



Mr Rami Greiss  
Executive General Manager  
Merger and Authorisation Review Division  
Australian Competition and Consumer Commission  
GPO Box 3131  
CANBERRA ACT 2601

Dear Mr Greiss

**Response to Medicines Australia Limited application for revocation of authorisations A91316-A91320 and substitution of new authorisations A91436-A91440 – proposed conditions of authorisation**

The Consumers Health Forum of Australia (CHF) welcomes the opportunity to provide comments on the Australian Competition and Consumer Commission's (ACCC) proposed conditions of authorisation (the Proposal) on edition 18 of Medicines Australia Limited's Code of Conduct.

While there are elements of the Proposal with which we agree in-principle, CHF is disappointed with its key elements. On the whole, we believe that the ACCC is giving too great deference to a model of self-regulation, which we believe will make monitoring and enforcement of the Code's provisions and intent more difficult.

In particular, the ACCC's decision to not impose a condition on food and beverage reporting means that future transparency reports will fail to adequately capture a significant element of industry interactions with health providers. We believe the ACCC is incorrect in delegating these expenses to self-regulation and a consequent lack of transparency.

CHF has and continues to maintain that the \$120 threshold for food and beverage reporting is insufficient for reporting on industry representatives' avenues to influence prescribing behaviour 'under the radar.' We reiterate our earlier calls that the Code should impose a \$10 threshold for food and beverage reporting. This would capture items of low monetary value, such as lunches at a healthcare professional's office, which when aggregated over a period of a year could total a substantial figure. This requirement would be in-line with the *Physician Payments Sunshine Act* of the United States.

We reject the argument that the administrative burden of reporting such thresholds outweighs the need for transparency and accountability.

Furthermore, CHF believes that ACCC's decision to not impose a condition on publication of breaches of the Code, and its expectation that Medicines Australia only explore avenues for publication prior to reauthorisation, will make it difficult for the sector to assess the effectiveness of the Code. Consumers should have a reasonable guarantee that they can access all the information necessary to allow them to decide for themselves what the drivers of their healthcare professional's prescribing behaviour might be. Healthcare professionals, in turn, ought to be expected to have this information readily available.

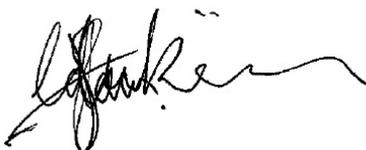
CHF welcomes the ACCC Proposal's amendment to ensure broader reporting of all transfers of value without first requiring healthcare professional's consent. However, we believe the requirement ought to be more stringent in compelling companies to make such disclosures while taking the steps to make healthcare providers aware of the company's duty to disclose.

CHF also agrees with the Proposal's efforts to extend the public availability of reports and transparency data, although CHF would have preferred a requirement to maintain the reports for a period of at least five years. If this were done in combination with more robust requirements for public dissemination of transparency and breach data, it would go a long way towards ensuring accountability under the Code.

We believe that during the period of this Code, the industry should take the necessary administrative, logistical and technological steps to ensure that it can quickly and appropriately respond to a higher level of disclosure under future Code arrangements. The 'lag' times which impacted on past, current and, no doubt, future proposals are simply unacceptable for a modern transparency regime.

CHF appreciates the opportunity to provide a submission to this consultation. If you would like to discuss these comments in more detail, please contact CHF Policy Officer, Carter Moore, at [c.moore@chf.org.au](mailto:c.moore@chf.org.au) or 02 6273 5444.

Yours sincerely



Adam Stankevicius  
Chief Executive Officer

20 February 2015