

Form G
Commonwealth of Australia
Competition and Consumer Act 2010 - subsection 93(1)
NOTIFICATION OF EXCLUSIVE DEALING

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with subsection 93 (1) of the *Competition and Consumer Act 2010*, of particulars of conduct or of proposed conduct of a kind referred to subsections 47 (2), (3), (4), (5), (6), (7), (8) or (9) of that Act in which the person giving notice engages or proposes to engage.

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

1 Applicant

- (a) Name of person giving notice:
(Refer to direction 2)

N96937 Medibank Private Limited ABN 47 080 890 259 (“**Medibank Private**”).

- (b) Short description of business carried on by that person:
(Refer to direction 3)

Medibank Private provides private health insurance.

- (c) Address in Australia for service of documents on that person:

Nick Maplestone
Medibank Private Ltd
Level 17
700 Collins Street
Docklands Vic 3008

2 Notified arrangement

- (a) Description of the goods or services in relation to the supply or acquisition of which this notice relates:

Medibank Private will enter into an arrangement with Tertiary Access Group Co-Operative Limited ABN 81 130 477 974 (**TAG**) under which local students, and staff, of TAG member institutions will be eligible to receive a discounted premium on their Medibank Private health insurance.

TAG is a not-for-profit organisation representing University and TAFE associations across Australia. TAG helps to support and develop the business interests of its members by leveraging the value of the large volumes of annual sales that are represented by member associations operating commercial outlets.

- (b) Description of the conduct or proposed conduct:

Medibank Private proposes to:

- (i) give or allow, or offer to give or allow, a discount in relation to Medibank Private health insurance premiums to customers on the condition that the customer is a local student or staff member of a TAG member institution; and
- (ii) refuse to give or allow, or offer to give or allow, a discount in relation to Medibank Private health insurance premiums to customers for the reason that the customer is not a local student or staff member of a TAG member institution.

(Refer to direction 4)

3 Persons, or classes of persons, affected or likely to be affected by the notified conduct

- (a) Class or classes of persons to which the conduct relates:

(Refer to direction 5)

Current and new local students and staff members of TAG member institutions who take out membership with Medibank Private.

- (b) Number of those persons:

- (i) At present time:

None.

- (ii) Estimated within the next year:

(Refer to direction 6)

Substantially greater than 50.

- (c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses:

Not relevant.

4 Public benefit claims

- (a) Arguments in support of notification:

(Refer to direction 7)

Medibank Private submits that the proposed conduct will be of benefit to the public because it will:

- (i) allow customers who are local students or staff members of a TAG member institution to receive a discount off their Medibank Private health insurance premium;

- (ii) promote competition in the relevant markets by encouraging health insurer competitors to offer similar discounts to other local students or staff members of institutions similar to TAG member institutions.
- (b) Facts and evidence relied upon in support of these claims:

Medibank Private submits that the proposed conduct:

- (i) is designed to encourage local students and staff members of TAG member institutions to take up private health insurance by offering them a discounted premium with Medibank Private;
- (ii) does not compel local students and staff members of TAG member institutions to take up private health insurance with Medibank Private, or private health insurance at all; and
- (iii) may also encourage other health insurance providers to offer similar benefits and therefore encourage additional competition that is likely to benefit consumers.

5 Market definition

Provide a description of the market(s) in which the goods or services described at 2 (a) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions):

(Refer to direction 8)

The relevant markets are the markets for the provision of private health insurance and tertiary education institutions.

Competition in the relevant markets is vigorous and many competitors currently do, or from time to time may, engage in conduct similar to the proposed conduct and in competition with the proposed conduct.

6 Public detriments

- (a) Detriments to the public resulting or likely to result from the notification, in particular the likely effect of the notified conduct on the prices of the goods or services described at 2 (a) above and the prices of goods or services in other affected markets:

(Refer to direction 9)

Medibank Private submits that no public detriment would be likely to result from the proposed conduct.

- (b) Facts and evidence relevant to these detriments:

Medibank Private submits that the proposed conduct will not lessen competition because:

- (i) Local students and staff members of TAG member institutions are not obliged to purchase Medibank Private health insurance, or any private health insurance whatsoever;
- (ii) Competition in the relevant markets is vigorous;
- (iii) The number of consumers potentially affected by the proposed conduct is insignificant compared to the total number of consumers who acquire health insurance products; and
- (iv) Local students and staff members of TAG member institutions may acquire their health insurance services from a wide range of suppliers.

The applicant believes that the benefits of the proposed conduct will outweigh any possible detriment considered to arise from the proposed conduct.

7 Further information

- (a) Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:

Nick Maplestone
 Medibank Private Limited
 Level 17
 700 Collins Street
 Docklands Vic 3008
 Ph: (03) 8622 5092

Dated

Signed by/on behalf of the applicant

 (Signature)
 NICK MAPLESTONE

 (Full Name)
 MEDIBANK

 (Organisation)
 LEGAL COUNSEL

 (Position in organisation)

