



Examining independent practitioners' awareness of the CMA Report.

Key Findings

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Introduction

The Competition and Markets Authority (CMA) published its final report into the private health market in April 2014¹. Its remedies encompass: divestiture of hospitals; a review of PPU arrangements; restrictions on clinician incentive schemes; and better information about treatment fees and performance. A final order², enforcing most of the changes was published on 1 October 2014: the measures on benefits and incentive schemes and better information for patients will come into force in April 2015. However, the requirement to publish fee information is now the subject of an appeal hearing at the Competition Appeal Tribunal in January 2015.

Healthcode, the experts in online solutions for smarter healthcare, conducted a survey to gauge the level of awareness of the CMA Report among independent practitioners.

We also wanted to use the survey to assess the response of independent practitioners to the CMA remedies which most affect them: providing fee information and publishing key performance outcomes data.

A sample of 800 circa. Healthcode customers were asked to complete the survey of which 10% responded.

¹Private healthcare market investigation Final report, Competitions and Markets Authority, April 2014: https://assets.digital.cabinet-office.gov.uk/media/533af065e5274a5660000023/Private_healthcare_main_report.pdf

²Private healthcare market investigation Order 2014, Competition and Markets Authority, 1 October 2014 : https://assets.digital.cabinet-office.gov.uk/media/542c1543e5274a1314000c56/Non-Divestment_Order_amended.pdf

Who answered the survey?

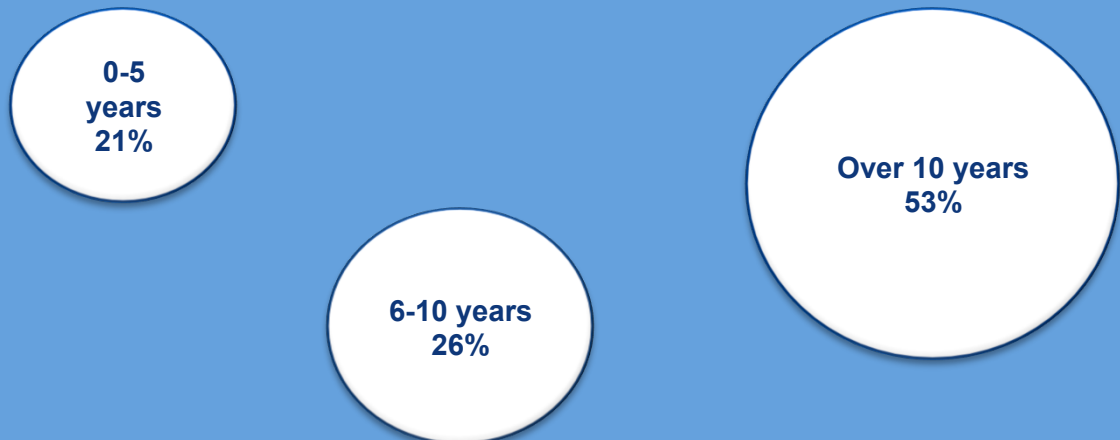
The overwhelming majority of respondents were consultants.

Over 50% of respondents worked in private practice for over 10 years. A [previous Healthcode analysis](#)³ of consultants joining private practice showed record growth (over 3,700 doctors had launched an independent practice since 2011) but practitioners who are in long-established private practices were significantly more likely to respond to the survey.

