

18 October 2012

Tanya Hobbs
Assistant Director, Adjudication
Australian Competition & Consumer Commission
23 Marcus Clarke Street
Canberra 2601

Dear Tanya,

Re: A91334 – AMA Authorisation

Thank you for the opportunity to consider and comment on the AMA Authorisation application for its members to engage in:

- a) Intra-practice price setting;
- b) Collective bargaining by single practices in relation to engagement as VMOs to public hospitals;
- c) Collective bargaining by single practices to the provision of services to Medicare Locals

While our particular interest relates to Part C of the application, the scope of our work with general practice means that we have an interest in all three parts. On that basis our submission is relevant to all situations outlined in the AMA application.

We agree that the AMA Authorisation proposal has merit and benefits for the community and it well articulates:

- Team based and continuity of care benefits for patients
- Transparency and reduced confusion for patients attending various GPs within one practice
- Efficiencies for practices and that these efficiencies can translate into increased effectiveness and access to services for patients.

www.iemml.org.au

6 Lakeside Drive, Burwood East VIC 3151

PO Box 127, Blackburn VIC 3130

t 03 8822 8444 f 03 8822 8550

However, we raise the following concerns which need to be addressed by the ACCC in considering the AMA Authorisation application.

- The authorisation must remain voluntary for all GPs within the practice
- GP discretion to discount fees for patients must be maintained
- The authorisation must be available to all GPs working at the practice and not limited to AMA members because separation of authorisation:
 - creates uncertainty and increases risks for GPs
 - reduces benefits to patients
 - patients, hospitals and Medicare Locals are unaware and don't need to know whether or not a GP is an AMA member
- The authorisation must be limited to intra practice fee setting and not expand to contemplate to various practices setting prices among themselves as this could produce anti competitive behaviour that may impact on cost to patients and efficient use of public funds.

There are many benefits to be gained for consumers by applying the authorisation to all GPs working within a practice entity. However practices which are not part of the same entity must be, as usual, free to compete with each other. This will assist consumers, hospitals and Medicare Locals in making choices based on cost if this is what they seek.

Yours sincerely,



Marianne Shearer
Chief Executive Officer