



**Australian
Competition &
Consumer
Commission**

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

Our Ref: TRACKIT: 51274
Contact Officer: Gina D'Ettorre
Contact Phone: 03 9290 1483

28 August 2013

Dear Sir/Madam

Rural Doctors Association of Australia application for re-authorisation A91376 - draft determination

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of an application from the Rural Doctors Association of Australia Limited (**RDAA**) to revoke a previous authorisation and substitute it with a new authorisation (re-authorisation)

The purpose of this letter is to invite you, as a potentially interested party, to comment on the application and/or the ACCC's draft determination. Please see the ACCC's publication [Authorisation process - the basics](#) for a summary of the authorisation process and how to make a submission to the ACCC.

The proposed conduct

The RDAA and its constituent state associations seek authorisation to collectively negotiate with state and territory health departments, Local Hospital Networks and Medicare Locals where applicable, the terms of contracts for rural generalist and general practitioner visiting medical officers in rural areas. These negotiations could relate to payments for services provided to public patients or services provided within the hospital or health facility. They could also include payments for the provision of primary care services, including after-hours services in the general practice or other primary care setting.

Draft determination

A copy of the ACCC's draft determination and summary of its reasons is attached.

For the reasons set out in its draft determination, the ACCC proposes to revoke authorisation A91078 and grant authorisation A91376 in substitution. The substitute authorisation is for the Rural Doctors Association of Australia and its constituent state associations to collectively negotiate with state and territory health departments, the terms of contracts for general practitioners or rural generalist visiting medical officers in rural areas.

The ACCC proposes to authorise this conduct for five years.

The ACCC does not propose to extend authorisation to the RDAA to collectively negotiate with Medicare Locals and Local Hospital Networks. In making this decision the ACCC considers that in contrast to collectively negotiating state-wide agreements, collective negotiations with Medicare Locals and Local Hospital Networks has the potential to result in detriment by reducing the level of price competition in the provision of services to Medicare Locals and Local Hospital Networks and the scope for them to negotiate specifically tailored solutions for each region.

Request for submissions and next steps

Once the ACCC issues a draft determination, the Applicant or any interested party may make a written submission and/or request that the ACCC convene a 'pre-decision conference'.

The ACCC notes that Medicare Locals and Local Hospital Networks have only recently been established and based on the information before it, it is difficult to accurately determine the impact of collective bargaining on these entities. To assist the ACCC in making its final determination, the ACCC invites you to make a submission about the potential impact collective bargaining may have on Medicare Locals and Local Hospital Networks,

If you wish to make a submission in response to the ACCC's draft determination, please lodge your submission by **Wednesday, 18 September 2013**.

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 **Wednesday, 11 September 2013**.

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 these applications.

Submissions will be placed on the ACCC's public register subject to any request for exclusion. Please see the ACCC's publication [Guidelines for excluding information from the public register](#).

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.

Indicative date	Stage in assessment process
7 May 2013	Lodgement of application.
14 May 2013	Public consultation process begins.
29 May 2013	Closing date for submissions on interim authorisation.
7 June 2013	Closing date for submissions on substantive application.
13 June 2013	ACCC decision regarding interim authorisation.
28 August 2013	Draft determination.
September 2013	Public consultation on draft determination including any conference if called.
October 2013	Final determination.

Please advise if you do not wish to make a submission but would like to be informed of the ACCC's final determination. If you are able to, please provide a nominated contact email address for future correspondence.

You can also forward this letter to any other party you consider may wish to make a submission to the ACCC regarding the application.

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 Gina D'Ettorre on 03 9290 1483 or at gina.dettorre@accc.gov.au or myself on 02 6243 1266 or at david.hatfield@accc.gov.au.

Yours sincerely



David Hatfield
Director
Adjudication Branch