From:
To: Exemption

Subject: Honeysuckle Health and NIB

Date: Monday, 7 June 2021 6:37:06 PM

## Dear Sir/Madam

I am a Specialist Hand and Wrist Surgeon/Specialist Plastic and Reconstructive Surgeon who has been practicing for over 30 years.

I have many concerns with the granting of any authorisation by the ACCC for the Honeysuckle Health/NIB proposal.

The most significant of these are outlined below.

- 1. Motivation of involved parties. The motivation of surgeons is to provide as good as possible service and result for the patients. Therefore the most important aspect of the patients health treatment is to focus on the patient. The primary motivation of any publicly listed company or subsidiary of a public company is NOT the patient but their responsibility to their shareholders to make a profit. This will lead in my opinion to a reduction in care for patients either by restricting choice of hospitals and surgeons to those that are the best "value" ie the cheapest or by restricting services or prostheses or equipment that can be used in their care.
- 2. Provider quality or value. There is already a way that the market and general practitioners make a determination of quality of service for their patients and who they are referred to by patient feedback to the referring doctor as to the success of the surgery and the referring doctors experience of the usual result of any surgery. This leads to referral on the basis of quality of service not cost. In addition all surgery is not alike. As a very experienced surgeon I often see patients with very difficult problems that may have had several surgeries before so the results of these cases cannot just be compared with simple surgeries. I do not feel that the "value" of the surgery to the patient can be easily determined and that it is likely that the "value" component of the service is likely to be predominantly determined by cost as this is the most important parameter for a public listed company with a priority on their profit.
- 3. Stated buying collective. The very nature of the formation of a buying collective to purchase services means a lack of competition because once those that are in the buying collective have been chosen to be in the collective (which is most likely to be on the basis of cost or compliance) then those outside of the collective cannot be involved or compete and this in my opinion is non competitive and will lead to less choice for patients and should be opposed by the ACCC.
- 4. Market share. I note that the ACCC has made amendments to the application to restrict market share of the proposal. Whilst this may be the case the intent of the applicants will be to have as complete a market share as possible

in time to increase profit. Therefore at every opportunity in my opinion there will be continued applications for more amendments in favour of the applicants and my fear is these will in future be more successful therefore eroding patient care and choice and therefore

stopping this before it starts is the best decision to preserve current patient quality of surgical care and rights to choice of quality providers.

I have worked in the USA and seen managed care to a degree and feel for that reason and those reasons outlined above that acceptance of this proposal will lead to a deterioration in the quality of patient care and deterioration in

patient choice as well as disharmony in the health care sector in general just to allow a publicly listed company to make a greater profit for its shareholders rather that improving or maintaining patient care.

I urge the ACC to reject this proposal.

Yours Sincerely

Dr Craig Smith MBBS FRACS