The Royal College of Pathologists of Australasia
ABN 52 000 173 231

Durham Hall 207 Albion Street Surry Hills NSW 2010 Australia
Telephone 61 2 8356 5858 Facsimile 61 2 8356 5828

RCPA
The Royal College of Pathologists of Australasia

Policy

Subject:	**Vertical Integration in Medical Practice**
Approval Date:	March 2001, August 2006, August 2007, November 2009, November 2013, October 2017, January 2022
Review Date:	January 2026
Review By:	BPPQ
Number:	1/2001

Vertical integration occurs in a variety of medical practices and may take different forms and structures.

The College's position on vertical integration applies to the practice of pathology in both the private and public sectors, and is as follows:

1. The College places the highest importance on the maintenance of professional and ethical standards in pathology and for pathologists.

2. The College supports the fundamental principle that the clinical independence of medical practitioners must be maintained when requesting other clinical services, such as pathology, for their patients. The requesting medical or nurse practitioner, after taking expert advice where relevant, should form a decision in consultation with the patient to determine the need, the type, the number, the frequency and the provider of investigations in accordance with good medical practice. This clinical independence must not be affected in any way by the vertical integration arrangements.

3. The College fully supports the existing requirements in the Health Insurance Act in relation to over-requesting, inducements and bribes as they apply to referring medical practitioners and medical providers of investigation services, e.g. pathology. These principles must be applied when operating in a vertically integrated environment.

4. The College supports the view that all medical practitioners should disclose to patients any commercial links or financial interests they may have in products or services they recommend or provide.

5. Directed referrals must only be made to specific pathology providers independently on a clinical basis and not under instructions from any related parties for non-clinical reasons.

See also:
RCPA Policy: Prohibited Practices: Items and Services Pathologists May Provide in the Collection of Pathology Samples