85% Consultants

15% Practice Manager or Secretary

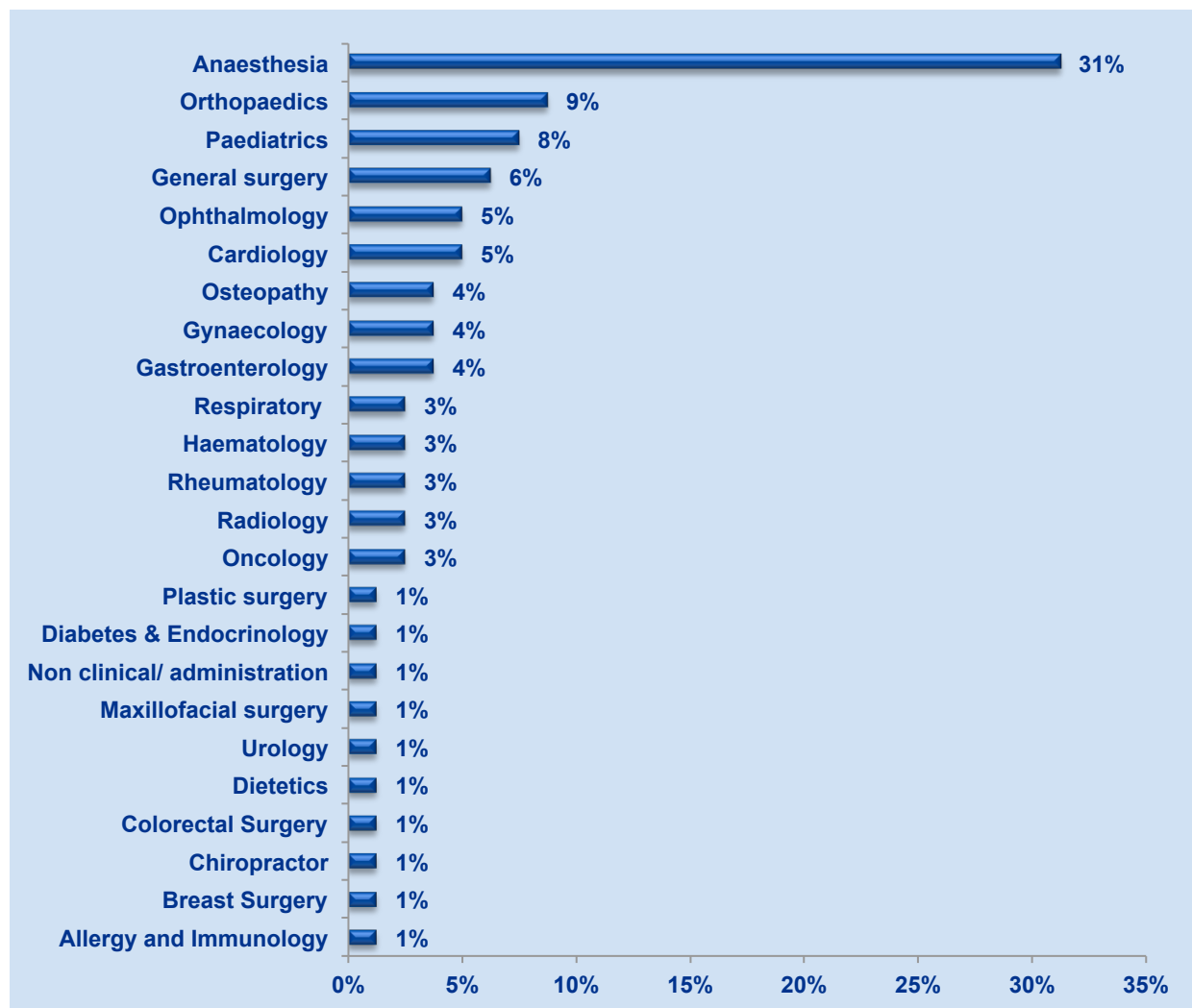
Figure 1: Number of years in private practice



³New Consultant in Private Practice Analysis, March 2014

Over 30% of respondents work in anaesthesia. The large proportion of respondents from anaesthetic practices reflects the fact that this is one of the largest hospital specialties⁴. This is also supported by the findings of the earlier Healthcode analysis of consultants joining private practice which showed anaesthesia was the most common specialty³.

Figure 2: Specialty



⁴ http://www.gmc-uk.org/doctors/register/search_stats.asp

Overall awareness of the CMA report

When asked “Have you read the CMA report”, results revealed overall 55% of respondents are aware of the report. However, only a small minority have read the full report and are aware of the remedies. A worrying 45% said they had not had the time.

