidenced by their presence on the relevant Specialist Register. We do not believe it is appropriate for insurance companies to override the opinion of either specialty Colleges or the General Medical Council.

### **Our commitment to consultants**

Spire is committed to delivering a first class standard of clinical care, to encouraging choice of consultant by private patients, and to promoting named referrals. We will resist any approach by insurers to commoditise expertise built up over many years, or to control the fees consultants decide to charge. We will not initiate 'direct referral schemes', or work with insurers to restrict consultants on the Specialist Register from undertaking private practice.

We counsel consultants to treat any proposal suggesting a reduction in price in exchange for volume with scepticism. We believe this is a slippery slope which will serve to undermine the private proposition and result in the progressive erosion of fees over time.

We are committed to helping encourage take up of private healthcare and supporting growth in our consultants' practices. Spire's approach is shaped by your views and I would welcome your feedback on these matters via your local Medical Advisory Committee and Hospital Director.

Yours sincerely,



**Rob Wise**  
Chief Executive  
Spire Healthcare