

Wide variations in charges for special lenses

April 24 2012

A new study has found huge variations in what ophthalmologists charge for a device used in one of the most common surgeries in Ontario.

While universal insurance covers the cost of cataract surgery and implanting an artificial lens, some ophthalmologists charge extra for implanting a special lens deemed not "medically necessary" or for related tests. This would include lenses that correct refractive issues such as farsightedness.

Those "add-on" fees varied substantially, with some ophthalmologists charging as much as eight times as much as others for the same product, said Dr. Chaim Bell, a physician and researcher at St. Michael's Hospital.

Dr. Bell said he believes his telephone survey is the first of its kind in this area. He got an 88 per cent response rate from eligible ophthalmologists and 100 per cent from those who would discuss prices by phone.

His results were published today in the peer-reviewed open-access journal [PLoS ONE](#).

He found a majority of cataract surgeons charged less than the maximum \$1,144 recommended by the Canadian Ophthalmological Society for a toric IOL (intraocular lens) with IOLMaster biometry (measuring [eyesight](#) post-surgery).

But some charged more than \$1,000 more than what could be considered

reasonable or fair -- which may represent "predatory pricing" and a "[market failure](#)," he said. This is of particular importance because the overhead costs of cataract surgery are universally covered by a government payer and those surgeons who set prices at the high end of the range may earn more from the added charges associated with specialty lenses than from performing the operation itself.

Dr. Bell said one implication of his study is that patients should do comparison shopping and recognize that certain charges associated with surgery may be "marked up" for profit and not cost recovery. But he said this was not easy, because some cataract surgeons would not discuss prices over the phone.

"Given the large price variation we observed, it would seem the market for specialty lenses is a striking example of the difference between classical and medical economics," Dr. Bell said.

Dr. Bell said his research has implication for policymakers.

"We have identified highly variable pricing for similar and often identical products and services," he said. "Potential solutions to protect that patient as consumer in this context would involve making the prices publicly available or regulating [prices](#) through a third party such as a publicly funded hospital or through legislation."

Provided by St. Michael's Hospital

Citation: Wide variations in charges for special lenses (2012, April 24) retrieved 14 May 2024 from <https://medicalxpress.com/news/2012-04-wide-variations-special-lenses.html>

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