

Dr. Michael Pietryk

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2 LINCKENS CRES.
BALWYN 3103

Mr. Elton Humphrey
COMMITTEE SECRETARY
SENATE ENQUIRY ON MEDICARE

21.7.03

Dear Elton,

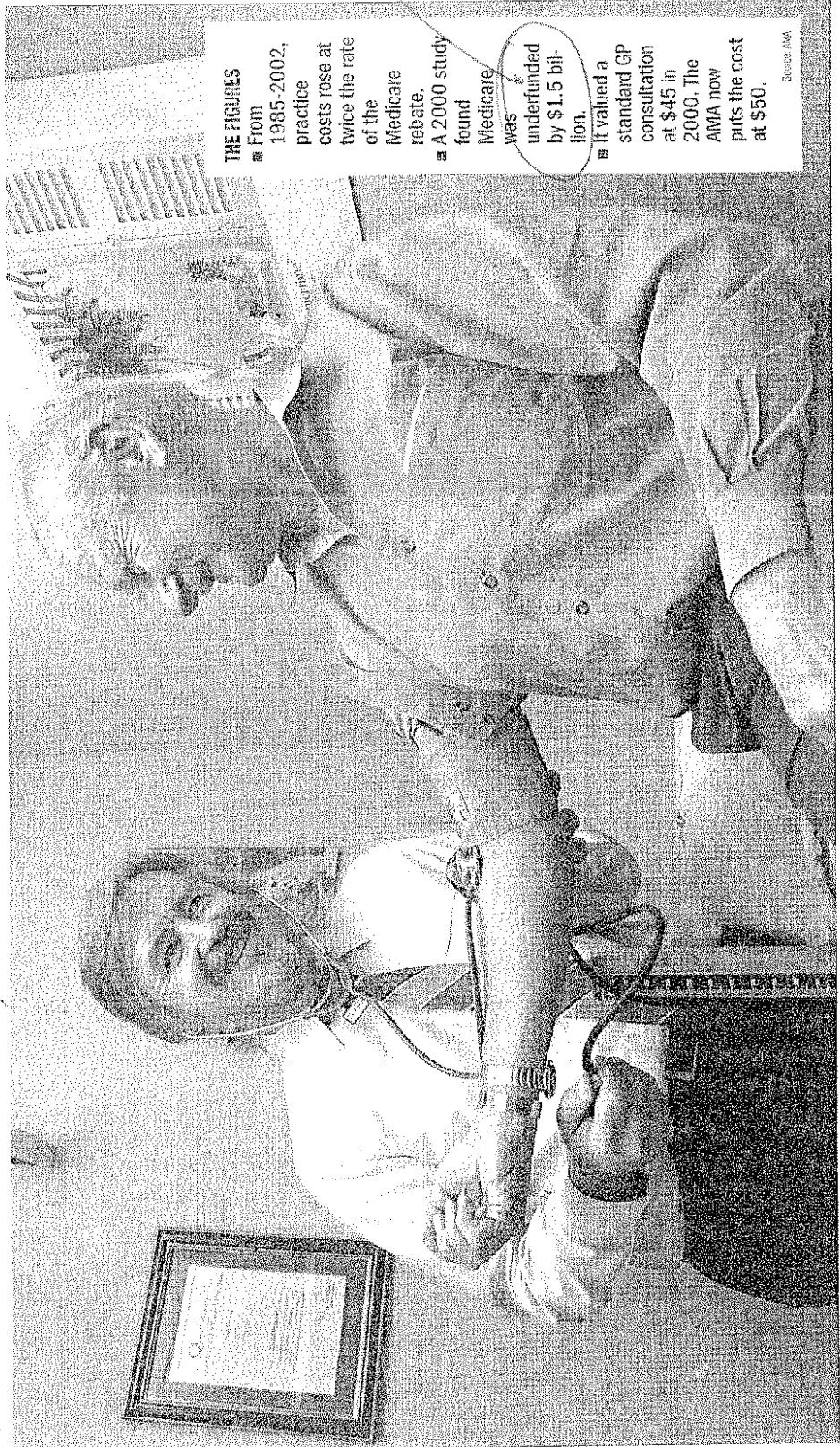
The main message I would like to be broadcast to everyone involved in the Medicare Inquiry is the financial & moral bankruptcy of both sides of Parliament and their continuous scapegoating of GPs to smokescreen their own deficiencies they are trying to hide from the voters / punters eager for "medical freebies" ("bulk-billing"):

