booked procedures worth a whacking £38m!

Taylor, who told us then that hers was the largest agency in surgery for UK patients, now claims that she has other sources of income, but would not give any details.

She confirmed that OAW served 12,800 UK patients last year, but said many only received diagnostic tests. She says this explains why sales were so low.

OAW claims a global network of partner hospitals stretching from India to Cuba and receives a 10% commission on procedures performed by them.

However, documents registered at Companies House showed annual sales of just £124,000 – assuming a 10% commission on a £4,000 hip replacement, that would give just 310 patients.

Taylor explains that many of the 12,800 patients do not receive surgery, but only diagnostic tests. In an interview with HCE in April 2015 she claimed that the total value of procedures was £38m. HCE wrote that this implied total fee income of £3.8m and Taylor, although we sent her a copy of the article, did not question this.

Our Analysis: This minor story highlights well the problems of writing and researching healthcare tourism. You have to deal with what we might call the bullfrog effect. And that is true at every step from agencies to hospitals and even to national governments who are all keen to blow up the numbers as big as they can!

New opportunities in real estate

The influx of capital into European healthcare estate, which has forced down yields to record lows, will find new destinations, claimed panellists at the Healthcare Business International 2016 conference. German hospitals will come on stream, predicts Frank Williams, from the Medical Properties Trust. But public healthcare in the UK is a mixed bag.

A thaw in the German acute care market could open up a huge sector for investment. Thus far regulation has prevented private operators from selling their real estate.

Williams did not specify his reasoning. He also pointed to more opportunities in assisted living, which is a growing business in Europe, and is already being targeted by REITs like Care Property invest.

Leonid Shapiro, managing partner at the consultancy Candesic, sees care in the community as a growing market. By that he means secondary care provided in a primary care setting, which follows the general trend to push care down the acuity curve, and is being trialled by the English NHS through its Vanguard programmes.

Care homes in the UK are a more complicated picture.

Local councils in the UK are increasingly facing fines for bed blocking, which should incentivise more investment in the troubled and largely neglected social care market, yet the precarious finances of some operators and Brexit uncertainty are worrying investors.

Property deals with the NHS are also unlikely.

There are development opportunities with the new PF2 contracts – a replacement of the highly unpopular Private Finance Initiatives (PFI) of the Blair government. But Shapiro said that the accountancy remains opaque and costly. And he believes that private ownership of public hospital remains a political nightmare.

Switzerland

Swiss face big danger of tariff cuts

Swiss tariffs for technical services which include imaging, but not lab tests, could drop by 27%, according to a proposal formulated by doctor and hospital associations and some insurers. The actual drop is likely to be much lower, but a cut looks inevitable.

The proposed cuts come out of a massive new system covering outpatient medical services. Surprisingly, perhaps, the Swiss Medical Association (FMH) which represents doctors has consented to the proposal, as has H+ which represents the hospital sector. It is not clear whether the proposals really amount to a 27% cut as definitions of procedures have changed and a spokesperson at insurer association Sante Suisse told us that the actual size of the budget for technical services is set to rise.

But our sources say that doctors across the country are most unlikely to consent to the new system and many have been told by their specialist associations to vote “seven times no” to all the proposals.

If there is an impasse, which seems inevitable, then the Swiss federal parliament the Bundesrat will have to impose a cut. This is what happened in 2014 when imaging and other outpatient services were dealt an 8.5% cut.

One source told us: “That time we had no idea, right up to the day before the Bundesrat vote, as to what the figure would be.”

Imaging service groups told us that the sector was badly affected by the 2014 cut. “Costs are high and fixed and in any case there is overcapacity, so even if you do improve efficiency you may not get any extra business.”