

23 May 2024

Anthony Hilton  
Director, Competition Exemptions  
Rebecca Ryan  
Assistant Director, Competition Exemptions  
Australian Competition & Consumer Commission  
by email

Dear Mr Hilton and Ms Ryan

**Authorisation Application AA1000669**

The ACCC has received submissions from Private Healthcare Australia (dated 10 and 14 May 2024) proposing that the ACCC impose a condition on authorisation that “all dental clinics covered by this authorisation use price displays for common services”. Private Healthcare Australia has stated that this will “promote choice, competition and informed financial consent”.

Private Healthcare Australia’s stated concern is about the ‘out-of-pocket’ costs for patients with private health insurance (i.e. the ‘gap’ payable by the patient after rebate from their insurer).

The ADA does not agree with the proposal by Private Healthcare Australia on the basis that:

1. what is proposed by Private Healthcare Australia will not benefit consumers as private health insurers control the extent of the ‘gap’ due to the practice of differential rebates as between dental practices for the same service to the same patient;
2. there is no transparency over differential rebates so consumers cannot properly understand what ‘gap’ will be payable as between different dental practices for a particular treatment item based on a price display by those dental practices; and
3. in such circumstances, what is proposed by Private Healthcare Australia has the potential to aggravate the competition and consumer harm from the practice of differential rebates.

The ADA’s long-standing concerns about the practice of differential rebates, and the harms from this practice, were set out in the ADA’s 1 May 2023 submission on wider issues relating to private health insurance arrangements, a copy of which is on the public register for authorisations AA1000636 and AA1000639 relating to private health insurer arrangements.

Yours sincerely



Eithne Irving  
Chief Executive Officer (Interim)