

NOTE FOR FILE

Teleconference between the ACCC and Rural Doctors Association of Victoria (RDAV)

Date: 8 May 2007

Time: 1.15 – 1.35 pm

Matter: Royal Australian College of General Practitioners (RACGP) – A91024
Application for revocation and substitution of authorisation A90795.

Attendees:

Isabelle Arnaud	Director, Adjudication, ACCC
Ursula Everett	Assistant Director, Adjudication, ACCC
Dr Mike Moynihan	President, Rural Doctors Association of Victoria
Dr Graham Slaney	Rural Doctors Association of Victoria

1. The ACCC requested a teleconference with the RDAV to discuss aspects of its submission relating to application A91024 in more detail.

Attracting doctors to rural areas

2. Ms Everett noted comments in RDAV's submission that there is a diminishing supply and retention of appropriately skilled rural medical practitioners in rural regions of Victoria which is having a negative impact on health in those regions. Ms Everett asked Dr Moynihan and Dr Slaney how authorisation of the proposed collective bargaining arrangements between GP VMOs in certain business structures and public hospitals will directly affect this issue.
3. Dr Slaney stated that the collective bargaining arrangements the subject of this application will have a direct impact on the recruitment of doctors to rural regions, in particular younger doctors. Dr Slaney explained that young doctors want flexible working hours and limited costs and inconvenience when entering into general practice. Dr Slaney explained that business structures such as associateships are becoming the norm in general practice because they allow flexibility and variation in work hours for doctors who want to work part time and doctors joining such practices can enter at minimum capital cost.
4. Dr Moynihan explained that young doctors want an "umbrella package" where everything is organised for them; they are not interested in the hassle and stress of negotiating with hospitals. Dr Slaney explained that young doctors would prefer such agreements to be negotiated for them. Dr Slaney explained that with the current application for authorisation, doctors in a practice can collectively negotiate terms and conditions with hospitals and therefore can offer those conditions to prospective doctors as a part of a package.
5. Dr Slaney explained that individual negotiations between doctors and hospitals for VMO contracts is stressful, costly and can cause conflict in some instances. Dr Moynihan explained that the feedback RDAV receives from doctors indicates that

they do not like the process of individual negotiation of their VMO contracts with hospitals. Dr Slaney explained that if doctor involvement in the VMO negotiation process can be minimised this will assist to reduce the disincentives to join rural general practice and as a result assist with recruitment/retention of doctors in rural regions. Dr Slaney explained that doctors would prefer to concentrate on doing their job rather than negotiating with hospitals.

6. Ms Everett asked Dr Moynihan and Dr Slaney whether allowing VMOs to collectively negotiate with public hospitals would assist the group relationship among those VMOs providing relevant services in rural and remote regions and whether this would act as an incentive for doctors to join and/or stay in general practice in rural regions. Dr Slaney stated that it is very important to work as a harmonious group. The ability to discuss common terms, conditions and issues of VMO contracts and to put a common voice on those issues to relevant hospitals will assist doctors working in relevant practices to work harmoniously together; it will give them a sense of a support network on VMO issues. Dr Moynihan stated that strong, harmonious working groups of doctors are more inclined to stay in rural regions and they achieve better clinical outcomes.
7. Dr Slaney explained further that it is also important to have good, harmonious relationships with hospitals. Collective negotiations may allow GP VMOs to reach more reasonable terms with hospitals, across common issues affecting VMOs. Dr Slaney explained that some doctors may have unrealistic expectations in negotiating with a hospital. Collective discussion of issues regarding VMO contracts among doctors in one practice may assist to determine the most reasonable terms to negotiate with a hospital, both in the interests of the hospital and the relevant doctors; thus making the process clearer and fairer.

Competition between towns for VMO services

8. Dr Moynihan stated that rural towns are in competition with each other in attracting GPs to their town. Dr Moynihan stated that each town competes with each other as to who can provide the better package for GPs.

Education and Training

9. Dr Moynihan stated that medical locations in rural regions of Australia have become a significant source of education and training for young doctors. Rural doctors are engaged by Regional GP Registrar programs and Rural Clinical Schools to train registrars and medical students, in addition to training temporary registered IMGs and, in the future first and second year medical postgraduates, who all gain supervised experience in both the hospital and the medical practice(s) in what are coming to be called 'rural medical education centres'. This is another reason to maintain good relations with those hospitals and to retain older doctors in the rural workforce as teachers and mentors.

End 1.35 pm