- ① The \$90 billion "black hole" in unfunded Commonwealth PS "super",
- ② Rejection of the fair, independently - arbitrated "Relative Values Study" (RVS) indicating a GP rebate of \$45-\$50 not the current \$25 which steals \$1.5 - \$2 billion from either GPs that bulk-bill or refunds to private patients. How can this gross theft be allowed to continue? ?

I will happily make myself available to the inquiry in person (anytime / day or night) to present the views of a "real life" GP with 30 yrs experience.

Yours sincerely,

Michael Pietryk



**CHANGES
WEEKLY
OFFERS**

Lucy Beaumont Heidelberg doctor Michael Pietryk charges "priority" patients extra for fast service, but that doesn't mean he values the health of the rich above the poor. With the bulk-billing rebate at \$25 for a standard consultation, cross-subsidy was the only way his practice could stay afloat, Dr. Pietryk said yesterday. "To make your practice viable, so that there can be bulk-billing, you've got to introduce a way so people who are able and prepared to pay

Dr Pietyk bulk-bills pensioners and health care card holders, but charges other patients \$38 (including the Medicare rebate). Patients who are "in extreme hurry" can pay \$43 for a same-day appointment. He said these charges did not exceed the \$45 fee estimated by independent relative value study of standard GP consultations, commissioned by the Government in 2000. "For seven years GPs gritted our teeth and thought that when the relative value study came out we'd get remunerated more justice," Dr Pietyk said. "Lobster-

In his practice, Dr. Halkenwald charges a gap amount of \$17.50 to employed patients without pension or health care cards. "But if someone makes an appointment with me, they get their appointment time," he said. "They don't get pushed to the back of the queue if somebody walks in with money."

Despite scheduling his regular check-up months in advance, Vladimir Szczilko, 68, said he usually waited up to an hour for his appointment with Dr. Pietryk. He wondered how he would afford to see him if his consultations were not bulk-billed.

In his practices, Dr Halkewal charges a gap amount of \$1,750 to employed patients without pension or health care cards. "But if someone makes an appointment with me, they get their appointment time," he said. "They don't get pushed to the back of the queue if somebody walks in with money."

Despite scheduling his regular check-up months in advance, Vladimir Szacikko, 68, said he usually waited up to an hour for his appointment with Dr Pietryk. He wondered how he would afford to see him if his consultations were not bulk-billed.

"The schedule of fees in no way, shape or form reflects the true cost of providing a service," Dr Halkewal said. "We're going to see much more increase in the gaps that are being charged and the reduction in availability of bulk-billing."

Michael Pietryk checks out Wladimir Szacikko, 68, at his Leeselberg surgery.

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champagne-quality care is impossible to provide for the Government price of fish and chips," said Dr Halkewal. AMA vice-president Mullesh Halkewal said the system, adopted by Dr Pietryk and other Melbourne doctors, was one way GPs were bridging the gap between consultation cost and Medicare rebate. "The schedule of fees in no way, shape or form reflects the true cost of providing service," Dr Halkewal said. "We're going to see much more increase in the gaps that are being charged and the reduction in availability of bulk-billing."

PICTURE DOMINIC CARRERA
Age, 22/1/c3
e. 115 THE PRIVATE HOSTEL
ING SESSIONS BY 5-22 AND
CARRERA'S CHES HAD ONE OF THE
CNS OF THE YACHT S.S. STAN...

