

Our Ref: 1146532  
Your Ref: AA1000636

7 June 2023

**By Email Only**  
**Attention: Bethany White**  
Australian Competition & Consumer  
Commission  
23 Marcus Clarke Street  
CANBERRA ACT 2601

Dear Ms White

**Health Partners Limited – Application for authorisation AA1000636**

As you are aware, we act for Health Partners Limited (**Applicant**) in respect of the above matter (**Application**).

We refer to the submission dated 1 May 2023 by the Australian Dental Association (**ADA**) titled 'ADA Submission on wider issues relating to private health insurance arrangements' (**Submission**).

Many of the points raised by the ADA in the Submission have already been addressed by the Applicant in the original application and in subsequent correspondence. However, to ensure there are no misapprehensions regarding the matters which are subject of the Application, the Applicant would like to take the opportunity to reiterate certain points it has already made in respect of such concerns.

A number of the concerns raised in the Submission are general in nature and relate to issues associated with the administration of health insurance in Australia, rather than the Application itself. We also note that the ADA has expressed concerns around health insurance providers entering into arrangements with dentists even where the insurer does not have its own practice. It is not appropriate to directly address those concerns in this letter as they have no relevance to the conduct in the Application.

Our client reiterates the following:

- Our client is simply seeking to provide a broader range of dental services to its members. There is no purpose to affect competition or obtain any competitive advantage.

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- Pricing of the capped services is based on the prices at the Applicant's own dental practices. This ensures that pricing is based on market rates which capture actual costs, rather than attempting to impose unsustainable pricing. The Application is simply seeking to ensure members can access dental services with greater certainty regarding price. The arrangement does not interfere with the provider's arrangements with non-members.
- Only 'routine' services are being capped as these services tend to be offered more regularly and therefore have more certainty as to price. The Applicant has incorporated exceptions to allow fees to be charged over the cap when actual operating costs are higher.
- The arrangements with the participating practices are structured to allow the Applicant to verify that services being provided align with industry standard. This ensures that Members are receiving appropriate levels of care.
- Capping prices for key services means it is more likely those services will be delivered and less likely more complex dental services will be required in the future. Price certainty in this regard is key to encouraging regular dental check-ups.
- The conduct the Applicant is seeking to be approved in the Application does not allow or permit the Applicant to direct or otherwise determine what treatment the member receives. This remains a conversation between the individual and their dentist and a decision for the individual member.

The Submission is, with respect, misconceived and does not address the specific features of the Application. It is aimed at a general concerns regarding intervention in the broader dental services market which is not relevant to the arrangements described in the Application.

The question before the Commission relates to benefits to the public of the proposed conduct and whether they outweigh any detriment. The benefits of the Applicant's proposed arrangements are clear. Speculation regarding hypothetical developments in the future is not a factor to be considered as part of the assessment of the Application. We respectfully submit that the Application should be granted.

If you have any questions in respect of the above, please feel free to contact us.

Kind regards



**Peter Campbell**  
Partner  
HWL Ebsworth Lawyers

