

2<sup>nd</sup> July 2021

Mr Darrell Channing  
Director Competition Exemptions Branch  
Australian Competition & Consumers Commission  
23 Marcus Clarke Street  
**CANBERRA ACT 2601**

***By email: exemptions@acc.gov.au***

Dear Mr Channing,

***Australian Health Service Alliance (AHSa) Submission in relation to The Reserve Bank Health Society Limited - Application for revocation of authorisation A91264 and substitution of AA1000559***

From the AHSa perspective the present authorisation is crucial to the success of RBHS and its members. Small health funds are required to meet a number of regulatory and legislative requirements; and compete in a market which APRA has stated that without economies may see only three funds exist (out of the present 36) in a few years.

The approach adopted by Peoplecare and RBHS is a sensible strategy to getting economies of scale to allow them to minimise their costs and be successful competitors in this challenging marketplace, while also ensuring that the RBHS can use its strong understanding of its members to recruit and support their niche market to the betterment of these clients. It is also important to highlight that RBHS is a restricted fund in that it is only available to current and former employees of the Reserve Bank of Australia (RBA) and Note Printing Australia (NPA) and their families. This is as opposed to Peoplecare which is an open fund to the general public.

If this authorisation was not granted, AHSa believes it would be very challenging for RBHS to continue without the economies of scales that exist under the authorisation – if RBHS drowned in cost and then ended up with unaffordable products which led them to disappear; that would be detrimental to competition and to their clients.

AHSa interacts with both Peoplecare and RBHS as a provider of services; and is fully aware that they remain independent entities from a Board oversight perspective. AHSa has observed first-hand the independence of thought between the two funds in their decisions related to accessing our capability and through presenting to the two separate Boards.

In summary, for the above reasons, AHSa supports the reauthorisation.

Should you have any questions regarding this submission, please do not hesitate to contact me personally.

Yours sincerely,



**Andrew Sando**  
Chief Executive Officer