Editors, This newspaper
chose to ignore the
main point of my

STOLEN CP FUNDS
USED FOR THE
PRIVATE HABITS OF S.
SUBSIDY H.
REMOVED

THE FACTS

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- From 1985-2002, practice costs rose at twice the rate of the Medicare rebate.
 - A 2000 study found Medicare was underfunded by \$1.5 billion.
 - It valued a standard GP consultation at \$45 in 2000. The AMA now puts the cost at \$50.

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PICTURE DOMINIC ORTIZ
MS. 22703
#5 THE PRIVATE HOUSE OF
MISSISSISSIPPI BY F. B. LEWIS
1930
SIXTEEN PAGES
ONE HUNDRED EIGHTY-EIGHT
DOLLARS

To ignore the implications of total financial & clinical control.

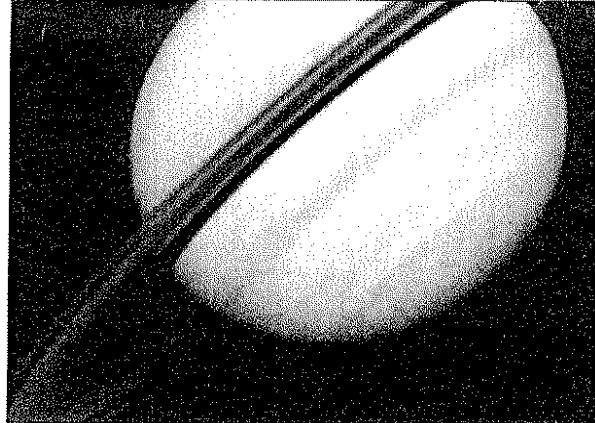
Govt denies GP funding crisis

by Edwin Light

FEDERAL health department claims that recent government Budget initiatives "more than offset" the historical under-funding of general practice rebates have produced fresh levels of exasperation at the AMA.

The department argued in its submission to the Senate Medicare inquiry that the AMA's Relative Value Study (RVS) conclusion, that a standard consultation was worth about \$50, was "incorrect".

Department modelling of the RVS results showed a "small degree" of under-funding of GP attendance items and that "government Budget decisions since the RVS was undertaken [the study was completed in



said he was shocked by the department submission.

"People become very cynical of bureaucrats when they take this approach," Dr Glasson said. "I would remind [the government] that the RVS was a bipartisan-funded review, and that the umpire came up with that fee."

Blind Freddy could walk into a general practice and see that Medicare fees don't reflect the costs of running a practice."

The health department submission conceded, however, that the 30% increase in total funding for general practice in the past six years had not stemmed the fall in bulk-billing rates. It therefore concluded that increased Medicare rebates would not be an effective way to address access and affordability problems.

Some GPs may wonder which planet the government submission came from.

2000] have more than offset this under-funding", the submission said.

AMA president Dr Bill Glasson

said he was shocked by the department submission. "People needed to focus on the facts.

"If they can't fund Medicare appropriately then they should just say so," he said.

Meanwhile, the AMA Queensland (AMAQ) submission to the Senate inquiry said the federal government was "clearly unwilling" to fully fund private general practice, even though practical steps such as simplifying rebate claiming could save millions of dollars.

"In theory, every Medicare outlet around Australia could be closed, freeing up millions of dollars that could be available for healthcare rather than maintaining the ways of the past," the AMAQ submission said.

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*The 'Lyne Political Propaganda Committee' or that BEHIND THE FORMER 'IRON CURTAIN' in communist Eastern Europe
IF THIS ARTICLE IS A TRUE REFLECTION OF THE FEDERAL HEALTH DEPT. SUBMISSION.*

Canberra's mañana

Politicians' generous super payouts pale into insignificance next to the huge unfunded liabilities for public servants, as **Daryl Dixon** reports.

