

HSSD PATHOLOGY TARIFF INCREASES

27th March 2011

Dear Patients,

I have been informed by Guernsey's Health and Social Services Department that despite representations made by myself and the Sark Medical Committee to the Board of HSSD, the proposed tariff increases will be going ahead from 1st April. No concessions are going to be made for Sark residents. There will, however, be new prices for groups of tests routinely done for the monitoring of diabetes, blood pressure and conditions where the immune system is suppressed which represent a saving when compared to the prices for individual tests. These prices still remain considerably higher than the 2010 tariff. A comparison of the new charges is made at the end of this document.

In our representations, I urged HSSD to reconsider the scale of their price increases and challenged their assertion that Sark residents should be treated the same as visitors to the Bailiwick or people fortunate enough to have private insurance in addition to the state funded medical care. I explained that I believe there is fundamental difference between people who are privately insured because they can afford to be (as a 'bolt-on' to their state service in order to be seen earlier by specialists or for work related medical examinations) which is the case in Guernsey and those who are forced to use private medical insurance because there is no state option as occurs in Sark. I explained that if there were a state funded medical system in Sark, very few people would pay for private insurance on top of this as it is a luxury rather than a necessity and most Sark residents cannot afford to do this.

Crucially, I also explained that private insurance does not pay for blood tests for monitoring of chronic conditions or screening which means that the elderly and those with chronic illness and disability are going to be the worst affected by any price increase. These are the same people who already pay the highest insurance premiums, have the most exclusions on their policies and already pay the full rate for all the other services that HSSD provide.

HSSD have chosen not to differentiate between holidaymakers, Guernsey residents who elect to use their private insurance for blood tests and Sark residents who have no choice but to pay the private tariff. This means that Sark residents will now pay on average 145% more for tests than they paid last year. On the following pages you can see a comparison between the actual costs to the laboratory of processing the tests and the charges made to Sark residents. These increases will not affect the vast majority of Guernsey residents who are not charged for laboratory processing but do, of course, pay taxes which indirectly cover the actual costs of the processing. People who live on Sark do not pay taxes directly to Guernsey but they do, and have done for many years, pay full private rates to see

the Specialists at the Medical Specialist Group and full private rates at the Princess Elizabeth Hospital. As many of you will have noticed from the invoices you receive, many of these fees have increased over the last year with radiology fees mirroring the large increases in the pathology tariff.

The effect of the rises in pathology charges on Sark's residents has already been felt as the increases were brought in unannounced in January. Those charged at the higher rate have now been refunded but are dismayed to learn that they will soon be faced with the increased charges again. The increased charges for those tests that are covered by insurance will inevitably increase the overall claim for the group insurance scheme of which approximately half of Sark's residents are members. This is likely to lead to increased premiums or a reduction in cover in the coming years. There has been no guarantee from HSSD that prices will not continue to rise further in the same manner.

In reality the tariff increases mean that people may think twice before having screening tests or monitoring of common conditions such as diabetes and high blood pressure. For those with conditions requiring more regular tests such as some forms of cancer and diseases affecting the blood and immune system people will be more disadvantaged and may choose not to have the tests done as regularly as recommended. It remains to be seen whether this will lead to an increase in emergency treatment or worse outcomes for these patients.

The tariff increases are in direct conflict with the aims of public health services across the western world because they present a barrier to patients seeking screening or investigation for diseases such as bowel cancer, cardiovascular disease, thyroid disease and kidney disease. They also present a barrier to the optimal management of many common conditions such as diabetes and hypertension which may lead to increased rates of serious illness such as heart attacks and stroke in the medium to long term.

In conclusion, I believe that HSSD risks causing harm to the most vulnerable people on Sark by increasing their charging to this level. The reduced rate packages, although a step in the right direction, do not go far enough to help those with chronic illness or to safeguard screening.

