Joint response to the Competition and Markets Authority Issues Statement

The British Veterinary Association (BVA) is the national representative body for the veterinary profession in the United Kingdom. With almost 20,000 members, our mission is to represent, support and champion the whole UK veterinary profession. We are a professional body and our members are individual veterinary surgeons. We take a keen interest in all issues affecting the profession, including animal health and welfare, public health, regulatory

reporting, that veterinary professionals might prey on owners' desire to do the best for their pets by using these circumstances as a "strategy" to promote more sophisticated or expensive treatment. Vets enter this high-pressure profession out of genuine care for animals and will always prioritise their health and welfare.

We also raised significant concerns about the suggestion that practices might be mandated to provide information to clients about quality or outcome-related measures, which would be extremely challenging to deliver and would not meaningfully support consumer choice.

We greatly appreciated the subsequent opportunities to engage with the CMA as the review progressed, both in person at BVA Live and in remote meetings. In particular we welcomed the opportunity to discuss the concept of contextualised care which has very much become the preferred term within the veterinary profession to describe appropriate and proportionate care which is tailored to the needs of both the client and the animal, based on an understanding of the animal and the context in which the animal lives, the owner's finances, lifestyle, preferences, and their ability to provide suitable care.

We also delivered a Teach in, jointly with BVNA, covering subjects which should be factored into the CMA investigation: regulation, animal welfare, contextualised care, communication, referrals and telemedicine. In particular we highlighted the importance to the veterinary professions of animal welfare and the vet-client-patient relationship.

Separately, BSAVA met with the CMA to explain their role as a veterinary member association within the small animal veterinary landscape. Subsequently CMA designated BSAVA as a Main Party for the purpose of the Market Investigation.

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population studies that allow clinical outcomes in human medicine to be evaluated are extremely rare in veterinary contexts, with no veterinary equivalent to the publicly funded National Institute for Health Care and Excellence (NICE).

26. We are strong supporters of evidence-based veterinary medicine but while the currently available data are scant, any move to mandate practices to provide information to consumers about quality/outcome related measures could undermine vets and jeopardise contextualised care.

27. One of the most complex aspects of the veterinarian-client-patient interaction is the clinical decision-making process, with research suggesting that the approach to communication used by

there could be merit in practices developing information leaflets for clients on the usual approach to referrals within their particular business model. However, regardless of business model, vets should never

potentially leading to suboptimal treatment and communication, and additional cost associated with the professional time needed to assess the new patient and establish a new VCPR. Establishing and maintaining a strong VCPR is essential for ensuring continuous, high-quality veterinary care.

50. The CMA's market research found that the three main reasons for switching veterinary practice were breakdown in trust, lack of empathy and service, and accessibility. Fostering a strong, long-term relationship between a vet and their client builds trust and allows for more personalised and effective care. Disrupting this relationship annually could lead to reduced trust, poorer health outcomes for pets, and increased anxiety for pet owners.

Mandatory information to be provided to customers (and its form and timing) regarding the price of medicines separately from other charges (eg the consultation or prescription fee) and their right to purchase medicines from a third party, where appropriate, and to obtain more than 1-3

Written prescriptions

51. As we have previously stated, the RCVS Code of Conduct is clear that vets may make a reasonable charge for written prescriptions, clients should be provided with adequate information on medicine prices, and clients should be informed of any significant changes to the practice's charges for prescriptions or medicines at the earliest opportunity to do so. The Code is also clear that clients may ask for a prescription where appropriate and obtain medicines from another vet or pharmacy.[10]

52. In our guidance on transparency and client choice we are clear that there should be a consistent approach which includes:

> proactively offering a prescription where clinically appropriate and providing clients with dis 0 59 59ns(ng)3( )-112ppoions

prescriptions for medications that cover extended time periods. Vets typically select the time period for a prescription based on several factors, including the specific medical needs and condition of the animal, the nature of the illness or injury, stability of the condition, and anticipated response to treatment, as well as taking into consideration the availability and shelf-life of the medicine being prescribed. Mandating longer prescription periods without allowing vets to exercise their clinical judgement and allowing for regular clinical evaluations could pose a serious threat to animal welfare. There is a real danger that prescribed medication could be continued inappropriately without timely clinical check-ups, leading to potential issues such as the development of resistance to medications, unmonitored side effects, or the progression of health conditions.

55. Additionally, animal owners frequently misunderstand the need for repeat examinations and may be focused disproportionately on cost, which can result in them prioritising savings over necessary ongoing veterinary care. This misunderstanding and cost-focused perspective can further exacerbate the risks associated with extended prescriptions. It is essential that vets are able to retain their professional autonomy in matters of responsible prescribing and dispensing.