In 1978, the federal government's social welfare policy secretariat warned the Fraser government of an urgent need for superannuation reform to boost national saving, help provide for a rapidly ageing population and reduce a burgeoning foreign debt. Nearly 25 years later, due largely to government inaction and the reluctance of governments to bite the bullet, problems in superannuation abound.

Worse, taxpayers are losing faith in the integrity of politicians to act in the national interest. The most frustrating double standard is the retention, virtually unchanged, of the obscenely generous politicians' super scheme. While ordinary workers receive only 9% of salary employer contributions as their minimum guarantee, federal MPs qualify for a minimum indexed pension of 50% of their salary from age 55 onwards – merely by remaining in parliament for eight years.

As an example to the community, the scheme demonstrates unbridled self-interest. In aggregate terms, however, it is insignificant compared with the huge level of unfunded superannuation benefits promised to federal public servants and defence personnel.

By politicians' super standards, public servants and defence employees are second-class citizens, but compared with the benefits available for the rest of the community, the federal schemes are extremely good.

Indeed, the federal government has chalked up a debt of almost \$90bn in unfunded superannuation liabilities for its employees. This debt is an actuarial estimate of the amount the Commonwealth should have contributed to cover its employees' promised benefits.

To put this into perspective, it represents more than twice the level of outstanding federal debt and about 15% of total super fund assets. Instead of funding the liabilities as they accrue, the Commonwealth has followed a strategy of dumping the bill on future taxpayers and politicians.

This is despite the fact federal laws as administered by the superannuation overseer, the Australian Prudential Regulation Authority, require private sector defined-benefit schemes to fund their super liabilities as they accrue. Spurred on by a \$200m shortfall in the Ansett fund and the resulting losses for former employees, APRA is calling for urgent reviews of funding levels in selected employer funds considered to be at risk because of market downturns.

Taxpayers and federal employees could, for the same reasons, demand the government start to put its own house in order. Several states, most notably Victoria and NSW, have been acting aggressively to reduce their unfunded super liabilities in a variety of ways.

These include closing defined-benefit funds and requiring operating departments to fund the accruing annual liability. Similarly, the Commonwealth has charged business enterprises and some operating units for employee access to the available super fund but only as a source of current revenue to fund above-the-line outlays.

In contrast, the federal government has been paid billions of dollars over the years by operating entities, such as Telstra and Australia Post, to fund accruing employee liabilities. However, instead of investing the money in a super fund, it has used it to fund recurrent outlays. This is one of Treasury's closest-held secrets and a major reason the Commonwealth's unfunded super liabilities are so high. Depressingly, there is no interest at the highest policy level in reducing such liabilities.

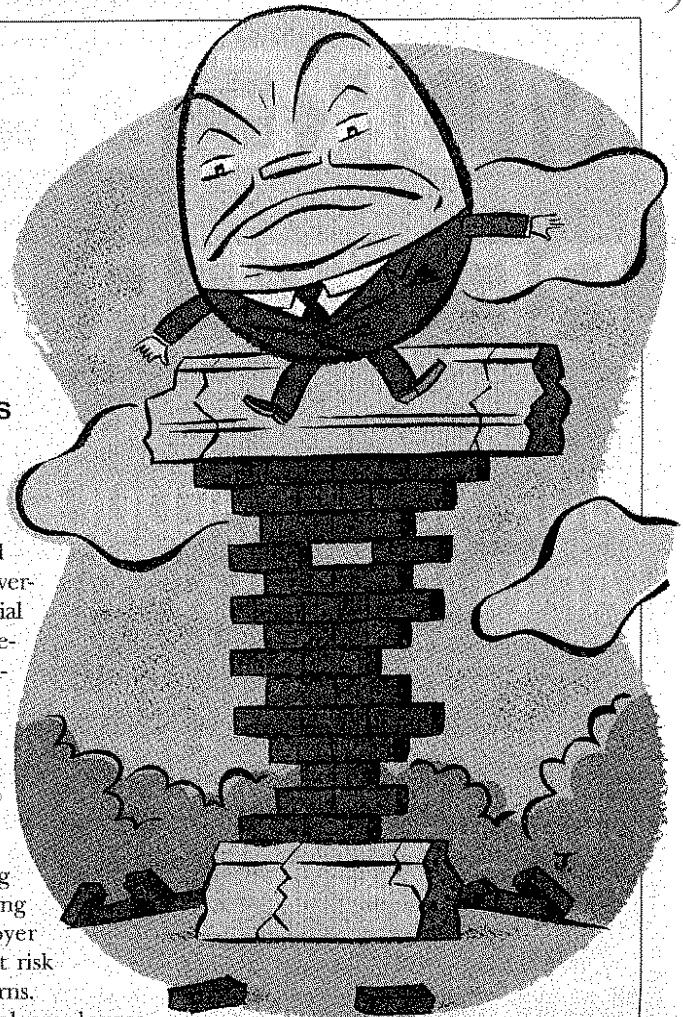
Whereas APRA rules force other defined-benefit funds to set aside current revenues to provide for liabilities, the federal government can offer benefits solely

