

MinterEllison

11 August 2020

BY EMAIL ONLY

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Dear Ms Dwyer

Private Healthcare Australia (PHA) – application for authorisation AA1000487 – Fortnightly report to ACCC No 5

1. We refer to our letter dated 3 August 2020 in which we provided the fourth fortnightly report pursuant to condition 2 of the conditional interim authorisation granted to PHA by the Commission.
2. The purpose of this letter is to provide the fifth fortnightly report which relates to the period from 27 July 2020 to 7 August 2020 and is set out in the **Annexure** to this letter and the **Attachments** to the Annexure.
3. The Annexure to this letter and the Attachments to the Annexure contain information that is confidential to PHA. This confidential information has been highlighted in the Annexure to this letter and in the Attachments to the Annexure in red highlighting. PHA requests that the ACCC treat the highlighted information as strictly confidential and that it be redacted from this document prior to publication on the ACCC's public register.

Please let us know if the ACCC has any questions.



Yours faithfully
MinterEllison

Contact: Noelia Boscana



Annexure 1 – Fortnightly Report to the ACCC No. 5

1. Report

- 1.1 This Fortnightly Report sets out the details of the following two meetings that occurred during the period from 27 July 2020 to 7 August 2020:
- (a) Fortnightly CEO briefing on COVID-19; and
 - (b) COVID-19 Working Group meeting.
- 1.2 The relevant details of these meetings set out below are the date of the meeting, attendees, agenda items that relate to the Proposed Conduct and a summary of the topics discussed that relate to the Proposed Conduct. The minutes of each meeting are set out as Attachments to this report.

2. Fortnightly CEO briefing on COVID-19 with Dr Rachel David, PHA

2.1 *Date:* 1pm, 3 August 2020

2.2 *Attendees:*

- (a) Rachel David Chief Executive Officer, PHA
- (b) John Hill Chair, PHA
- (c) Gerard Fogarty Defence Health Limited
- (d) Sharon Waterhouse Phoenix Health Fund Limited
- (e) Mark Fitzgibbon nib Health Funds Ltd
- (f) Barbara Cruz Railway & Transport Health Fund
- (g) Matt Walsh Australian Unity Health Limited
- (h) Greg Morris AIA Health Insurance (MO Health Pty Ltd)
- (i) Dario Molina CBHS Corporate Health Pty Ltd
- (j) Byron Gregory Health Partners Limited
- (k) Brad Joyce Teachers Health Fund
- (l) Andrew Wilson Medibank Private Limited
- (m) Andrew Smith CBHS Health Fund Limited
- (n) Paul Lupo St. Lukes Health
- (o) Ian Whitehead Latrobe Health Services Limited
- (p) Gerard Op De Coul Mildura Health Fund
- (q) Rohan Mead Australian Unity Health Limited
- (r) Camilla Milazzo PHA
- (s) Jen Eddy PHA
- (t) Ben Harris PHA
- (u) Justin James HIF Pty Ltd
- (v) Rob Seljak Queensland Teachers' Union Health Fund Limited

(w) John Van Ser Wielen HBF Health Limited

2.3 *Agenda items:*

- (a) General update
- (b) Update by Ben Harris
- (c) Update by Jennifer Eddy
- (d) Questions

2.4 *Summary:*

- (a) Dr David updated the group that the Federal Government is consumed with the pandemic in Melbourne.
- (b) Elective surgery and mental healthcare are expected to be focus areas for funds.
- (c) [REDACTED]

2.5 *Minutes:* the minutes of this meeting are in Attachment 1.

3. COVID-19 Working Group meeting

3.1 *Date:* 6 August 2020

3.2 *Attendees:*

- (a) Rachel David PHA
- (b) Lisa Minchin PHA
- (c) Ben Harris PHA
- (d) Jen Eddy PHA
- (e) Jodie Jansen BUPA HI Pty Ltd
- (f) Jonathan Spiers Medibank Private Limited
- (g) Kathleen Weaver The Hospitals Contribution Fund of Australia Ltd
- (h) Alice Caldwell Queensland Teachers' Union Health Fund Limited
- (i) Sandra Jones Queensland Teachers' Union Health Fund Limited
- (j) Christine Smyth Defence Health Limited
- (k) Ed Close nib Health Funds Ltd

3.3 *Agenda items:*

- (a) Fortnightly report reminder
- (b) Premium increases
- (c) Effects of COVID-19
- (d) Profits of health funds

3.4 *Summary:*

- (a) The group discussed premium increases; that timing for the increase will be the same as last year, and the Minister reserves the right to announce the outcome of the increase.
- (b) PHA is closely monitoring various services impacted by COVID-19 including allied health, mental health, elective surgery, which is currently shut down in regional Victoria.

