

From: [REDACTED]
To: [Exemptions](#)
Subject: AA1000542 – Honeysuckle Health – submission
Date: Wednesday, 9 June 2021 6:33:17 PM

Dear Sir/ Madam, [REDACTED]

I am responding to the draft determination regarding Honeysuckle Health's application to introduce what appears to be USA-style managed care into Australia

This determination only looks at the effect of competition amongst hospitals to reduce the cost of delivering healthcare as a result of binding contracts with Insurers. It does not take into account the effect on the quality of healthcare delivery.

Australians will lose the ability to choose their doctor, their hospital and the duration of stay in a hospital. These will be dictated by managers working for an Insurance company.

Managed care is the predominant funding model in the United States of America and has created the most expensive healthcare system in the world with poorer health outcomes for patients. Currently, the Australian Health system is considered to be amongst the best in the world. This determination to introduce managed care will degrade the quality of our health system and deliver poorer outcomes to Australian patients.

As we have already seen in the Aged Care sector, cost cutting by Private Aged Care companies has led to poor conditions for aged care residents from issues such as:

- inadequate staffing ratios resulting in patients being neglected e.g..left in their own urine for long periods, staff unable to spend any significant time with patients, patient mortality
- cheaply prepared meals have little nutritional content
- Aged care staff are paid inadequately resulting in needing to work at multiple facilities in order to survive.

As happens in the USA, when Insurance companies terminate contracts with a particular hospital, the patient can no longer attend with a physician that they have grown to trust in a familiar hospital over some years. They are forced to travel further (maybe 20-30kms as per reports)

to a different facility with different doctors and nurses. This is extremely traumatic for patients who are undergoing long term treatments like chemotherapy or dialysis.

Unlike other businesses, there is an obligate cost to delivering quality healthcare. When an organisation attempts to cut costs below this obligate amount, then the quality of healthcare delivery diminishes. This reduction in quality is not measured by accountants, nor is it reported by the company perpetrating the cost reduction. The sole purpose of these cost cuts is to provide bonuses for senior management and provide an upbeat report to shareholders. It is the patients that have no recourse. There are no safeguards for the general public. They become voiceless in their own care.

I hope the ACCC will reconsider this determination in favour of managed care and favour the interest of the Australian people instead. [LTL] [SEP] [SEP]

Regards,

Dr Sudeep G Apana

MBBS, FANZCA [LTL] [SEP]