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Australian Society of Ophthalmologists Submission on Application for authorisation by Honeysuckle Health Ltd and nib health funds limited

Introduction

The Australian Society of Ophthalmologists (ASO) feels that the opportunity for the Association to comment on the ACCC request for responses on the application for authorisation by Honeysuckle Health (HH) is both appropriate and essential. It is therefore welcomed.

Often in the past, the ACCC has not, until recently, been mindful that the Association is a key stakeholder in the area of ophthalmics and a significant level of surgical procedures. It is pleasing therefore to be invited to comment, albeit with clearly insufficient lead time.

Background

The ASO is the professional association representing all Ophthalmologists and Ophthalmology registrars. The role of the ASO is to ensure:

- Ophthalmologists retain a strong and effective voice to Government in relation to all ophthalmic issues; clinical, quality, workforce, industrial, delivery, access and patient representation,
- There are world class private and public ophthalmic services available and accessible across all of Australia and to all Australians,
- The Doctor – Patient relationship is never broken, and
- All Ophthalmologists and Registrars have access to the highest quality current training, advice and information on clinical and practice issues.

In this role the ASO has had previous interactions with the ACCC in relation to applications for authorisation and would seek to have the following comments form part of ACCC's ongoing considerations and hopefully, conferences on this vital issue:

- Consideration of "public benefit" must be more than a consideration of "cost" where previously in Rockhampton the decision on cost alone saw the loss to the region of that complete surgical service, and
- Consideration time for each application must be significant to avoid well-funded organisations simply overpower smaller but perhaps more representative ones.

Considerations

There are many issues within the Minter Ellison presented application that are considered to be of significant concern to ASO and its members. These are, but are not limited to:

- Most importantly, that even within the covering letter Minter Ellison seeks to have important considerations excluded from public scrutiny.
- Of greatest concern is the potential for a market share (potentially up to 30%) that would see the HH grouping have the ability to dominate the market.
- Minter Ellison states clearly within their document that, **“Unlike nib’s medical gap scheme, Clinical Partners Providers cannot choose to opt-out of the program on a patient-by-patient basis. This provides certainty that all nib customers will have a no gap experience with these medical specialists.”** This has the potential to see less than optimal health care being delivered.
- Minter Ellison also outlines that, **“The medical specialists also agree on data sharing and quality target requirements.”** This element raises serious questions about patient confidentiality in relation to data sharing and patient safety in relation to the potential ill-conceived setting of target requirements.
- Importantly, in terms of potentially critical safety and quality service provision, the application outlines that HH would **“compare the value of services from a provider against peers in the region.”** This is possibly the most dangerous aspect of the application and certainly here the “public benefit” must fail. We have seen this attempted previously and with predictably outrageously unreliable results. Many clinicians operate on different levels of complexity which sees some clinicians appear high quality but only because they operate in a very limited range and on simple conditions. In other cases, highly talented and reputed clinicians, who operate on most serious and complicated conditions, are marked down in this simplistic non-qualified system.
- Finally, the suggestion that CPI would be used to index increases in payments is again at best simplistic and more likely disingenuous. It is well known that there is a health/medical CPI which is significantly higher than conventional CPI because the costs of fast-evolving medical technology.

Conclusion

There is a clear and serious issue of market power and public benefit based on not on price but on patient safety and the need for the maintenance of the vital patient-doctor relationship.

The ASO calls for a comprehensive process of consultation and conferencing to allow full and open consideration of this flawed application for authorisation and believes, in the current environment, this should be set at not less than twelve months.



Mr. Kerry Gallagher
CEO ASO

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