



Australian Government

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Mr Alister Sands  
Committee Secretary  
Senate Finance and Public Administration  
Legislation Committee  
Parliament House  
CANBERRA ACT 2600

Dear Mr Sands

### ESTIMATES HEARING OF 25 MAY 2006 – CORRECTION TO RESPONSE

I am writing to correct evidence I provided in response to a question from Senator Moore during the appearance of the Department of Human Services at the 25 May 2006 hearing of the Senate Finance and Public Administration Legislation Committee.

Senator Moore asked what savings were happening now in relation to Medicare Australia's ongoing compliance education program for general practitioners. This enquiry, and my response, appears on Hansard page F&PA 129.

I stated that some of the research undertaken indicates that for an intervention there is a saving of \$20 per practitioner. The correct response should have been that there is an average saving of about \$20,000 per practitioner intervention.

It would be appreciated if you could bring this correction to the attention of the Committee.

The Committee will be interested that in 2005 Medicare Australia (then the Health Insurance Commission) commissioned research by Queensland University of Technology as part of the Professional Services Review (PSR) Process Enhancement Project. The research involved testing the feasibility of developing an evaluation model for PSR interventions. A number of findings resulted from the application of the evaluation model including 'Overall the estimate of cost savings to HIC attributable to the interventions, per practitioner intervened, was at least \$17,830 and possibly as high as \$23,321 per practitioner'.

Should you require any additional information please do not hesitate to contact my office on (02) 6124 6302

Yours sincerely

Catherine Argall PSM

26 June 2006