[REDACTED]

3.5 *Minutes*: the minutes of this meeting are in Attachment 2.

4. Next Fortnightly Report

PHA will submit the next fortnightly report pursuant to the conditional interim authorisation on Monday, 24 August 2020.

Attachment 1 – Minutes of Fortnightly CEO briefing on COVID-19 with Dr Rachel David, PHA

Fortnightly CEO briefing on COVID19 with Dr Rachel David, Private Healthcare Australia Ltd (PHA)

1pm, 03/08/2020

Via teleconference

Invitees

Rachel David	CEO, PHA
John Hill	Chair, PHA
Gerard Fogarty	Defence Health Limited
Sharon Waterhouse	Phoenix Health Fund Limited
Mark Fitzgibbon	nib Health Funds Ltd
Barbara Cruz	Railway & Transport Health Fund Ltd
Matt Walsh	Australian Unity Health Limited
Greg Morris	AIA Health Insurance (MO Health Pty Ltd)
Dario Molina	CBHS Corporate Health Pty Ltd
Byron Gregory	Health Partners Limited
Brad Joyce	Teachers Health Fund
Andrew Wilson	Medibank Private Limited
Andrew Smith	CBHS Health Fund Limited
Paul Lupo	St. Lukes Health
Ian Whitehead	Latrobe Health Services Limited
Gerard Op De Coul	Mildura Health Fund
Rohan Mead	Australian Unity Health Limited
Camilla Milazzo	PHA
Jen Eddy	PHA
Ben Harris	PHA
Justin James	HIF Pty Ltd
Rob Seljak	Queensland Teachers' Union Health Fund Limited
John Var Der Wielen	HBF Health Limited

Open

The Chair, Mr Hill opened the meeting at 1pm.

Mr Hill noted the apology received from Simone Tregagle from Railway & Transport Health Fund Ltd and Lisa Minchin from PHA.

General update

Dr David provided a general update and advised that the Federal Government is consumed with the pandemic in Melbourne.

Dr David discussed the lock down restrictions in Melbourne and the upcoming Budget release. It is expected that the upcoming Budget will focus on the social welfare measures for the pandemic.



It is expected that Elective surgery and mental healthcare will be focus areas and Private Health funds should focus on what they can do to assist members.

[Redacted]

Update by Ben Harris

[Redacted]

Update by Jennifer Eddy

[Redacted]

Questions

[Redacted]

The meeting closed at 1:20pm.

Attachment 2 – Minutes of COVID-19 Working Group meeting



Working Group 6 August 2020 MINUTES

Attendees

Rachel David	PHA
Lisa Minchin	PHA
Ben Harris	PHA
Jen Eddy	PHA
Jodie Jansen	BUPA HI Pty Ltd
Jonathan Spiers	Medibank Private Limited
Kathleen Weaver	The Hospitals Contribution Fund of Australia Ltd
Alice Caldwell	Queensland Teachers' Union Health Fund Limited
Sandra Jones	Queensland Teachers' Union Health Fund Limited
Christine Smyth	Defence Health Limited
Ed Close	nib Health Funds Ltd

Apologies: Amanda Lean (BUPA HI Pty Ltd), Raj Krishnaswamy (GMHBA Limited)

The main issues discussed during the meeting were COVID-19, the budget submission, and the upcoming premium rounds.

Dr David reminded the working group that PHA need to accurately record who attends the COVID-19 working group. As part of the ACCC Authorisation PHA needs to report on these meetings on a fortnightly basis and include minutes. If the funds meet outside of the COVID-19 working group, could they please let PHA know as we would need to advise the ACCC.

Topics raised:

- PHA have had dialogue with the Commonwealth in relation to the COVID-19 issues arising with the budget and reform
- The Department have been focussed on COVID-19 in Victoria and Aged care
- PHA have been assured that there no resubmissions required in relation to the premium increase. PHA hope to receive documentation about this today
- Timing will be the same as last year for the premium increase

- The Minister will reserve the right to announce the outcome of the premium increase
- PHA have done a lot of work around key messages of what the funds are doing. This has been sent to all Ministers and Senators
- Rate of health inflation has not been impacted by COVID-19

[REDACTED]

- PHA is closely monitoring Mental health claims
- Out of hospital care is desperately needed for drug, alcohol and mental health issues.
- Elective Surgery shutdown in regional vic. Waiting lists will top out at 70,000 which is double from this time last year.
- The Government announced that allied health services will remain via telehealth

[REDACTED]