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Sent: Wednesday, 15 September 2021 7:03 PM
To: Exemptions
Cc: [REDACTED]
Subject: ACCC - Cigna / Honeysuckle proposal.

15 September 2021

Mr Darrell Channing,
Director
Competition Exemptions Branch
Australian Competition and Consumer Commission By email: exemptions@acc.gov.au

I note with alarm the recent ACCC draft determination issued Re Application for authorization Aa1000542 Honeysuckle Health (partnership of Cigna Corp and NIB Pty Ltd) And NIB Pty Ltd.

I was dismayed to only be informed of this action taken under the cover of current health crisis in Australia with Covid in December 2020. As a retired person there was little publicity to the general public via media that I was aware of. I question why this has not been reported more openly.

Further I implore the ACCC to reject this submission as I firmly believe that the result will be to decrease choice for consumers while increasing the cost. Further I believe that it will drive decreased competition in the private health sector as a buying group of this magnitude run by a for profit insurer is likely to drive the demise of the smaller industry and community based not for profit players as they will be unable to compete if they cannot pay Honeysuckle Health to participate in this group.

The proposed authorization to allow Honeysuckle Health to operate a buying group to collectively negotiate and administer contracts with healthcare providers (including hospitals, medical specialists, general practitioners, and allied health professionals) on behalf of participants has many similarities to, and I would say has its roots, in the US style of managed health care.

I am alarmed at the specter of US style managed care being introduced to Australian health care by the Trojan Horse of allowing Cigna Corporation, a multi-billion dollar profit making US Managed Health Care Corporation and a 50:50 partner with NIB in Honeysuckle Health access to the Australian private health care market. I believe this submission has the sole purpose to advance the financial interests of NIB and its shareholders at the expense of patients/consumers.

This US model determines access to doctors/providers based on contracts and financial arrangements between doctors/providers and insurer, not by patient choice, and to treatments based NOT on clinical need and best practice but on actuarial calculations of treatment sets that will deliver the greatest profit margins for the insurer.

This US model is well known to deliver the most expensive private health care in the world to consumers while delivering outrageous profit to insurers (Cigna 2020 reported profit \$8.5 Billion)

Generated in no small part by restricting patients access to various treatments and restricting access to patient /consumer choice.

This US model also arguably delivers inferior health outcomes and is vastly inequitable based on the customers wealth/ability to pay or suffer debilitating financial consequences.

Of note and on the public record Cigna Corporation is currently and has in the past been subject to legal action in the US Dept of Justice regarding practices which defrauded US Medicare and Medicaid to the tune of \$1.4Billion (by misreporting customers health status to inflate payments) and also, separately of inflating pricing to consumers while denying access to various treatments.

Are ACCC willing to potentially expose the Australian consumers to this type of corporate malfeasance?

I wish to express in the strongest terms my objection to the ACCC draft determination allowing Honeysuckle Health to operate the proposed buying group in the Australian Health Care setting.

One only has to see the numerous web pages asking questions regarding medication, radiology etc. If Cigna was my insurer once I saw their contracted doctor (not necessarily in the best performing category) I then wait for Cigna to approve the medication he has recommended. Hold my breath to see if approved or rejected !!!! then what does one expect.

If I was lucky I might improve without the rejected medication then again I might not. But would Cigna, Honeysuckle, Nib etc. NO. They saved \$5.00 on dispensing medication.

Like the remainder of the world, we have excellent health avenues here, currently one can choose to not pay for insurance and use the Public System or one can where they feel they could manage to pay the premiums to have a CHOICE OF THE DOCTOR, HOSPITAL, ALLIED HEALTH AND PHARMACY. If this proposal is accepted Australians health will be in a treacherous situation.

I have been fortunate to have several surgeries with the most respected professionals with amazing positive results. I am terribly frightened that this will no longer be the case. I have had personal experience with the current system in private insurers – “No Gap” or “Known Gap. The best of medical professionals have not been part of these when introduced. “If one pays peanuts one gets monkeys” It is my and my family choice alone who we seek for medical / health care/hospitals/ pharmacies aspect.

Karen and Graham Taylor – Consumers and contributors to our private Health Insurance (chosen by us alone) for the past 50 years.