

Donohue, Erin

Subject: Vision Group Holdings application for authorisation A91217

From: Smith, Nicole
Sent: Thursday, 13 May 2010 9:14 AM
To: Palisi, Joanne; Donohue, Erin
Cc: Clayton Utz - levans@claytonutz.com; Walker, Andrew
Subject: Vision Group Holdings application for authorisation A91217

Dear Ms Palisi,

You have asked us to provide a further detailed description of the conduct proposed by Vision Group for which authorisation is sought.

The conduct proposed by Vision Group will encompass two aspects, namely:

- the ability for Vision Group and ophthalmologists who practise within a particular Vision Group clinic to discuss and agree the prices to be quoted at that clinic for procedures by an ophthalmologist (although an ophthalmologist may charge less than the quoted price for a procedure, depending on the circumstances of the patient). For example, if the authorisation is granted, employee and contractor ophthalmologists operating at Vision Group's Chatswood clinic may exchange pricing information and agree the prices which each would quote and ordinarily charge patients, so as to provide general uniformity of pricing within the clinic (which has the benefits outlined in section 6 of Schedule 1 to the application for authorisation); and
- the ability for ophthalmologists who practise at different Vision Group clinics to share pricing information. The pricing in other Vision Group clinics will be one of a number of factors considered by ophthalmologists when setting their fees for services provided at Vision Group clinics. These other various factors, which often differ between clinics at any particular time, include operating costs (such as rent and staff salaries), the reputation of the ophthalmologist and clinic and the competitive pressures which apply in the specific locality at any particular time.

Vision Group is concerned that without the authorisation there may be a reluctance to share the information because of a risk that the exchange of information could be perceived to be evidence of an understanding between Vision Group's different clinics as to the prices which they will each charge. Vision Group's objective in seeking the authorisation is to ensure that pricing information can be discussed by its ophthalmologists so as to improve the efficiency of ophthalmic care provided by Vision Group clinics including by providing relevant benchmarks.

Please contact us if you require further information.

Yours sincerely,

Linda and Nicole

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