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Dear Sir/Madam

Rural Doctors Association of Australia application for authorisation A91376 - interim authorisation decision

The Australian Competition and Consumer Commission (the ACCC) is assessing an application to revoke a previous authorisation and substitute a new authorisation from the Rural Doctors Association of Australia Limited (**RDAA**). Re-authorisation would allow RDAA and its constituent state associations to continue to collectively negotiate with state and territory health departments, the terms of contracts for rural generalist and general practitioner visiting medical officers in rural areas (rural doctors). RDAA also sought to extend the arrangements to include collective negotiations with Local Hospital Networks and Medicare Locals where applicable.

Negotiations could relate to payments for services provided to public patients or services provided within the hospital/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.

Interim authorisation decision

RDAA and its constituent state associations sought interim authorisation to allow them to continue to collectively negotiate with state and territory health departments, while the ACCC considers the substantive application, as the current authorisation expires on 30 June 2013.

RDAA also sought interim authorisation to allow it and its constituent state associations to collectively negotiate with Medicare Locals for the provision of healthcare services by rural doctors, or to RDAA providing advice to its members regarding remuneration for the provision of services to Medicare Locals.

The ACCC has <u>decided to grant interim</u> authorisation to enable RDAA and its constituent state associations to continue to collectively negotiate with state and territory health departments the terms of contracts for rural doctors.

Interim authorisation protects the arrangements for which authorisation is sought from legal action under the relevant provisions of the *Competition and Consumer Act 2010* while the ACCC considers and evaluates the merits of the application.

The ACCC has <u>decided not to grant</u> authorisation to enable RDAA and its constituent state associations to collectively negotiate with Medicare Locals, or to providing advice to its members regarding remuneration for the provision of services to Medicare Locals.

A copy of the ACCC's decision is attached.

Next steps

For your information, the next step in the process is for the ACCC to release a draft determination which will take account of any submissions from RDAA and interested parties and will indicate the ACCC's preliminary views on the merits of the application. The ACCC will give both RDAA and interested parties the opportunity to provide further submissions on the draft determination before the ACCC issues its final decision.

As noted in the attached decision, the ACCC may review its decision on interim authorisation at any time. In this regard the ACCC will reconsider this decision at the time of issuing its draft determination. The ACCC's decision in relation to interim authorisation should not be taken to be indicative of whether or not final authorisation will be granted by the ACCC.

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.

Yours sincerely

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David Hatfield

Director

Adjudication Branch