



**Australian  
Competition &  
Consumer  
Commission**

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Our Ref: C2006/2258  
Contact Officer: Sheridan de Kruiff  
Contact Phone: 02 6243 1236

5 January 2007

Mr Ian Watts  
Royal Australian College of General Practitioners  
1 Palmerston Crescent  
South Melbourne VIC 3205

Dear Mr Watts,

**Royal Australian College of General Practitioners (RACGP) A91024 -  
Request for further information.**

I refer to the above application lodged with the Australian Competition and Consumer Commission (the ACCC) on 13 December 2006. As you are aware, the ACCC is currently consulting interested parties on the application. Submissions from interested parties are due on 25 January 2007.

In this regard, I write to seek additional information from the RACGP regarding the application. Issues on which the ACCC would appreciate your response are outlined below.

**Hospital agreements**

1. Please provide information about the current situation regarding VMO arrangements with hospitals, including:
  - the process by which GPs are appointed as VMOs
  - arrangements regarding fees, and
  - an estimate of the numbers and geographic distribution (metropolitan, regional, rural) of GPs who work as VMOs.
2. Please provide details about how the proposed hospital agreements will work in practice if authorisation is granted.
3. Please comment on the possible public benefits and detriments which may flow from hospital agreements. The RACGP may refer to the benefits outlined in its application of 13 December 2006 if it wishes. However, the ACCC requests a specific discussion on the benefits arising from this aspect of the conduct as it was not considered under the previous authorisation A90795.



## Member survey

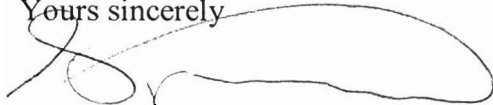
I understand the RACGP is currently assessing the results of a recent survey of its members to provide further information to the ACCC. Whilst all relevant information will be considered, the ACCC is particularly interested in the following.

4. The extent of the use of the old authorisation A90795 by GP practices.
5. Whether authorisation has had an impact on fees (records kept by GPs pursuant to condition C3 of authorisation A90795 should assist in this regard), and
6. The different types of business models currently used by GP practices.

The ACCC requests your responses are provided by **19 January 2007**.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please feel free to contact Sheridan de Kruiff at [sheridan.dekruiff@acc.gov.au](mailto:sheridan.dekruiff@acc.gov.au) or on 02 6243 1236.

Yours sincerely



Scott Gregson  
General Manager  
Adjudication Branch