Gilbert Jewel

From: Brian Curren [eo@rdaa.com.au]

Sent: Tuesday, 26 February 2002 5:20 PM

To: adjudication@accc.gov.au

Subject: RACGP application for authorisation

Attention Paul Grimwade,
Paul,

please find attached the RDAA letter in support of the RACGP application for authorisation,
thanks
Brian Curren

----- Original Message -----
From: Susan Stratigos
To: Brian Curren
Sent: Tuesday, February 26, 2002 4:36 PM

The address is adjudication@accc.gov.au for the attention of Paul Grimwade
Susan Stratigos
Policy Advisor
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Dr Ken Mackey
President
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RDAA/02/145

26 February 2002

Mr Tim Grimwade
General Manager
Adjudication Branch
Australian Competition & Consumer Commission
PO Box 1199
DICKSON ACT 2602

Dear Mr Grimwade

Re: Application for Authorization lodged by the Royal Australian College of General Practitioners

Thank you for the opportunity to comment on the recent application of the Royal Australian College of General Practitioners (RACGP) for authorization under the Trade Practices Act (TPA) 1974 – authorization no A90795.

The Rural Doctors Association of Australia supports the application on the grounds that it will permit medical practices, whatever their legal structure, to develop an agreed fee structure which will provide a direct and indirect public benefit.

The direct benefit to patients (and the community as a whole) lies in clarity and consistency about payment, even when they have to consult more than one doctor in a practice.

However, the resultant administrative simplification can carry a significant indirect benefit by increasing the efficiency and so the financial viability of medical practices, a crucial issue in rural and remote areas. The higher costs of medical practice in the bush and the acknowledged difficulties in recruiting and retaining doctors indicate the importance of such a measure. The value of resident medical practitioners to rural communities is well-established.

Material provided to the current review of the impact of the TPA on recruitment and retention of the rural medical workforce indicates that uncertainty about the implications of the Act can be "the straw that breaks the camel's back", and sometimes a deciding, if not the decisive, factor in the decision to leave rural medicine. The RDAA consultations for its submission to the inquiry found that fear of contravening the TPA was a significant deterrent to doctors who wanted or needed to develop new or innovative business models. Whether or not the fears

are justified, the constraints are real and particularly unfortunate at a time when it is imperative to explore new ways of sustaining rural medical practice.

It is clear that these are likely to be based on the collaboration which is crucial to all aspects of health care provision, particularly in rural and remote areas. Within practices, this collaboration assures continuity of care, even when a particular doctor is unavailable. It is illogical to exclude fees from a context in which the exchange of ideas and information is a component of quality care.

Doctors working within a practice are not in competition with each other. They are part of a single financial and operational entity, however constituted. Two simple criteria support this: practice accreditation, which surveys the work of the practice doctors as a group, rather than as individuals and keeping a single set of patient records rather than a set for each doctor. In this situation, the application of legislation designed to promote competition in the interests of public benefit is not relevant for two reasons: the doctors are colleagues within a unitary system, not competitors, and their acting the collaboratively as part of this system is conducive to public benefit by providing continuity of quality health care. A considerable body of evidence indicates that a team approach to health care supports good health outcomes.

In other contexts, the Australian Competition and Consumer Commission has queried whether a particular public benefit could be achieved by means other than that put forward in an application for exemption. Obviously maintaining optimum individual and community health relies on many things, but access to medical care is one of particular importance. Thus any factors which remove impediments to the establishment and efficient operation of general practice, particularly in areas high need, support public benefit. The RACGP application seeks to remove one such impediment.

As a peak medical organization, the RDAA strongly endorses the national approach in this application. The Association is in a good position to attest that the uncertainties which the application seeks to eliminate occur across the country. RDAA has viewed an apparent trend towards authorizations which apply only to certain areas with concern. Apart from increasing ambiguities in other areas, repeating the authorization process to address the same issue in different place is wastefully resource intensive.

Please contact me should you have any queries about our position or require further material. Alternatively, you could contact Policy Advisor Susan Stratigos in our Canberra secretariat on tel: 02 6273 9303 or policy@rdaa.com.au

Yours sincerely

Ken Mackey
President