



Our ref: AA1000669 Contact officer: Rebecca Ryan Contact phone: (02) 6243 1300

11 June 2024

Land of the Ngunnawal people
23 Marcus Clarke Street
Canberra ACT 2601
GPO Box 3131
Canberra ACT 2601
Tel 02 6243 1111
Fax 02 6243 1199

exemptions@accc.gov.au www.accc.gov.au

Dear Eithne

Competition Exemptions

Re: Australian Dental Association Inc application for revocation of authorisation AA1000638 and substitution of AA1000669 – ACCC request for information

I refer to the Australian Dental Association Inc's (**ADA**) application for revocation and substitution lodged with the Australian Competition and Consumer Commission (**ACCC**) on 26 April 2024 seeking authorisation for the making of and giving effect to contracts, arrangements and understandings between 2 or more dental practitioners as to the fees to be charged for dental services provided within shared practices.

To assist the ACCC's consideration of the ADA's substantive application for authorisation, we request that the ADA provide further information as set out in <u>Attachment A</u> by **20 June 2024**. We welcome any other information the ADA would like to provide the ACCC in its consideration of the application.

This letter will be placed on the ACCC's <u>Authorisations Public Register</u>. A copy of the ADA's response will also be placed on the Authorisations Public Register, subject to any request to exclude certain information from the public register. For further information please refer to the ACCC's <u>Guidelines for excluding information from the public register</u>.

Should you have any questions in relation do not hesitate to contact myself on (08 Rebecca Ryan on (02) 6243 1300 (•	nis information re	equest, please) or
Yours sincerely			
Anthony Hilton			

Attachment A

Australian Dental Association Inc application for revocation of authorisation AA1000638 and substitution of AA1000669 – ACCC request for information

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ADA membership

 We note the proposed conduct provides for the making of and giving effect to contracts, arrangements and understandings where at least one party is a member of the ADA.
 Please provide further information around the reasoning for limiting the proposed conduct to at least one party being a member of the ADA.

Current compliance training

2. Please describe any communication, training and/or educational activities, if any, the ADA provides to its members regarding their obligations to comply with Part IV of the *Competition and Consumer Act 2010* (Cth) (i.e. the competition provisions) and a summary of any additional training and/or educational activities the ADA is proposing to provide.

Public benefits and detriments

- 3. We note the ADA's submission dated 23 May 2024 responds to Private Healthcare Australia's proposal to impose a condition of authorisation that 'all dental clinics covered by this authorisation use price displays for common services'. We note the ADA's response focuses on the impact of the proposal on consumers with private health insurance. Noting the significant proportion of Australians who do not hold private health insurance cover for dental services, please provide further information in response to the proposal with regard to consumers without private health insurance.
- 4. The application states that the potential for public detriments remains low, including because 'shared practices still have to compete with plenty of other dental practices in such localised geographic regions' and that 'there has been strong growth in contractual arrangements between dental practices and private health insurers under which the insurer sets fees (and other terms) in exchange for the right for the dental practice to participate in the insurer's "preferred provider" network' (paragraphs 9 & 11). Please provide the following:
 - a. Information or data supporting the claim that shared practices compete with many other dental practices in localised geographic regions (e.g. size and nature of different dental practices and number of customers, prominent players, number of dental practices in localised geographic regions (potentially by postcode)).
 - b. Information around the extent and/or effect of private health insurance arrangements capping fees across Australia.