on the basis of its future credit standing. The federal government is also applying dual standards on those fortunate members of the Commonwealth Superannuation Scheme. CSS legislation stops fund trustees from declaring a negative return even though fund earnings in the last financial year were a negative 5%.

The legislation means there is insufficient money in the CSS to cover the balances of all credited members. Unless the Commonwealth makes up the shortfall, continuing CSS members will lose a substantial part of their equity in the fund to exiting members cashing out their benefit.

APRA rules do not permit such gross discrimination against continuing members in any other super fund. Trustees are not able to declare returns not covered by fund earnings or investment reserves. This is why most Australians received negative returns last year.

Successive governments have been only too keen to ignore their burgeoning unfunded super liabilities. This will remain a viable policy only while federal fiscal finances remain in good shape. With rapid ageing of the population and a downturn in the world economy, this may not be for too long. □



HEALTH DEPT. BUREAUCRATS, WHOSE "SUPER" IS COMPETING WITH MEDICARE REBATES FOR TAXPAYER FUNDS, HAVE A HELL SELFISH VESTED INTEREST IN LYING ABOUT THE ADEQUACY OF MEDICARE FUNDING!!

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 31-35 Burgundy St., Heidelberg

FAX TO:

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22.7.03

THE EDITOR,
 AGE NEWSPAPER LETTERS

DEAR SIR / MADAM,

I HAVE NEVER SEEN MORE SHEER HYPOCRISY & SELF-SERVING BY POLITICIANS THAN IN THE "AGE" (22/7) : "MEDICARE QUEUE JUMPING".

TREASURER MR. COSTELLO IS SITTING ON A PRESSURE-COOKER OF \$ 90 BILLION IN UNFUNDED FEDERAL PUBLIC SERVANT SUPERANNUATION LIABILITIES, THE RESULT OF GROSS MISMANAGEMENT & FISCAL IRRESPONSIBILITY BY POLITICIANS — SUCCESSIVE GOVERNMENTS HAVE BEEN FUDGING THEIR OWN RULES AND HAVE NOT BEEN PUTTING AWAY PS SUPER CONTRIBUTIONS INTO A STATUTORY ACCOUNT (9% OF WAGES FOR PRIVATE EMPLOYERS THIS YEAR). THAT WOULD NECESSITATE TAX RISES AND (GOD FORBID!) A LOSS OF VOTES!!

FACED ALSO WITH AN AGEING POPULATION DEMANDING PENSIONS, TREASURY IS TECHNICALLY BANKRUPT. THAT'S WHY \$ 25 "BULK-BILLED" — HALF OF WHAT A DOG IS WORTH AT THE VET — IS THE GROSSLY INSULTING & UNFAIR VALUE COSTELLO PUTS ON A GP CONSULTATION FOR THE "DISADVANTAGED".

