

## Questions based on renewal documentation

### 1. How have prices been set?

*"We have reviewed prices for out-patient Physiotherapy services against self pay rates across the UK to make sure our prices are fair to hospitals and clinics, as well as BUPA patients. On the basis of the findings of that review, the charges for Face-to-face out patient Physiotherapy will remain unchanged."*

Can you please share the details of this review relating to Central London, and the criteria used for making your decision?

BUPA reviewed 6 central London providers where they had 2018 self-pay rates. 50% of these providers rates were still the same or reduced when they we contacted last year regarding their current self-pay rates, The other 50% did have very small increase in fees. When BUPA looked at the whole of the UK review 33% of providers increased their prices, 56% stayed flat and 11% decreased their rates.

If you want to share your self-pay rates then we can include them in the next review for future physiotherapy networks.

2. What is the process if we decided to leave the network, you mention *"we may make exceptions and pre-authorise out-patient physiotherapy services on an out-of-network basis, for example to ensure continuity of care for a BUPA patients"*
  - Does this mean that BUPA patients who have already started receiving treatment can complete their course of treatment? *Yes any patient who has already started receiving treatment can complete their course as long as this is completed within 3 months of the current agreement ending and the provider agrees to continue charging these sessions at the current agreement network rates.*
  - Does this mean that a BUPA patient who felt one of our clinicians was the best person to see would still be able to access care out of network or would they be directed to providers within the network? *If this is a patient not already receiving treatment, They would be directed to a provider in the network.*
  - For any treatment that you agreed on an 'out-of-network' basis, what amount would you remunerate to the patient? would it be the network physio rates? *If we agree any sessions on a out of network basis then you would be entitled to charge your main HSA agreement rates. To confirm out of network applies to treatment outside the 3 month continuity care mentioned in point one. If the provider does not agree to charge the current network rates for this 3 month continuity care period then we would discuss with our legal team regarding a shorter period.*
  - Can you confirm the process for communicating to patients, *"confirm continuity of care arrangements"*

*As we would continue to fund sessions for members who are already receiving treatment, there would be no need for us to discuss this with our members. For members who are requesting new treatment our members services team would advise the member, we would only fund Physio treatment with a provider within our Physio network and offer providers only in our network.*

*If the provider does not agree to charging current network rates for existing patients to complete their course then we would need to do a review internally on our position and we may then communicate with our members on a case by case basis.*

3. What is the process for leaving the network before with the 2 year term, i.e. in 12 months time?

- Do you require written / email notification and who should this be directed to?
- Is there a notice period to ensure a smooth transition
- Continuity of care arrangements as ref in Qu.3

You can leave the network by providing 3 months written notice. This is to ensure any members currently receiving treatment can complete their course.

4. **Why are you limiting the amount of ESWT you are Funding?**

*"We cover treatments that are evidence based. The most recent clinical trials have shown inconsistent results on the short term benefits of focused ESWT. There's also insufficient evidence about the long term safety and efficacy of ESWT, so we've decided to limit funding until stronger evidence has become available"*

Can you please share or at least reference the clinical trials, published reviews that you have based your decision on?

Referred to BUPA's clinical team.

Issues relating to Network Pricing, specifically:

- a) The process by which BUPA have assessed self-pay rates in the market
- b) The fact that over the 4 years this network has been running, there have not been any increases in prices, despite inflation running @ 2.6% per annum

## Pricing

Agree with the rationale of assessing self-pay rates to establish a base by which to review network pricing; by definition 'self-pay' rates reflect the value that consumers place on a service.

The assessment should be reflective of the market. As a point of comparison, separate analysis of Self-funding rates for Physiotherapy in Central London, indicates:

- Central London Average Initial Physio (60min) Appointment **£102**
- Central London Average Follow Up Physio (30min) Appointment **£74**

The current proposed, unchanged network rates of £70 for an initial and £55 for a follow up are significantly adrift of where the market is really at and you are asking providers to commit for a further 2 years with no uplift?

## Inflation / Cost of Business

Alongside assessing the self-pay market, an acknowledgement and consideration of the real cost of business – defined by the rate of inflation (although some Central London business costs have increased by much more than this) - must be taken into account.

The table below reflects the application of average annual inflation of 2.6% (*referenced from actual inflation of 10.6% between Dec 2016 – Dec 2020*) against the BUPA network Physio pricing from 2018.

BUPA Network	2017 First full year of network	2018 (avg Inflation 2.6%)	2019 (avg Inflation 2.6%)	2020 (avg Inflation 2.6%)
MSK Physio Initial	£70.00	£71.82	£73.68	£75.60
MSK Physio Follow Up	£55.00	£56.43	£57.89	£59.40

On the flip side, BUPA alongside all major PMIs applies a rigorous annual premium increase, it seems extremely unfair that on one hand you are happy to protect your own cost base but on the other you are not willing to recognise this with your service providers?

On the facts, it is very difficult to accept the offer of no uplift in network pricing, at the very least providers should expect **£75 Initial and £60 Follow Up**.

Unfortunately any price changes to the current network will not be possible at this time as we have already tendered the network out to Providers and almost all providers have agreed to join our network with the new terms and conditions stated in the contract.

We appreciate that the self-pay review in Central London that you have shared differs slightly to ours, but given the number of providers who have joined the network we are confident that our rates are appropriate for the Market. We keep our rates slightly lower than self-pay rates to ensure that customers get the best value, and as I'm sure you have noticed we are looking to strengthen the use of outcomes over the course of this network agreement to help define that value.

Unfortunately our service line tenders don't currently offer inflationary uplifts to providers at present, however based on your feedback we will be reviewing our existing policy of inflationary uplifts for the next renewal and will be including more providers in our benchmarking next year as we look to prepare for 2023. We understand that non-inflationary uplifts may be a source of dissatisfaction for some providers, but we believe that the advantage of being a part of our network is that Providers attract higher volumes (year-on-year) compared to Providers who do not join.

We would also be open to further engagement about the process and communication with Providers for our next renewal. I acknowledge previously raised points around this process, pricing and these were given consideration during the network renewal planning, however on this occasion the decision was taken to continue with the existing fee structure.

Regarding your query for evidence of ESWT effectiveness, the NICE guidelines indicate that there is a paucity of strong evidence about how well ESWT works for different conditions. We understand that there are some studies that support its effectiveness, but there is not sufficient strong evidence. Whilst this does not stop us funding this treatment altogether for our customers, we have placed a limit on what will fund for this treatment until stronger evidence becomes available.