Reassurance for e-bills

By Leslie Berry

Healthcode, the company operating the private medical sector's electronic billing system, is challenging criticism that new online validation processes will prevent quick payment of medical bills submitted electronically.

All medical bills are validated by insurers and checked against a number of rules before being passed for payment.

Healthcode managing director Peter Connor believes a 'simple misunderstanding' within the private hospital sector about the exact point where insurer validation rules are applied lies at the heart of fears over delayed payments.

He told *Independent Practitioner Today* that the validation checks applied to online bills were exactly the same for medical bills received by insurers in the post. 'The difference is that bills submitted electronically are automatically checked by the system against the rules before being submitted online, while bills sent by post are checked only when received by the insurer,' Mr Connor said.

Medical bills are submitted online only after passing through all the validation checks. Queries are highlighted by the system so the bill can be amended and resubmitted in a matter minutes.

Bills sent by post to insurers can fail validation checks on insurers' own systems. These suspended bills are placed in a queue for investigation, which could take from two to four weeks or even more.

Mr Connor said online billing was playing a significant role in cutting insurer administration, streamlining payment systems and keeping medical insurance costs down. 'Medical billing is a complex business and anything that helps independent practitioners get their bills paid more quickly must surely be a good thing.'

Red tape ties up private doctors

A private GP has hit out at the increasing burden placed on independent practitioners by the rising numbers of regulatory bodies.

Dr Martin Scurr, a former Independent Doctors Federation chairman, said the web of regulatory bodies private doctors had to answer to was now 'extraordinary'.

Writing in his weekly *Daily Mail* column, the GP from the The Portobello Clinic, London, complained that many of the bodies required a vast bundle of paperwork to be completed regularly – with considerable duplication – and also demanded annual fees.

They were creating 'inordinate amounts of paperwork and administrative hurdles, taking up time and energy that could be spent on patient care.'

He told readers that, in his case, the bodies included the GMC, the Council for the Regulation of Health Care Professionals, the National Patient Safety Agency, the National Institute for Health and Clinical Excellence, the Care Quality Commission, the Medical Defence Union, the Health Service Ombudsman, primary care trusts, the Royal College of General Practitioners, the Royal College of Physicians, and all the private hospitals he wished to refer patients to.

Dr Martin Scurr: knotted in red tape

Dr Scurr recognised some regulation of doctors was needed. But he admitting being baffled that, in an era when the country was set upon a course of saving money and reducing health care spending, there were still 'vast amounts of additional red tape imposed on us'.

And now revalidation and relicensing are on the way. Dr Scurr added: 'Is it any wonder that experienced and highly trained doctors feel jaded and are considering early retirement?'

■ Are you over-regulated? What should happen? Tell Independent Practitioner Today your views.
Email robin@ip-today.co.uk

Be charitable and cut legacy tax bill

Private doctors are being advised to use a forthcoming cut in inheritance tax rates as a chance to review their legacy plans.

Benevolent doctors can boost charity coffers from next April due to a cut in the rate for estates leaving charitable legacies.

Taxation on estates above £325,000 drops from 40% to 36% if 10% or more is left to charities. But financial planners warn that other estate beneficiaries will inevitably lose some of their inheritance as a result.

A £1m estate would see beneficiaries get £730,000 and the taxman £270,000. If 10% of that estate above the £325,000 threshold is given to charity, the beneficiaries would only receive £713,800 and the taxman £218,700.

Cavendish Medical's Dr Mark Martin

Dr Mark Martin, at specialist financial planners Cavendish Medical, said: 'This move is great news for charities, but we also hope it will encourage doctors generally to consider how they pass on their hard-earned wealth.'

He warned that many wasted money due to poor inheritance tax planning – completely unnecessary with so many ways to cut potential inheritance tax bills.

Managing director Dr Martin, a former anaesthetist, said: 'By not considering the potential impact of inheritance tax we are essentially saying we would rather give our money to the Government than to our loved ones or indeed to our favourite worthy causes.

'Tax planning is an important part of preparing for retirement and medics should ensure they make full use of the resources available. If you've worked hard for your wealth, why would you let the taxman take it?'

He advised doctors to use a will to cut their tax burden and use all available reliefs and allowances like creating trusts and making annual monetary gifts.