

Your Ref: AA1000636

Monday 22 May 2023

Bethany White
Australian Competition & Consumer Commission
23 Marcus Clarke Street
Canberra ACT 2601

Via web form at: portal.accc.gov.au

Dear Ms. White,

Health Partners Limited – Application for authorisation AA1000636

Thank you for giving The Hospitals Contribution Fund of Australia Limited (**HCF**) the opportunity to provide a submission in response to Health Partners' application for authorisation in respect of its proposal to establish a network of 'partner dental practices' across South Australia (**Authorisation Application**).

HCF supports the Authorisation Application and considers Health Partners' proposal to be pro-competitive and beneficial to consumers.

HCF considers there to be clear public benefits associated with the conduct that is the subject of the Authorisation Application. By providing consumers with choice and certainty in pricing for preventive and diagnostic dental services, this increases the likelihood of early detection and treatment, thereby reducing the likelihood of requiring more extensive and costly services in the future. Some of the key benefits in this regard can be summarised as follows:

- More frequent visits to a dentist for a check-up are likely to result in earlier detection and treatment of dental problems.¹
- Uncertainty in pricing is an impediment to visiting dentists for check-ups.²
- Insured individuals with coverage for dental services are more likely to visit dentists for check-ups than uninsured individuals without such coverage.³

The market for private health insurance in Australia is highly competitive. Offering price certainty to consumers for health services (including through 'known-gap' dental arrangements) is an important manifestation of this competition, which is clearly beneficial to consumers. In HCF's view, the conduct that is the subject of the Authorisation Application will further promote competition between private health insurers and encourage other health insurers to compete more effectively in similar ways.

Yours sincerely,



Sheena Jack
Chief Executive Officer and Managing Director, HCF

¹ Australian Institute of Health and Welfare, National Oral Health Plan 2015-2024 Performance Monitoring, 'Access to oral health services' last updated 3 December 2020 pg 50 < <https://www.aihw.gov.au/getmedia/45e5b9cb-50b3-4115-8fd4-7913c3150ad1/National-Oral-Health-Plan-2015-2024-performance-monitoring-report.pdf.aspx?inline=true>.

² ACCC, Report to Australian Senate on anti-competitive and other practices by health insurers and providers in relation to private health insurance, for the period 1 July 2020 to 30 June 2021, pg 24 accessible here: <https://www.accc.gov.au/system/files/Private%20health%20insurance%20report%202020-21.pdf>

³ NSAOH 2017-18, pg 111 https://www.adelaide.edu.au/arcpho/national-study/report/Australias_Oral_Health_2017-18.pdf