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Dear Interested Party

Request for submissions: Icon's proposed acquisitions in the radiation oncology sector

The Australian Competition and Consumer Commission (**ACCC**) is seeking your views on 4 proposed acquisitions by the Icon Group (**Icon**):

1. a joint venture with Cyberknife Australia Pty Ltd (**Cyberknife Australia**) to establish up to 6 new radiation oncology clinics
2. acquisition of a lease to establish a new radiation oncology clinic at Ramsay Health Care's (**Ramsay**) at St Andrew's Ipswich Private Hospital in Queensland (**St Andrew's Ipswich**)
3. acquisition of a lease to establish a new radiation oncology clinic at St Vincent's Private Hospital Northside in Chermside, Queensland (**St Vincent's Chermside**)
4. acquisition of a lease to establish a new radiation oncology clinic at the St John of God Geelong Hospital in Victoria (**St John of God Geelong**)

(together, the **Proposed Acquisitions**).

Further details about Icon and the Proposed Acquisitions are provided at **Attachment A**.

The ACCC's investigations are focused on the impact on competition. In particular, we are seeking your views on:

- the demand for, and current supply of, radiation oncology services in each region impacted by the Proposed Acquisitions
- the likely impact of each of the Proposed Acquisitions on prices and/or services in the supply of radiation oncology services
- the extent to which each of the Proposed Acquisitions is likely to raise barriers to entry and expansion for alternative private providers of radiation oncology services

- whether new entry or expansion in the supply of radiation oncology services would constrain Icon from altering its pricing and/or service levels.

Further issues you may wish to address are set out in **Attachment B**.

This matter is public and you can forward this letter to anybody who may be interested.

The legal test which the ACCC applies in considering the proposed acquisition is in section 50 of the *Competition and Consumer Act 2010*. Section 50 prohibits acquisitions that are likely to have the effect of substantially lessening competition in a market.

Please provide your response by **10 April 2024** via email with the title: *Submission re: Icon Group's proposed acquisitions*. If you require more time to respond, please let us know.

If you would like to arrange a time to discuss the matter with ACCC officers, or have any questions about this letter, please contact mergers@acc.gov.au.

Updates regarding the ACCC's investigation will be available on the ACCC's Public Mergers Register at ([ACCC mergers register](#)).

Confidentiality of submissions

The ACCC treats sensitive information it receives during a merger review as confidential and will not publish your submission. We will not disclose submissions to third parties (except our advisors/consultants) unless compelled by law (for example, under freedom of information legislation or during court proceedings) or in accordance with s155AAA of the Competition and Consumer Act 2010. Where the ACCC is required to disclose confidential information, we will notify you in advance where possible so that you have an opportunity to be heard. Therefore please clearly indicate if any information you provide is confidential.

Our [Informal Merger Review Process Guidelines](#) contain more information on confidentiality.

Yours sincerely



Bruce Mikkelsen
A/g General Manager
Merger Investigations

Attachment A

The acquirer – Icon Group

Icon is a large provider of cancer care services. In Australia, Icon provides radiation and medical oncology services, pharmaceutical compounding services, pharmacy management services and clinical cancer trials. Icon operates radiation oncology clinics in all states of Australia and the ACT.

Cyberknife Australia

Icon proposes to enter into a joint venture with Cyberknife Australia in relation to the establishment of up to 6 greenfield clinics, which will provide radiation oncology treatments using the 'CyberKnife' system.

The CyberKnife system uses linear accelerators to provide radiation oncology treatment, specifically using Stereotactic Body Radiotherapy and Stereotactic Radiosurgery techniques. CyberKnife machines are manufactured by the US company, Accuray. Accuray does not have any ownership interest in Cyberknife Australia.

In Australia, there are currently two CyberKnife machines in operation: one at 5D Clinics (a private radiation oncology clinic) and the other at Sir Charles Gairdner Hospital, both located in Perth.

St Andrew's Ipswich

Icon proposes to establish a new radiation oncology clinic at St Andrew's Ipswich Private Hospital at 12 Roderick Street, Ipswich Queensland. This will involve acquiring a leasehold interest in existing building space at the hospital.

Ramsay is the largest operator of private hospitals in Australia. St Andrew's Ipswich Private Hospital is owned and operated by Ramsay.

St Vincent's Chermside

Icon proposes to establish a new radiation oncology clinic at St Vincent's Private Hospital Northside at 627 Rode Road, Chermside Queensland. This will involve acquiring a leasehold interest in existing building space at the hospital.

St Vincent's Chermside is part of the St Vincent's Health Australia network of hospitals, one of the largest Catholic non-profit healthcare providers in Australia.

St John of God Geelong

Icon proposes to establish a new radiation oncology service at the St John of God Hospital in Geelong, Victoria. The establishment of this greenfield clinic would involve the acquisition of a leasehold interest of vacant land.

St John of God Geelong Hospital is part of St John of God Health Care, one of the largest Catholic providers of health care services in Australia.

Attachment B

1. Describe your business or organisation and explain your interest in the Proposed Acquisitions, including any commercial relationship with Icon.

Competition in radiation oncology services

2. Identify providers of radiation oncology services that compete with Icon in each of the relevant local and/or regional areas in which Icon is proposing to expand as a result of the Proposed Acquisitions, including both private and public providers.
3. Describe how far patients typically travel to access radiation oncology services.
4. Describe the non-price factors by which providers of radiation oncology services compete for the supply of radiation oncology services.
5. Describe whether and to what extent competing providers of radiation oncology services would constrain Icon Group from increasing prices and/or decreasing service levels, including the impact of factors such as:
 - a. location of existing private radiation oncology services
 - b. location of existing public radiation oncology services
 - c. presence of nearby surgical and medical oncology services
 - d. availability of radiation oncologists.

Questions for referring doctors and radiation oncologists

6. Describe the key factors that are taken into consideration when referring a patient to a particular radiation oncology provider, such as patient need, treatment type, reputation and expertise, cost, equipment, waiting times and location.
7. Describe the extent to which private radiation oncology providers compete with public providers, including with regard to the factors identified in question 5 above.
8. Describe whether radiation oncology doctors and specialists work across different sites and/or clinics, and if so, how far they typically travel between these locations.
9. Identify the cancer types for which Stereotactic Body Radiotherapy and Stereotactic Radiosurgery techniques are used and explain whether alternative treatments can be used for these cancers.
10. Describe the extent to which Stereotactic Body Radiotherapy and Stereotactic Radiosurgery techniques compete with traditional radiation oncology treatments, including the types of cancer treated, treatment cycles and efficacy.

Questions for competitors

11. Describe the factors that inform the setting of prices for radiation oncology services, including whether radiation oncologists have any input into pricing decisions.
12. Provide an outline of the impact of government regulation (including, for example, Medicare subsidies and quality standards) on competitive dynamics in this industry.

Questions for private hospital operators

13. What factors influence the decision to establish a radiation oncology clinic in your hospital?
14. How do you decide on the choice of provider for radiation oncology services, and what factors do you take into account in awarding contracts?
15. Please describe any data you collect relating to radiation oncology services, including demand for radiation oncology services and waiting times.

Other information and competition issues

16. Describe any trends or changes you see as impacting the competitive landscape of the radiation oncology services industry, including issues such as bulk-billing rates, price changes, and any recent technological developments.
17. Provide any additional information or comments, or identify any other competition issues, that you consider relevant to the ACCC's consideration of the proposed acquisition under section 50 of the Act.