



**THE ROYAL AUSTRALIAN COLLEGE OF GENERAL PRACTITIONERS**

2 February 2007

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

Dear Mr Gregson,

RE: The Royal Australian College of General Practitioners (RACGP) request for revocation and substitution of the ACCC authorisation (A91024) – interested party submissions

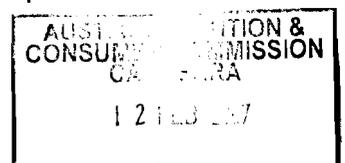
Thank you for your letter dated 29<sup>th</sup> January 2007 concerning the interested party submissions in relation to

- revocation and substitution of the 2002 ACCC authorisation (A90795), and
- extension of the scope of the original authorisation to include collective setting of fees in a practice among general practitioners (GPs) and other medical practitioners (OMPs) who have visiting rights to a local hospital as visiting medical officers (VMOs).

We are delighted that all interested parties recognize public benefit associated with the ACCC authorisation and support the RACGP request (A91024) for revocation and substitution of the scope of the original authorisation (A90795).

We also welcome an opportunity to provide feedback to the interested party comments concerning the RACGP request to extend of the scope of the original authorisation to include collective setting of fees in a practice among GPs and OMPs engaged with a local hospital as VMOs.

We agree with the Australian Medical Association (AMA) that the number of GPs (and OMPs) engaged as VMOs, and thus the number of doctors potentially affected by the ACCC authorisation, is relatively small. In this instance, the ACCC coverage of relatively small numbers of doctors would benefit marginalised Australian communities. There is little evidence of any potential risks of public detriment, thus we believe that potential public benefit of the proposed arrangement overweighs potential risks of public detriment.





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The RACGP has a keen interest to support GPs (and OMPs) engaged as VMOs with local hospitals. In an instance where the proposed authorisation is granted, the RACGP will support affected GPs (and OMPs) by provision of resources enabling adherence to the Trade Practice Act 1974 (TPA) and relevant authorisation coverage.

The RACGP is aware of changes to the TPA allowing the notification of proposed collective bargaining arrangements which commenced on 1 January 2007. We agree with the AMA that these changes would have similar affects as the RACGP request. We also share the AMA's view that the notification processes and their impact on VMOs arrangements are yet to be determined. Should the ACCC be able to provide the RACGP with an assurance that the notification of proposed collective bargaining arrangements would cover VMOs to the same extent as the proposed ACCC authorisation, we would consider withdrawing the relevant aspect of the RACGP submission.

In an instance where such an assurance cannot not be provided, we would wish to pursue the ACCC coverage to GPs (and OMPs) working as VMOs while the notification process is properly tested. This would mean possible public benefit by avoiding uncertainty among GPs (and OMPs) who are already disadvantaged by remoteness, isolation and working with marginalised populations who have complex health needs.

While we are not aware of any evidence of possible risks associated with collective fee setting activities among GPs (and OMPs), we recognize possible risks of expanding negotiations beyond fee setting in an attempt to influence the scope and conditions of service provision. In theory, such activities might cause public detriment by limiting patient access to certain services and at certain times (i.e. after hours services etc.).

From the RACGP perspective, any attempt to influence the scope and conditions of service provision which might

- disadvantage patients by limiting access to services
- create risk to patient safety
- undermine the quality of services

would be unethical. We believe that the likelihood of GPs (and OMPs) involvement in unethical activities is highly improbable and would support the ACCC strategies aimed to prevent such activities.

In response to comments provided by the Department of Health (South Australia), the proposed VMOs arrangements primarily aim to address the health needs of marginalised Australian communities. From the RACGP viewpoint, possible public benefit that would rise from the ACCC coverage would bring about public benefit by

- increasing GPs time available for clinical activity (as oppose to time for negotiating) in the areas of need (rural, remote, outer urban metropolitan)
- enhancing patient access to primary care (i.e. areas of need) and specific services (i.e. anaesthetics, obstetrics and surgery)



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- preventing the risks of further health disparities/inequalities among marginalised Australians.

Finally, we would like to use this opportunity to thank you for the support of the ACCC provided to the RACGP in the course of preparing our submission. In particular, we would like to acknowledge the Adjudication Branch team including Ms Isabelle Arnaud (Director), Ms Sheridan de Kruiff (Project Officer) and Ms Ursula Everett (Assistant Director).

We look forward to successful completion of the process. In the meantime, should you need to be in touch or request further information, please do not hesitate to contact me on 613 86990544.

Yours Sincerely

Ian Watts  
National Manager GP Advocacy and Support