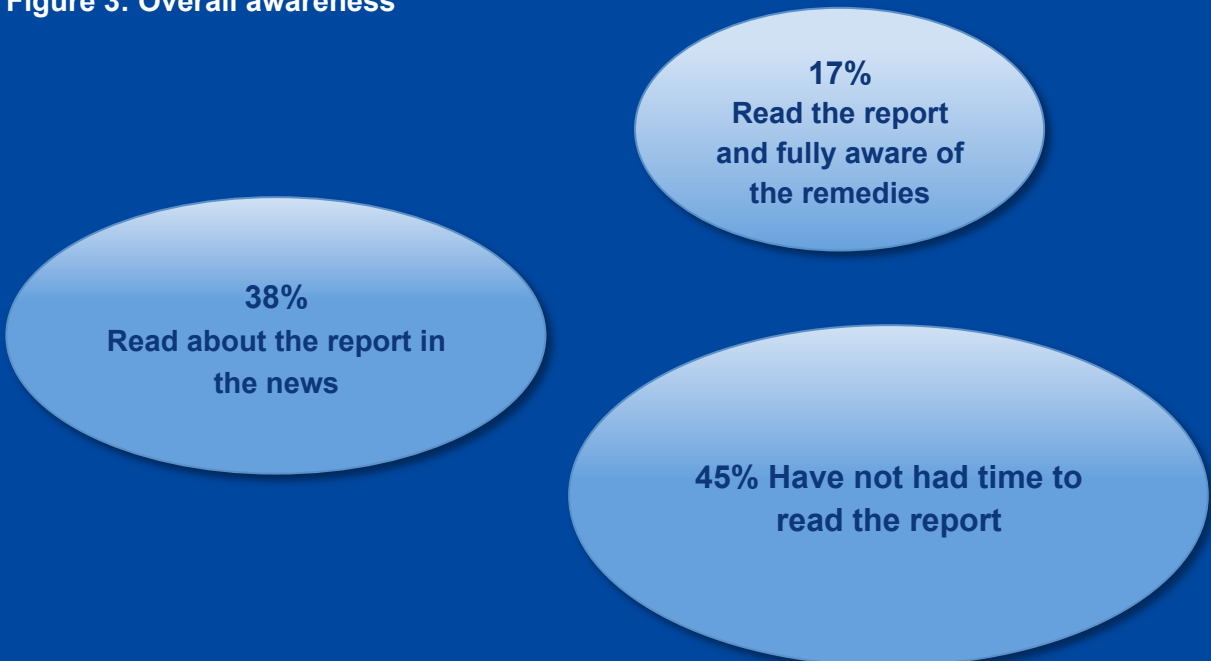
Of the 55% who are aware of the report, only 32% have read it in full compared with 68% who have read about it in the trade press.

Summary of awareness by number of years in private practice

Key findings indicates the longer you have been in private practice the more likely it is you have read the CMA report: 71% of those who have read the full report have been in practice over 10 years, compared with only 7% who have been in practice for 5 years or less.

Over half of respondents that have been in private practice between 6 to 10 years have not had the time to read the full report. Respondents within this group have mainly read about it in the news.

Figure 3: Overall awareness



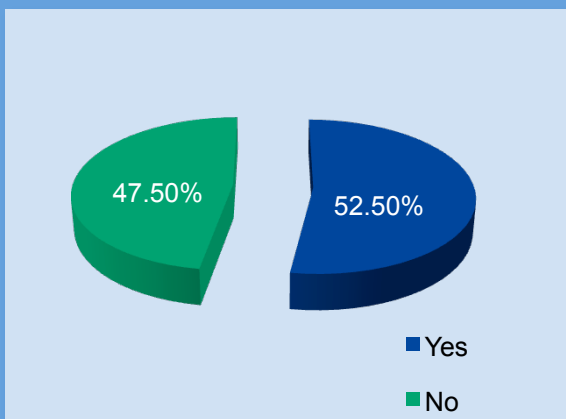
Implications for your practice

Just over half of respondents (53%) recognise that the CMA report will have implications for their practice.

Respondents who read about the report in the news were less likely to recognise the implications: 47% of those who had read about the report in the news said it would not have implications compared with only 36% of those who had read the full report.