MEDICARE GP CONSULTATIONS ARE BEING DELIBERATELY UNDERFUNDED BY AT LEAST \$ 1.5 BILLION, IE. THAT IS HOW MUCH IS STOLEN FROM GP REBATES EACH YEAR BY A SEVERELY CASH-STRAPPED TREASURY. HOWARD + COSTELLO CAN'T AFFORD TO PAY THE RELATIVE VALUES STUDY "INDEPENDENT UMPIRE" DECISION OF \$ 45 AS A FAIR & CORRECT GP FEE.

WITH \$ 20 BEING STOLEN PER CONSULTATION FROM EITHER A BULK-BILLING GP OR THE PATIENT'S MEDICARE INSURANCE REFUND, COSTELLO HAS THE TEMERITY TO STATE HE IS "NOT COMFORTABLE WITH DOCTORS THAT TRY & PRIORITISE CLIENTS ACCORDING TO THEIR FEES" TO TRY & MAKE THEIR SURGERIES VIABLE. GREAT!

NEXT TIME YOU ARE SERIOUSLY ILL, CAPTAIN SMIRK, GET ON THE END OF A QUEUE IN A PUBLIC HOSPITAL! AND STOP PAYING \$ 2 BILLION (THE EQUIVALENT OF WHAT IS STOLEN FROM GP REBATES) TO SUBSIDISE PRIVATE HOSPITAL INSURANCE QUEUE JUMPERS LEAP-FROGGING THOSE IN THE LAGGARDLY PUBLIC SYSTEM..

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HEALTH MINISTER PATTERSON STATED
 "THIS GOVERNMENT HAS NEVER CONSIDERED ACCESS TO GPs
 SHOULD BE DEPENDENT ON A PATIENT'S ABILITY TO PAY!"

FINE! PAY THE FAIR, INDEPENDENTLY - ARBITERED \$45
 FOR "BULK-BILLING" I.E. ALLOW GPs TO MAKE A REASONABLE
 LIVING (AS COMPARED WITH OTHER PROFESSIONS) INSTEAD OF
 CYNICALLY TAKING ADVANTAGE OF AND THEN ABUSING A
 GP'S CHARITY & GOODWILL. PATTISON'S \$180 MILLION A
 YEAR "BULK-BILLING RESCUE PACKAGE" IS TOTALLY RIDICULOUS
 WHEN COMPARED WITH THE \$1,500 MILLION A YEAR CURRENT
 UNDER FUNDING AS EVIDENCED BY AN INDEPENDENT (RVS) STUDY.

VIC. HEALTH MINISTER BROWNLYN PIKE STATED
 "THERE SHOULDN'T BE A FAST TRACK FOR PEOPLE WHO ARE
 RICH AND A SLOW QUEUE FOR EVERYONE ELSE."

AGREED! GO AHEAD BROWNIE. PUMP IN THE REQUIRED
 HUNDREDS OF MILLIONS INTO THE PUBLIC HOSPITAL SYSTEM
 SO "THE DISADVANTAGED" DO NOT HAVE TO WAIT FOR MONTHS
 & YEARS FOR ELECTIVE SURGERY!

IT IS SAD THAT HOPELESS FINANCIAL MANAGEMENT
 MAKES THIS IMPOSSIBLE. IT'S EASIER TO BULLY AND
 MAKE A PUBLIC SHOW OF CASTIGATING DEFENCELESS GPs
 TRYING TO HOLD TOGETHER AS BEST THEY CAN A HEALTH
 SYSTEM DECIMATED BY SELF-SERVING POLITICIANS.

YOURS SINCERELY,



DO YOU THINK THE "AGE"
PUBLISHED MY LETTER?

MR. SZACILKO CHOOSES TO SEE ME
 IN SPITE OF HAVING TO SOMETIMES WAIT
 FOR AN HOUR OR SO BECAUSE THIS IS
 MUCH BETTER THAN THE ALTERNATIVE
 OF HAVING TO WAIT UP TO FOUR HOURS
 IN THE SIMILARLY GROSSLY-UNDERFUNDED,
 NEARLY MORIBUND NON-URGENT CASUALTY
 SERVICE IN THE NEARBY PUBLIC HOSPITAL.

