



**Australian
Competition &
Consumer
Commission**

Our Ref: C2008/628
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2 May 2008

Ms Dominique Egan
Partner
TressCox Lawyers
GPO Box 7085
Sydney NSW 2001

By email: dominique_egan@tresscox.com.au

Dear Ms Egan

Application for authorisation A91088 lodged by the Australian Medical Association (NSW) Limited - interested party consultation

I refer to the above mentioned application for authorisation lodged with the Australian Competition and Consumer Commission (the ACCC) on 22 April 2008.

Please find enclosed, for your information, a copy of the letter the ACCC has sent to potentially interested parties as part of its public consultation process.

Also enclosed is a list of the interested parties contacted by the ACCC. If you consider that other stakeholders may have an interest in this matter, please contact Sharon Clancy on (02) 6243 1217 by 7 May 2008 and provide relevant contact information.

All publicly available submissions will be posted on the ACCC internet site at www.accc.gov.au. Alternatively, at the end of the consultation period the ACCC can arrange for you to receive a copy of all publicly available submissions received in relation to the application.

Request for further information

To assist the ACCC in its consideration of the application for authorisation lodged by the Australian Medical Association (NSW) Limited (AMA NSW), I would appreciate your response to the following questions:

1. The application concerns proposed collective bargaining with the New South Wales Department of Health (NSW Health) and public health organisations (PHOs). Please provide further information about public health organisations. Are all PHOs public hospitals? If not, what are they? What services do they provide? Where are they located?

2. What role do PHOs play in establishing the terms and conditions of visiting medical officer (VMO) contracts? Is it envisaged that under the proposed collective bargaining arrangement the AMA NSW will negotiate with individual PHOs with regard to the terms and conditions of VMO contracts for VMOs who work at the particular PHO?
3. It is submitted that there are 6000 VMO appointments in the NSW public hospital system. What proportion of these VMO appointments are for general practitioner (GP) VMOs? Where are GP VMOs located (by population centre and hospital)? For the appointments which concern specialist VMOs, please provide the range of specialities covered and the number of appointments for each specialty. Where are specialist VMOs located (by population centre and hospital)?
4. Please explain the process by which the proposed collective bargaining arrangement will operate. For example, how will negotiations be conducted? Who will conduct the negotiations? How will the AMA NSW seek input from its members as to desired outcomes from negotiations? Does the AMA NSW propose to negotiate for all VMOs at once, or will separate negotiations take place according to specialities (including general practice) or sub-specialities and/or location of the VMOs? What will happen if an agreement cannot be reached?
5. Is it proposed that individual VMOs and hospitals enter into contracts containing the terms of an umbrella agreement negotiated by the AMA NSW with NSW Health?
6. How many members does AMA NSW have? What proportion of these members are currently VMOs? What proportion are specialist VMOs? What proportion are GP VMOs?
7. Has the AMA NSW discussed the proposed collective bargaining arrangement with NSW Health?
8. What proportion of current standard service contracts are varied to accommodate the particular circumstances of VMOs and PHOs? Historically, what proportion of VMO contracts were negotiated outside the framework provided by the *Health Services Act 1997*?
9. What proportion of VMOs in New South Wales are subject to the *Independent Contractors Act 2006*? To date, how many VMOs have opted in to the Federal system? Please provide separate figures for GP VMOs and specialist VMOs?
10. Please clarify how the *Independent Contractors Act 2006* has impacted on the role of the AMA NSW to make representations to NSW Health regarding VMO contracts? What does the AMA NSW see as the difference between representations and negotiation? Does the AMA NSW currently make representations to NSW Health regarding VMO contracts according to specialities (including general practice) or sub-specialities and/or location of VMOs?

I would be grateful for your response to these questions by **23 May 2008**.

Timetable

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

22 April 2008	Lodgement of application and supporting submission.
29 April 2008	Public consultation process begins.
23 May 2008	Closing date for submissions from interested parties.
June 2008	Applicant responds to issues raised in the public consultation process.
June / July 2008	Draft determination.
July / August 2008	Public consultation on draft determination including any conference if called.
August / September 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 Joanne Palisi on (02) 6243 1323 or Sharon Clancy on (02) 6243 1217.

Yours sincerely



Dr Richard Chadwick
General Manager
Adjudication Branch