Of those who said they had not had the time to consider the report at all, over half (53%) said they did not believe it would have implications for their practice.

Figure 4: “Do you believe the CMA’s report will have implications for your practice?”



Summary: the link between respondents’ understanding of the report’s implications and their years in private practice

Our findings suggests the longer a practitioner has been in private practice the more likely they are to understand the implications of remedies.

Respondents who have been in private practice for 5 years or fewer were more likely to believe the remedies would not have implications for their practice.

57% of those in practice for over 10 years believe there are implications compared with only 29% of those who had been in private practice for less than 5 years. This might be because this group were more likely to have read the CMA report in full.

Transparency of fees

The CMA remedies (section 22 of the CMA's final order) will require consultants to provide information about their standard consultation and procedure fees to the Information Organisation and keep this up-to-date. They will also have to write to patients informing them of the cost before an outpatient consultation and again prior to further tests or treatment.

How are patients informed today

Newer practices were more proactive about providing fees. 47% of respondents who had been in practice for 5 years or fewer wrote to patients setting out their fees or published fee information on their website. This compares with 24% of those who had been in practice for over 10 years. The latter group preferred to discuss fees with patients and will be required to make greater adjustments to meet the CMA's requirements.

29% of respondents who have been in private practice for 5 years or less provide their patients with written fee information. 18% of them publish fees on their website.

14% of respondents who have been in private practice between 6 and 10 years publish their fees on their website.

76% of respondents who have been in private practice for over 10 years discuss their fees with patients. 17% publish fees on their websites and 7% write to patients.

Figure 5: Current methods used to inform patients about treatment and service fees



Views about fee transparency

Regardless of how long they had been in private practice, the vast majority of respondents thought it was right that patients should be able to research fees.

85% agree patients should be able to research fees charged by private healthcare providers

Although 14% of respondents who have been in private practice between 6 to 10 years publish their fees on their website, 19% of this group do not agree that the fees should be published.

Concerns were raised by some anaesthetists who pointed out that they were usually reliant on surgeons to inform patients about

anaesthetic costs as they might not meet the patient until the day of procedure. 24% of anaesthetists did not believe that patients should be able to research fees.

It was suggested when the fee information is published, it should be clear what is covered within the price eg the length of consultation.

Patients should be encouraged to consider quality as well as price when carrying out research.

15% do not believe this remedy will have implications for their practice

Figure 6: Comments about fees transparency

Healthcare should be like any other industry or service, otherwise it is like getting a menu at a restaurant with no prices listed and being expected to order a meal.

Shopping around mainly on price may not be in the best interest of patients. Cheap isn't necessarily good.

Patients have the right to know the cost of treatment; it is part of a fully informed choice and decision making.

Decisions should be clinical choice and outcome, rather than cost.

Fair practice and standardise prices is needed

Bring in transparency and competitiveness.

Competition is good.

Fees should be transparent but it should also be clear how long consultations are.

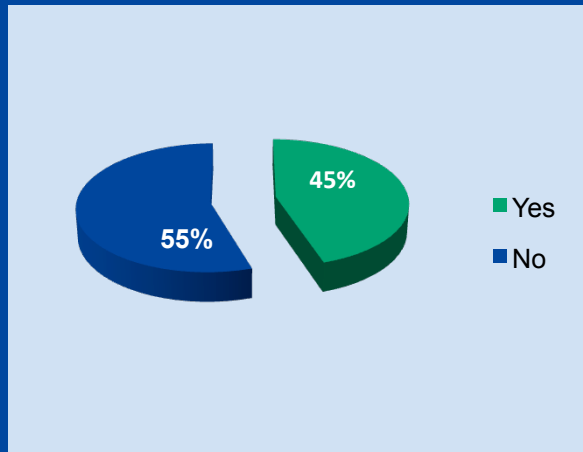
It is difficult for an anaesthetist because their first contact with the patient is usually on the day of the operation and the surgeon may not know the extent of the anaesthetic plan.

Publishing qualities and outcome indicators

The CMA's Final Order requires the operators of private healthcare facilities in the UK to provide private patient episode data for processing and publication by the Information Organisation. This must be initiated by no later than September 2016.

