

CANBERRA AFTERHOURS LOCUM MEDICAL SERVICE LTD.

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Weston ACT 2611

Email: admin@calms.net.au

December 11, 2006

Mr Scott Gregson
General Manager
Adjudication Branch
Australian Competition and Consumer Commission.
PO Box 1199
Dickson ACT 2602

RE: Response to submissions for new authorisation A91011 lodged by the Canberra Afterhours Locum Medical Service.

Dear Mr Gregson,

Thank you for asking CALMS to respond to submissions lodged by interested parties in response to the draft determination made by the ACCC in regards to authorisation A91011 lodged by CALMS in September 2006. I will first respond to the Council on the Ageing ACT Inc. submission to the ACCC.

As you are aware, CALMS is a not for profit organization that provides primary care services to all ACT citizens in the entire after hours period from 6 pm to 8 am Monday to Friday and all day Saturday, Sunday, and Public Holidays. The fees set for CALMS services reflect running costs of such a venture in the ACT.

Firstly, I would like to differentiate between fee and gap payment. The fee payment is the maximum amount a client using the services CALMS will be asked to pay for services rendered in a particular category. The gap payment is the difference between the fee payment and Medicare benefit that can be claimed by the patient. The fee payment is set by the CALMS Board, and the gap payment depends on the rebate fee set by the Australian Federal Government.

The reason for the increase in the gap payment for home visits, nursing home visits, and institutional visits between the hours of 8 p.m. and 11 p.m. is the determination by Medicare Australia that it is inappropriate for entities that are regularly trading during these times to bill item numbers relating to an emergency attendance. Previously, CALMS was billing home visits, institutional visits, and nursing home visits during these periods as emergency attendance items. CALMS

is now billing regular item numbers relating to home, nursing, home and institutional visits. Medicare rebates are lower for regular home and institutional visits than those for emergency attendances. This means that the gap payment has increased. The maximum fees charged by CALMS locums reflect the costs of the services rendered by a trained professional in the after hours period. The gap payment reflects the Medicare rebate allocated to such services.

A further point raised by the Council of the Ageing ACT Inc. is the inability of residents in aged care facilities to pay fees raised by CALMS locums on “the spot”. A recent review by CALMS management has found that over 80% of aged care facility patients are Bulk Billed for the services they receive from CALMS medical locums. Furthermore, CALMS has a policy that medical locums need to allow for a variety of options to settle a bill raised in the name of CALMS. One of these methods of payment needs to be the issuing of an invoice that can be paid at a later and more convenient date.

CALMS noted the submission made by the federal Department of Health and Ageing with interest, and awaits the suggested changes to the Medicare rebates for after hours emergency attendances. Any increase in the Medicare rebate that result from a review of the after hours emergency attendance rebates will go towards improving gap payments affecting individuals using the services of CALMS.

Sincerely,

Dr. M. Liedvogel