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30 April 2020

Dear Interested Party

Private Healthcare Australia Limited's application for authorisation – AA1000487 – interested party consultation

On 1 April 2020, the Australian Competition and Consumer Commission (the **ACCC**) received an application for authorisation from Private Healthcare Australia Limited (**PHA**), on behalf of itself, its members and members of Members Health Fund Alliance (the **Applicants**). On 8 April 2020, the ACCC granted interim authorisation for the Proposed Conduct.

If you have been directly affected by the conduct allowed by the interim authorisation granted by the ACCC on 8 April 2020, the ACCC is interested in understanding what your experience to date has been. We are interested in hearing from you at any time during the ACCC's assessment process in relation to this question.

The ACCC also invites submissions on:

- the likely public benefits and detriments of the conduct the subject of the authorisation
- the appropriate time period for the conduct to be authorised for, and
- whether any conditions should be placed on the authorisation of the conduct.

We request submissions by **Thursday 21 May 2020**.

You are welcome to pass this letter on to others who may wish to make submissions.

The application for Authorisation

The Applicants applied for interim authorisation and final authorisation for a period of six months from the date of the ACCC's final determination, to make and give effect to arrangements and to discuss and share information with each other in relation to:

- broadening private health insurance coverage to include COVID-19 treatments and modes of treatment that substitute for face-to-face interaction or admission to hospital;
- providing financial relief regarding insurance premiums; and

- other measures as notified to the ACCC to response to the COVID-19 pandemic (the **Proposed Conduct**).

A copy of the application for authorisation is available on the ACCC's [public register](#).

On 8 April 2020, the ACCC granted interim authorisation for the Proposed Conduct. The interim authorisation enables the Applicants to immediately engage in the Proposed Conduct while the ACCC progresses its determination. The interim authorisation is subject to the conditions that PHA notify the ACCC of any measure formulated as part of the Proposed Conduct prior to implementation, prohibits any arrangement under the Proposed Conduct from having the effect of increasing health insurance premiums and ensures that any arrangement arising from the Proposed Conduct is terminated when no longer authorised by the interim authorisation or final authorisation.

A copy of the ACCC's interim authorisation decision, which contains more details on the Proposed Conduct and the applicable conditions, is available on the ACCC's [public register](#). The public register also contains notifications made by the Applicants of conduct engaged in under the interim authorisation decision.

Request for submissions

The ACCC did not conduct a public consultation process in respect of the request for interim authorisation due to urgency of implementing measures to provide relief to policyholders facing hardship and the compelling nature of the public benefits likely to result from the request for interim authorisation.

The ACCC is now conducting a public consultation process on the Proposed Conduct authorised in its interim decision, and on the substantive application for final authorisation.

Submissions on the cooperation permitted by the interim authorisation

If you have been impacted by the conduct notified under the interim authorisation, you are invited to make a submission to the ACCC in relation to how the conduct has affected you.

In particular, we seek your views on the following issues:

1. What impact has the notified cooperation had on you? How have the Applicants' dealings with you changed as a result of the interim authorisation?
2. Have you identified any negative effects from cooperation permitted by the interim authorisation?
3. Is the cooperation permitted by the interim authorisation likely to entrench anti-competitive behaviours that continue past the end of the COVID-19 pandemic?
4. Should any changes be made to the interim authorisation, or conditions applied?

The ACCC invites submissions on the cooperation and conduct permitted by the interim authorisation at any stage over the coming months. If you have been adversely impacted, please contact the ACCC as soon as possible.

Submissions for purposes of the draft determination

For the purpose of the ACCC's assessment of the application for authorisation, the ACCC also invites you to make a submission on:

- the likely public benefits and detriments of the Applicants' cooperation
- the appropriateness of authorising the Proposed Conduct for a period of six months from the ACCC's final determination, and

- whether any conditions should be placed on the authorisation of the Applicants' cooperation

If you would like to make submissions before the ACCC issues a draft determination (as distinct from making a submission on the conduct authorised under the interim authorisation), please do so by **Thursday 21 May 2020**. Submissions should be emailed to adjudication@acc.gov.au with the subject 'PHA - AA1000487 - Submission'.

We recognise that the COVID-19 situation may be causing disruptions to your normal operations. For this reason, we are taking a flexible approach to receiving feedback on the Proposed Conduct. You may wish to contact us by phone to discuss your views or submission before the deadline. If you would like to provide comments orally, please contact Ellie Dwyer on (03) 9290 1874 or Isabelle Mauleon-Wells on (07) 3811 9218 to organise a suitable time.

Submissions, including a record of oral submissions, **will** be placed on the [ACCC's public register](#) on the internet unless you have made a request (with reasons) for us to exclude part or all of the submission from the public register (see [Guidelines for Excluding Information from the Public Register](#) for more information on how to make a request and how we assess requests).

Timetable

An indicative timetable is below. This timetable is subject to change. The most up to date indicative timetable is available on the [ACCC's public register](#).

1 April 2020	Lodgement of application and supporting submission, including request for interim authorisation.
8 April 2020	Interim decision.
30 April 2020	Public consultation process begins.
21 May 2020	Closing date for submissions from interested parties.
June 2020	Applicant responds to issues raised in the public consultation process.
July 2020	Draft determination.
July/August 2020	Public consultation on draft determination including any conference if called.
September 2020	Final determination.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Ellie Dwyer on (03) 9290 1874 or Isabelle Mauleon-Wells on (07) 3811 9218.

Yours sincerely



Mandy Bendelstein
Acting Director