Just under half of survey respondents were already aware of plans to publish performance data. This may be because of the work already initiated by the Private Healthcare Information Network (PHIN) to produce hospital episode statistics.

Figure 7: Were you aware of the plans to publish performance data?



Views about publishing outcomes

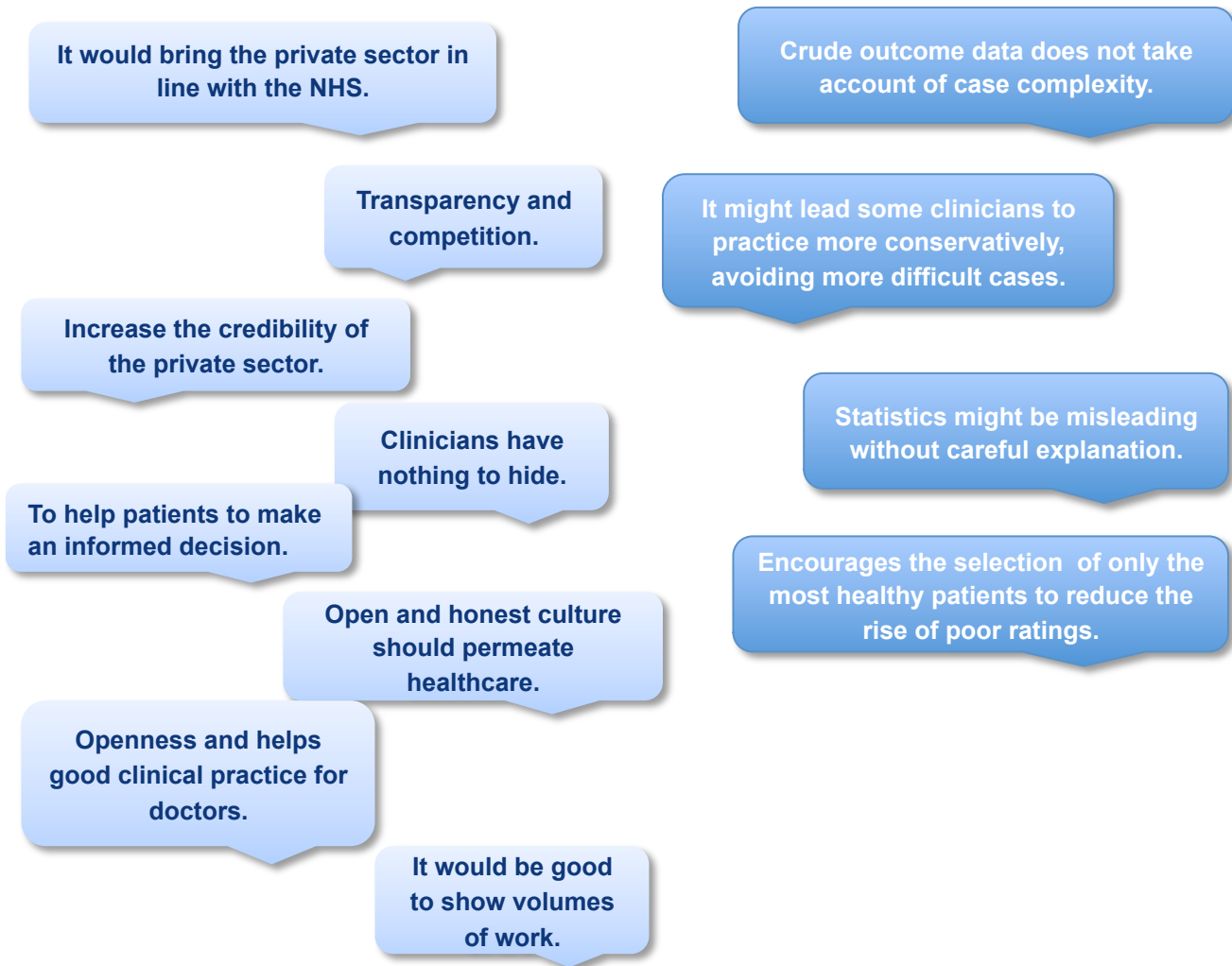
The overwhelming majority of respondents agreed that performance data should be published to ensure that the independent health sector was as transparent as the NHS and to help patients make informed decisions.

