



**Australian
Competition &
Consumer
Commission**

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6 March 2008

This letter, with
enclosures, was posted
to the attached list
of interested parties
SC
6/3/08

Dear

Application for authorisation A91078 lodged by the Rural Doctors Association of Australia Limited - draft determination

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the application for authorisation lodged by the Rural Doctors Association of Australia Limited (RDAA) on 7 December 2007. Attached is a summary of the authorisation process including how to make a submission to the ACCC.

Draft determination

A copy of the ACCC's draft determination is attached, including a summary of its reasons.

For the reasons set out in its draft determination, the ACCC proposes to grant authorisation for a period of five years to the RDAA and its constituent state associations to collectively negotiate with state/territory health departments the terms of contracts for VMOs in rural areas, particularly with respect to payments for services provided to public patients and for on-call services, to apply state-wide. Authorisation is limited to RDAA members who are rural generalists and general practitioners.

The ACCC notes that authorisation extends to negotiations between the RDAA and any health department representative, or agent, of all the rural hospitals in a state or territory with respect to a state-wide arrangement for GP VMO contracts.

The proposed authorisation does not extend to any collective decision by current or future RDAA members to engage in collective boycott activities. The proposed authorisation does not extend to the RDAA negotiating on behalf of other medical specialists. The proposed authorisation also does not extend to negotiations involving individual hospitals or any group of hospitals.

The ACCC's assessment is set out in Chapter 5 of the draft determination.

Next steps

Once the ACCC issues a draft determination, the RDAA or any interested party who may be dissatisfied with the ACCC's draft determination may request that the ACCC convene a 'pre-decision conference'. A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Conferences are conducted informally and while legal or professional advisers are able to attend they are not entitled to participate in the discussion.

If you wish the ACCC to hold a pre-decision conference in relation to the draft determination, you must notify the ACCC in writing by **21 March 2008**.

Alternatively, you are invited to make a written submission in response to the ACCC's draft determination. Submissions should be lodged by **28 March 2008**.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-decision conference be called, and will then release a final determination in relation to this application. Submissions will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

Timetable

The ACCC will continue to progress its assessment of the application in a timely manner. An updated indicative timetable is set out below for your information.

7 December 2007	Lodgement of application
17 December 2007	Public consultation process begins
23 January 2008	Closing date for submissions from interested parties
6 March 2008	Draft determination
March / April 2008	Public consultation on draft determination, including any pre-decision conference if called
April 2008	Final determination

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

Isabelle Arnaud
Director
Adjudication Branch

Application for authorisation A91078 lodged by RDAA

List of interested parties - 6 March 2008

ACT Health

Australian College of Rural and Remote Medicine

Australian Consumer Association

Australian General Practice Network

Australian Healthcare & Hospitals Association

Australian Medical Association

Australian Medical Association (ACT)

Australian Medical Association (NSW)

Australian Medical Association (NT)

Australian Medical Association (QLD)

Australian Medical Association (SA)

Australian Medical Association (TAS)

Australian Medical Association (VIC)

Australian Medical Association (WA)

Australian Private Hospital Association

Australian Rural and Remote Workforce Agencies Group

Australian Rural Health Education Network

Australian Society of Anaesthetists

Catholic Health Australia

Commonwealth Department of Health and Ageing

Consumer Health Forum

Department of Health (New South Wales)

Department of Health (South Australia)

Department of Health (Western Australia)

Department of Health and Community Services (Northern Territory)

Department of Health and Human Services (Tasmania)

Department of Human Services (Victoria)

Health Complaints Commission Tasmania

Health Consumers of Rural and Remote Australia

Health Services Commissioner (Vic)

National Rural Health Alliance

Office of the Health Services Commissioner

Queensland Health

Royal Australasian College of Physicians

Royal Australasian College of Surgeons

Royal Australian College of General Practitioners

Rural Doctors Association of NSW

Rural Doctors Association of NT

Rural Doctors Association of QLD

Rural Doctors Association of SA

Rural Doctors Association of Tasmania

Rural Doctors Association of Victoria

Rural Doctors Association of WA

Victorian Healthcare Association Ltd

Victorian Hospitals Industrial Association