Category 2: Price / charging remedies

We could consider imposing maximums for prescription fees, or maximum prices or mark-ups for other services (eg cremations)

Prescription fees

56. We know that thousands of respondents to the CMA call for evidence complained about high prescription fees. As we have previously explained, when a client requests a prescription, the vet is required to take the time to check the animal is under their care, look at the clinical notes, assess the clinical need for ongoing medication, check the dose, and only then if the vet is satisfied can they issue the prescription. All of this takes time, which could otherwise be used doing appropriately charged-for clinical work.

57. Prior to the 2001 Competition Commission review of dispensing, the professional time devoted to the process of prescribing was not given a clear value. One of the findings of the Competition Commission at the time was that the pricing of veterinary medicines, to a greater or lesser extent, subsidised professional fees. The subsequent CMA advisory note on the rights and obligations created by the Supply of Relevant Veterinary Medicinal Products Order 2005 and the RCVS Code of Conduct highlighted that the veterinary profession tended to understate the true cost of their professional services and offset this in their medicines pricing.[11]

58. The partial decoupling of the right to prescribe and the right to dispense has meant that veterinary practices, rightly and understandably, are now much more likely to charge properly for professional services. The RCVS is clear that vets may make a reasonable charge for written prescriptions, and we have provided evidence from the SPVS fees survey which found the average prescription fee to be around £18 in 2023.

59. Imposing a maximum charge for issuing a written prescription may appear to be a pragmatic solution which is likely to be initially well-received by the media and consumers. However, such a move is likely to result in prescription fees becoming standardised, potentially at that maximum level, with all clients paying the same. This fails to take into account regional differences, variations in client base, and different business models, which could ultimately have a detrimental impact on those clients who are less able to afford veterinary care. If veterinary businesses feel

[11] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/514379/Vets-rights_and_obligations_-_CMA_advisory_note.pdf

the fee for a prescription does not cover the time and resources required to issue it, they will simply make up the deficit in other charges, such as increasing the basic consultation fee. Improved transparency around prescription fees could be as effective at addressing consumer concerns, while minimising the unintended consequences.

Mark-ups

60. With reference to cremation services, the CMA commissioned market research which found that pet owners felt relieved that their veterinary practice had taken the lead in dealing with cremation arrangements, and they were happy to leave the choice about which cremation provider to use to their vet. Although this also means that the costs associated with such a service were rarely questioned by the client, we take exception to any inference that vets might take advantage of

Recommendations for other bodies

We intend to explore whether there are changes needed to the regulatory framework about how

paragraphs 68 to 74;

Contextualised care

65. The expansion of large corporate groups, and their integration with related services, creates the potential for significant efficiencies and greater purchasing power, as well as improved investment in diagnostics and sophisticated treatment options. This can bring benefits for client choice and/F5 11.04

71. Veterinary surgeons must abide by the Veterinary Medicines Regulations and prescribe medication according to the Cascade. They are unable to prescribe generic human medicines, even if these are cheaper. This is often not recognised by clients who compare the price of veterinary medicines with similar medicines that may be available in a pharmacy for human use.

72. Animal medicines sometimes cost considerably more than chemically identical human equivalents because animal medicines have to undergo completely separate licensing processes with different costs, and with a potentially much smaller market from which to recoup both licensing and R&D expenditure. Human equivalents are not necessarily chemically identical to veterinary medicines. In some cases, a different formulation may be needed due to different bioavailability.

73. The paper 'Current challenges facing the determination of product bioequivalence in veterinary medicine' highlights the difficulties and risks in comparing absorption, distribution, metabolism and excretion (ADME) of veterinary licensed and generic medicines.[12] Vets are required by the Cascade to use veterinary licensed products where they exist, with a significant part of the rationale behind this ruling being that the ADME particulars of any veterinary licensed medication have been tested fully. Veterinary professionals can therefore trust that the licensed veterinary product is being absorbed, performing its intended function effectively, and being excreted reliably. We do not always have this reassurance with generics. In order to use generics responsibly we would need to be assured that in the case of each and every drug the ADME profile is comparable to the licensed brand.

74. It is not for a vet to judge a client's financial means per se, and affordability is not, and cannot legally be, a justification for moving down the steps of the Cascade[13]. Within the setting of contextualised care vets will already be discussing a range of treatments, including their likely effectiveness and cost, but it would be irresponsible to suggest an unlicensed generic on the basis of cost, especially where that unlicensed product may not work, may result in underdose

77. It may be useful to consult with the National Office of