



**Australian  
Competition &  
Consumer  
Commission**

Our Ref: C2007/2293  
Contact Officer: Sharon Clancy  
Contact Phone: (02) 6243 1217

6 March 2008

Mr Steve Sant  
Chief Executive Officer  
Rural Doctors Association of Australia  
Box 5361  
Kingston ACT 2604

*This letter, with  
enclosures, was posted  
and emailed on 6/3/08.  
SC*

GPO Box 3131  
Canberra ACT 2601  
23 Marcus Clarke Street  
Canberra ACT 2601  
tel: (02) 6243 1111  
fax: (02) 6243 1199  
[www.accc.gov.au](http://www.accc.gov.au)

Dear Mr Sant

**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. The proposed authorisation is limited to RDAA members who are rural generalists and general practitioners.

The ACCC notes that the proposed 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.

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



David Hatfield  
A/g General Manager  
Adjudication Branch