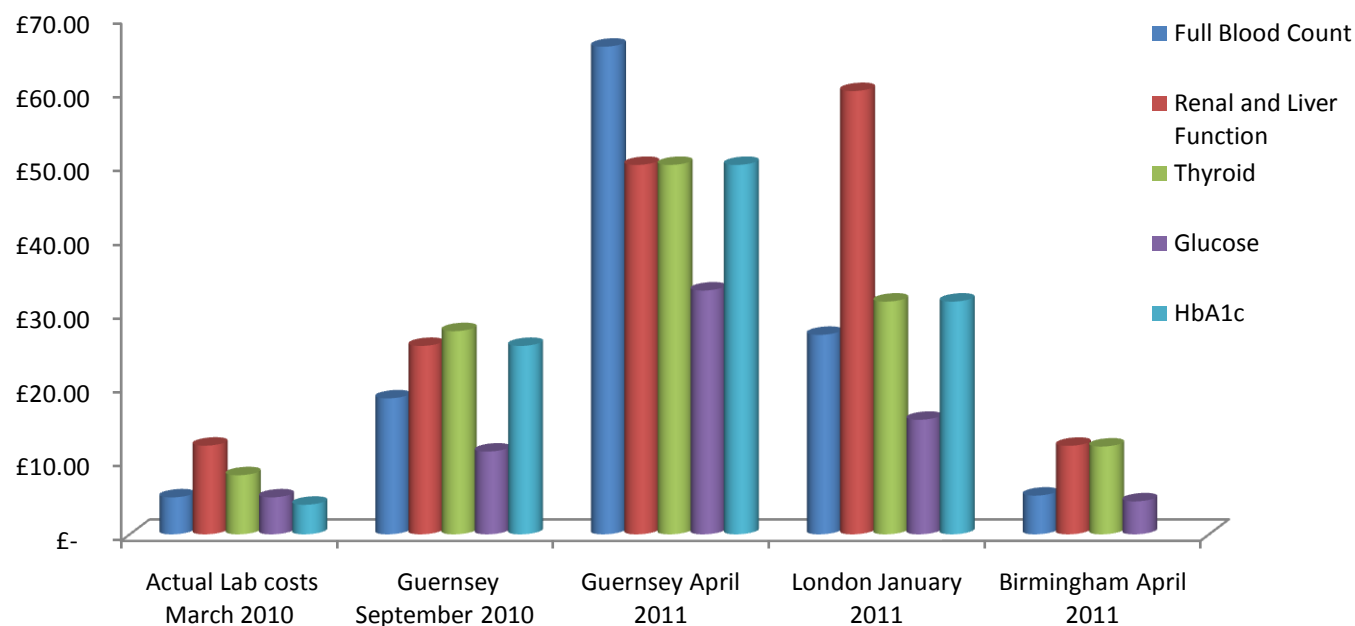
We will continue to explore other options for processing blood tests and hope to provide a choice of providers in the next few months. Thank you for taking the time to read this account of the recent events. If you have any comments or suggestions, please send them to the surgery.

Yours faithfully

Dr Peter Counsell

Sark MOH

	Actual Lab costs March 2010 ¹	Guernsey September 2010 ²	Guernsey April 2011 ³	London January 2011 ⁴	Birmingham April 2011 ⁵	Increase in Guernsey HSSD prices 09/10 – 04/2011
Full Blood Count	£ 5.00	£18.40	£66.00	£27.00	£5.24	258.70%
Renal and Liver Function	£12.00	£25.50	£50.00	£60.00	£11.98	96.08%
Thyroid	£8.00	£27.50	£50.00	£31.50	£11.88	81.82%
Glucose	£ 5.00	£11.20	£33.00	£15.50	£4.46	194.64%
HbA1c	£ 4.00	£25.50	£50.00	£31.50		96.08%
	mean increase					145.46%



