

4 June 2021

SUBMISSION TO THE ACCC: HONEYSUCKLE HEALTH DRAFT DETERMINATION (21 MAY 2021)

The National Association of Specialist Obstetricians and Gynaecologists (NASOG) opposes the ACCC draft determination in relation to the proposed health services buying group, Honeysuckle Health.

Colleagues in other specialty groups have already emphasised the negative impact of the managed care model in the United States which this model approximates. Particularly in relation to a corporate entity placing profitability ahead of patient rights and preferences and clinician expertise.

Unlike the USA, Australia has a well established public health system, delivering a high standard of care. Australian patients expect that they are going to receive the best and most appropriate treatment, whether they are in the private or public sector.

Experience in Obstetrics tells us that if this model gains a foothold, there will be wider impacts on our health services. Over several years, Private Health Insurers have tried iterations of no-gap maternity programs. Despite locking hospitals and doctors into tight contracts, the anticipated uptake and profits have not been seen, so insurer investment in these programs is diminishing. Obstetric patients are increasingly turning to the public sector, which is not resourced to manage the volume, resulting in high-profile media stories about infant deaths and maternal damage.

In the ACCC's final deliberation, it must be considered that Honeysuckle Health's proposed model could result in patient dissatisfaction with the options for their care. Either through limitations on which doctors they can see, the treatment options available or which hospital to attend. Coupled with any restrictions placed on the doctor by their contract, the result will be increased numbers returning to an under-resourced public sector and significant cost burdens and pressure placed on the state and federal governments.

Finally, NASOG queries the value of adding another level of administration to our healthcare system. While Honeysuckle Health will draw an income from the contracting and management arrangements, it is challenging to see how adding an additional layer into government schemes, indemnity providers, hospitals, clinicians and patients will improve efficiencies in healthcare delivery and patient care.

We believe there is no justifiable reason to negatively impact the way Australians access their healthcare through the implementation of a foreign style, managed care structure.

Yours sincerely,



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President

Contact me: 