



8 January 2013

The General Manager
Adjudication Branch
ACCC
PO Box 1199
DICKSON ACT 2602
via email: adjudication@accc.gov.au.

Dear Sir/Madam

Re: Draft Determination – Application for authorisation lodged by the Australian Medical Association Limited (no: A91334)

The Rural Doctors Association of Australia (RDAA) strongly supports the above draft determination, which would grant authorisation for five years to general practitioners who operate within certain team based practice structures to engage in intra-practice price setting and collective bargaining with VMO Service Purchasers and Medicare Locals.

Australians living in rural and remote areas generally have poorer health outcomes than their urban counterparts, and this is largely due to the medical workforce shortage which exists in these areas.

RDAA believes that all aspects of the authorisation are important for the effective and efficient operation of rural general practice, and that this in turn will facilitate improved rural medical workforce recruitment and retention and its associated economic and social benefits for rural communities.

The benefits of the arrangements proposed under this application include:

- achieving efficiency gains through the streamlining of administrative processes and reducing the workload of individual doctors, enabling them to devote more time to clinical practice;
- providing certainty for rural general practitioners and rural medical practices regarding their ability to undertake intra-practice price setting and to collectively negotiate with Medicare Locals and LHNs;
- providing consistency and continuity of patient care through a team-based approach which would be facilitated through intra-practice price setting;
- making rural general practice more attractive to younger doctors and overseas trained doctors in particular; and
- reducing administrative time and costs to Medicare Locals and LHNs, thus potentially increasing the pool of funds and resources for the provision of other services.

Rural general medical practice usually involves not only delivering patient care in the private practice setting, but also providing secondary or hospital-based care at the local public hospital or other facility, usually through a Visiting Medical Officer (VMO) arrangement. The VMO services provided may include in-patient care, after-hours and emergency and on-call services, and procedural work such as obstetrics and anaesthetics.

In meeting these needs, rural general practitioners often work longer hours and undertake more challenging work, often in isolated settings and with limited professional support. Any initiative, including this authorisation, which supports these doctors in terms of reducing their administrative workload, and which allows them to practice more efficiently, will be of consequent community benefit.

RDAA believes that it is necessary for the draft determination to include all general practitioners. The Association was preparing to lodge a similar application for authorisation on behalf of the rural sector prior to the release of the draft determination, but supports the AMA having carriage of this issue on behalf of the profession.

Thank you for the opportunity to provide a submission. I would be happy to provide more information if required.

Yours sincerely

Jenny Johnson

Chief Executive Officer