



RMSANZ

Rehabilitation Medicine Society of Australia and New Zealand

Dear RMSANZ member,

I'm writing to let you know about the outcome of protracted negotiations with buying group Honeysuckle Health ((HH) – a joint venture between Cigna, a USA health insurer, and nib, an Australian private health insurer) and nib health funds to secure stronger protection for clinical autonomy and patient care.

Last year the Australian Competition and Consumer Commission (ACCC) authorised HH to collectively negotiate and administer contracts with healthcare providers (including hospitals, medical specialists and allied health professionals) on behalf of participants in its buying group.

RMSANZ (and PPSIG its Private Practice Special Interest group), the National Association of Practising Psychiatrists (NAPP) the Australian Medical Association (AMA) and other medical groups provided multiple submissions to the ACCC. The ACCC granted authorisation subject to a condition that major private health insurers be excluded from participation in the buying group and that the period of authorisation be limited to five years, rather than the requested ten years.

RMSANZ and NAPP filed review applications with the Australian Competition Tribunal over concerns at how the ACCC's decision would impact on rehabilitation and psychiatric services. Earlier this year, the AMA successfully applied to formally intervene in these review proceedings.

RMSANZ and NAPP were represented by pro bono barristers and solicitors in the proceedings. We are very grateful for their generous efforts on our behalf.

We submitted witness statements and legal submissions outlining our concerns about the potential for doctors to be economically coerced into signing agreements that contain targets, health insurer determined clinical guidelines, and demands for patient and provider information and data that would have intruded into independent clinical decision-making. The AMA engaged external counsel and an external economist to provide support for these concerns. We are very thankful for the assistance of the AMA.

I am pleased to tell you that a legally binding agreement has been reached with Honeysuckle Health, which reinforces strong protections for doctors and patients for specialist services, funded by private health insurers who choose to participate in the HH buying group. This agreement maintains strong protections for rehabilitation physicians who do not wish to participate in the HH buying group's BCPP program to continue to be able to use no-gap contracts.

These protections are in addition to the conditions already put in place by the ACCC. This

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means that the authorisation will continue to be limited to five years and will continue to exclude the major health funds

The additional conditions agreed by nib and HH are set out in summary in the *Attachment*. nib and HH must keep records of their compliance with these conditions and the AMA, RMSANZ and NAPP can each play an ongoing role in ensuring compliance.

We are pleased to see that Honeysuckle Health has listened to the concerns of doctors. During our discussions, HH emphasised their desire to work with doctors to innovate in the delivery of health care. We believe this settlement will support that cooperation without putting patient care and clinician autonomy at risk.

When the ACCC handed down its authorisation decision last year, it focused largely on competition issues. The additional conditions agreed with HH focus on the clinical aspects of a patient's care and the critical importance of preserving the doctor-patient relationship and preserving patient and clinician collaborative choices.

Whilst Honeysuckle Health has throughout the process emphasised that buying group activities will not (and cannot legally) interfere with the clinical autonomy of doctors and their decisions about patient care, we have worked hard to ensure that this commitment is enshrined in a legally binding deed. The additional conditions agreed with Honeysuckle Health ensure that patients are protected and decisions about the care of patients remain in the hands of patients and their doctors.

The settlement includes many important protections. For example, doctors who do not wish to participate in Broad Clinical Partners Program (BCPP) contracts or other new schemes developed by HH will retain access to a medical gap scheme that will keep in step with the MBS Schedule.

Honeysuckle Health has also undertaken to retain the nib medical gap scheme, including the ability to opt out for individual patients.

Where a doctor chooses to participate in BCPP or another scheme developed by HH, rules will be in place to ensure additional data is collected with genuine patient consent. Honeysuckle Health has also acknowledged that, while clinical guidelines are important in guiding decision making, they need to be developed by independent specialist medical bodies and are unlikely to be applicable in the same way for individual patients. Rehabilitation physicians must always have the clinical independence to act in the best interests of the patient.

Transparency is protected. The settlement gives rehabilitation physicians broad rights to disclose the terms (other than prices) of BCPP and other agreements to their patients,

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RMSANZ, NAPP, the AMA or other relevant professional bodies and their Medical Defence Organisations or other professional advisers.

RMSANZ, NAPP and the AMA will be happy to assist any members who have concerns over any agreements they have, or are discussing with, the Honeysuckle health buying group. RMSANZ has been at great pains to secure these protections for you, our members, our patients, and our rehabilitation medicine and specialty colleagues.

We look forward to working constructively with Honeysuckle Health throughout the next four years to ensure doctors continue to have a strong voice in this process

Yours sincerely,
Dr Zoe Adey-Wakeling
President RMSANZ

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