References

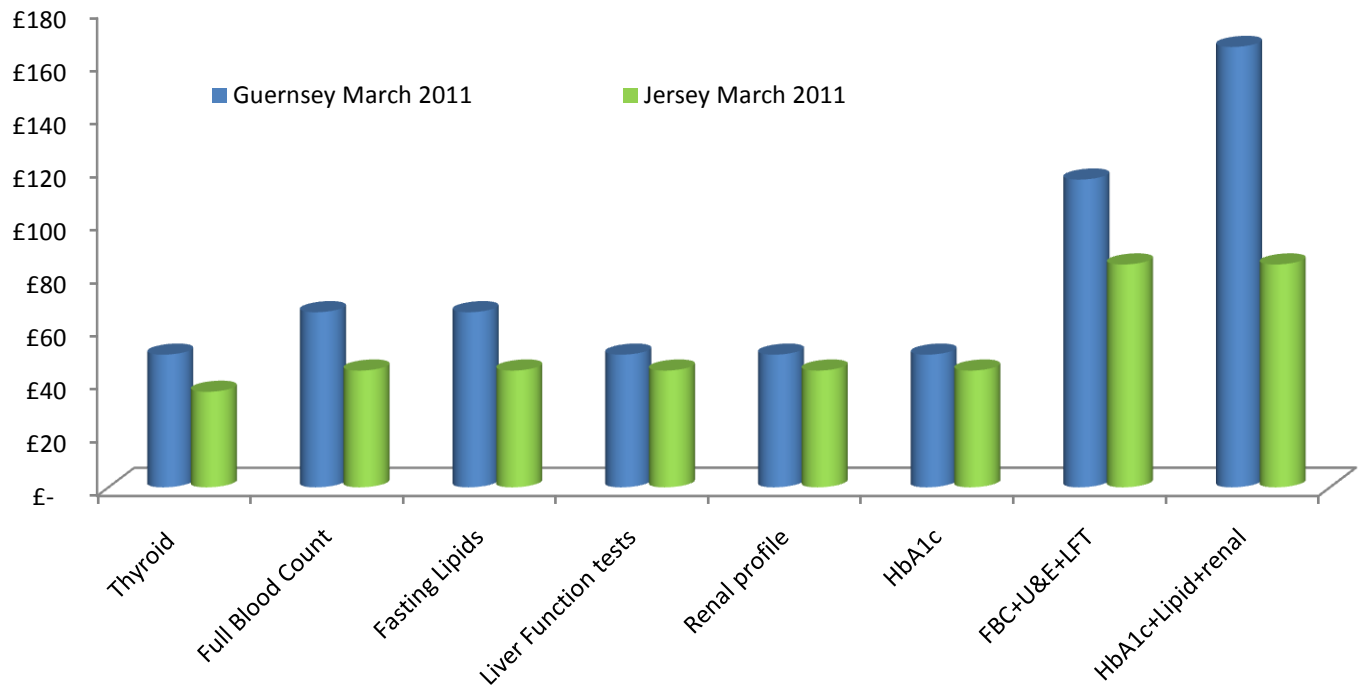
1. Letter circulated to all Specialists/General Practitioners by Guernsey Pathology Department
2. Information provided by fax from the pathology department on 30th September 2010
3. HSSD Private patient pathology tariff 2011
4. Laboratory Guide 2011 from The Doctors Laboratory, 60 Whitfield Street, London
5. Information obtained from Birmingham by primary care providers in Guernsey (added 9th April 2011)

Notes

** HbA1c is a test done to monitor the control of diabetes

Guernsey vs Jersey Tariffs

Blood test	Guernsey March 2011 (apply from 1 st April on Sark)	Jersey March 2011
Thyroid	£50	£ 36
Full Blood Count	£66	£ 44
Fasting Lipids	£66	£ 44
Liver Function tests	£50	£ 44
Renal profile	£50	£ 44
HbA1c	£50	£ 44
FBC+U&E+LFT	£116	£ 84
HbA1c+Lipid+Renal	£166	£ 84



HSSD new group prices for the following conditions

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| 1. Diabetes (renal function, liver function, HbA1c, lipids and urine) | £193 |
| 2. Hypertension (lipids, glucose, renal function) | £83 |
| 3. Immunosuppressants (full blood count, renal and liver function) | £83 |