



Australian
Competition &
Consumer
Commission

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SC

Our Ref: C2006/1732
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7 November 2006

Mr Graeme Sellar
General Manager
CALMS Ltd
PO Box 3434
Weston ACT 2611

Dear Mr Sellar

Application for revocation of authorisation A90954 and substitution of new authorisation A91011 lodged by Canberra After Hours Medical Locum Service – submissions from interested parties

As you are aware, on 4 October 2006 the Australian Competition and Consumer Commission (the ACCC) issued a draft determination in respect of the application for revocation of authorisation A90954 and substitution of new authorisation A91011 lodged by Canberra After Hours Medical Locum Service (CALMS). For the reasons set out in its draft determination, the ACCC proposes to grant authorisation to CALMS' application until 30 June 2008.

The ACCC provided copies of the draft determination to a number of interested parties. The Council on the Ageing ACT Inc. (COTA) and The Department of Health and Ageing (DOHA) each made a submission to the ACCC in response to the draft determination. A copy of each submission is enclosed.

I seek your response to the issues raised by COTA in its submission. In particular, I note COTA's concerns regarding the increase in the gap for standard home visits (including nursing homes and institutions) between 8 – 11 pm from \$31.95 to \$76.35 for regular patients and from \$21.95 to \$53.35 for concession card holders. On the basis of the information previously supplied by CALMS I understand this gap increase is the result of a decision by CALMS to maintain the same level of compensation of those doctors who perform home visits. However, in light of COTA's submission, I seek further information from CALMS regarding the reasons underlying this decision and would appreciate receiving any information relied on by CALMS in making the decision.

I would also appreciate your advice as to how CALMS decided on the fees it will charge for short, long and prolonged home visits (including nursing homes and institutions). I note that fees for these types of services were not identified separately in CALMS' previous fee structure.

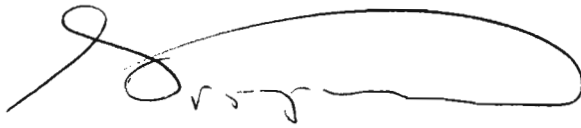


Finally, I invite CALMS to respond to DOHA's submission. In particular, I note that DOHA's submission suggests that a further review of CALMS' fee schedule may be imminent.

I would be grateful for your response by **17 November 2006**.

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 Sharon Clancy on (02) 6243 1217.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Scott Gregson', with a large, sweeping loop at the end.

Scott Gregson
General Manager
Adjudication Branch