Respondents emphasised the need to ensure the performance data was meaningful and carefully explained to patients.

94% agree the private health sector should publish quality and outcomes data so patients can exercise informed choice about their treatments

6% do not agree the data should be published

Figure 8: Comments about performance data



Conclusion

Awareness

Few survey respondents had read the full report and barely more than half agree it will have implications for their practice. Many practitioners' have relied on news reports about the CMA but much of the initial news coverage focused on the more controversial hospital disbursement remedy. Attention is now shifting towards the information remedies and this should help raise awareness.

Despite this, more work also needs to be done by industry leaders to raise awareness and communicate the CMA remedies to independent practitioners. Hospital groups, PMIs and organisations such as the Association of Independent Healthcare Organisations (AIHO), PHIN, and the Independent Doctors Federation have an important role to play in communicating the CMA's remedies to their members, in the press but also directly. We note that the Federation of Independent Practitioner Organisations (FIPO) and the HCA have appealed against different elements of the CMA Report. A Competition Appeals Tribunal is scheduled in January 2015.

Support for CMA remedies

The majority of respondents favoured the CMA's information remedies in principle, including the publication of performance information about hospitals and individual consultants. This suggests most consultants recognise that data transparency is now essential to the success of the private health sector.

However, respondents did raise practical concerns about the CMA's remedies, including the need to ensure data was presented in a way that was easy to understand so patients can make informed decisions. Anaesthetists questioned whether they had an opportunity to provide fee information to patients in advance of treatment.

The future

Healthcode believes independent providers must now prioritise the implementation of clinical coding if they are to realise the CMA's information remedies and timescales.

The CMA's Final Order requires hospital providers to begin submitting performance information to the new Information Organisation by September 2016 but they will first need to overcome significant practical and technical challenges. For example, providers will be required to record all activity using multiple systems of clinical coding: OPCS procedure codes and ICD-10 diagnosis codes for submission to the new Information Organisation (IO); CCSD codes for billing PMIs.

⁵ Converting an OPCS code into its equivalent in the CCSD standard

Consultants themselves will have an important part to play in recording sufficient detail about patients' diagnosis, co-morbidities and treatment, so the hospital can submit correctly coded data to the Information Organisation.

Healthcode is currently spearheading a number of initiatives to help private health providers meet these obligations.

- We are working with the Private Healthcare Information Network (PHIN) to collect hospital episode statistics for an industry-wide project which enables patients to search online for local independent hospitals and view information such as average length of stay.
- Our expertise in code-mapping⁵ technology is helping providers collect data in the correct format without the need for expensive system overhauls.
- To reduce the administrative burden involved in updating consultation and procedure fees, Healthcode is developing a solution which will enable consultants to take control of their published list prices.

About Healthcode

Healthcode's goal is to be the knowledge source and most trusted independent expert to deliver interoperable online solutions and define industry standards for private healthcare.

Healthcode is the official UK medical bill clearing company for private healthcare. Since 2001, we have provided encrypted online systems to healthcare professionals and businesses currently process over £2.5bn of medical invoices annually as well as clinical records for virtually every private patient in the UK.

In addition, we continue to deliver solutions to help streamline administrative processes, connect healthcare organisations and add value. Today Healthcode provides an extensive range of specific products for the private healthcare market, including practice management systems and online billing, patient membership enquiry, secure messaging and clinical coding translation tools.

Our technology is encrypted to Internet banking standards and Healthcode is trusted as the professional choice for most of the UK's private hospitals. Providing the quality tools to help you take direct control of your business and outstanding customer service make Healthcode the natural choice for specialists, medical secretaries, hospitals and insurers.

Healthcode also work closely with PHIN as part of an industry-wide initiative to capture patient level information from private hospitals and process it for benchmarking the independent sector.

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