IF HIS CONDITION WAS URGENT, EG. CHEST
 PAIN OR SHORTNESS OF BREATH, MR. S. WOULD
 BE SEEN IMMEDIATELY AHEAD OF EVEN
 "PRIORITY" (PRIVATE) PATIENTS PAYING \$43
 — WHICH IS STILL CHEAPER THAN THE LOCAL
 VET!! THE VET CHOSE NOT TO REPORT
THESE FACTS.

ALTHOUGH HE IS PERFECTLY FREE TO GO
 ELSEWHERE, MR. S. CHOOSES TO RETURN TO
 SEE ME IN SPITE OF THE WAIT. PERHAPS HE
 VALUES MY 30 YRS. OF EXPERIENCE AS A DOCTOR
WITHOUT A SINGLE GENUINE COMPLAINT FROM
 PATIENTS. HE IS FREE TO PAY \$38 FOR AN
 APPOINTMENT (OUT OF POCKET \$13) AND BE SEEN
 WITHIN A 20 MINS. OF APPOINTMENT TIME.

HE ACCEPTS WITHOUT QUESTION THAT THE GOV'S
 VALUATION OF HIM (AS A BULK-BILLED PENSIONER)
 AT \$25 — $\frac{1}{2}$ OF WHAT A DOG IS WORTH AT THE
 VET — IS "DISGUSTING" (QUOTE). HE IS THANKFUL
 THAT AT THIS POINT IN TIME I STILL HAVE ENOUGH
 PHILANTHROPY TO SHOULDER THE BURDEN OF CHARITY
 UNJUSTLY THROWN UPON ME BY TOTALITARIAN, CYNICAL
 "GOVERNMENT"

THE FACT THAT MR. S. AND NUMEROUS OTHERS IN
 THE COMMUNITY CHOOSE TO SPEND THE \$13 ON
 "ITEMS" OTHER THAN THEIR HEALTH IS THEIR PREROGATIVE.

GENERALLY SPEAKING, "ITEMS" THAT COME TO MIND ARE THE \$11 BILLION PURED DOWN THE DRAIN (MOSTLY IN "DISADVANTAGED" SUBURBS) SINCE THE INTRODUCTION OF "POKIES" IN VICTORIA (THAT'S A HELL OF A LOT OF \$13'S!!), THE UPCOMING \$19 MILLION TATTSLOTTO "SUPERDRAW", THE TABS, SMOKES, BOOZE, NUMEROUS "MUST HAVE" (BUT RELATIVELY UNIMPORTANT) "CONSUMERISM" ITEMS, ETC.

PERHAPS, BEING THE RECIPIENT OF A VAST AMOUNT OF TAXES FROM "POKIES", THE STATE GOV. MIGHT LIKE TO GIVE BACK TO THE "DISADVANTAGED" THEY ARE PREYING ON A FEW \$13 VOUCHERS SO THEY DON'T HAVE TO WAIT QUITE SO LONG AT THE GP SURGERY?!! MUCH EASIER TO BULLY, VILLIFY, AND CONSTANTLY HARRASS GPs WITH THE LEFT-WING "GREEDY DOCTOR" MANTRA ISN'T IT?

AS STATED TO MS. BEAUMONT, THE CURRENT SENATE INQUIRY APPEARS TO BE SUBSUMED + PRE-OCCUPIED BY A SHAMELESS REARRANGING OF DECK CHAIRS ON A RAPIDLY-SINKING MEDICARE "TITANIC". IT SHOULD BE FOCUSED INSTEAD ON WHAT SANK MEDICARE: THE \$90 BILLION "SUPER" ICEBERG, FAILURE TO PLAN FOR THE PENSIONS OF AGING "BABY BOOMERS", FAILING TO POLICE AN OUT OF CONTROL + FLOURISHING "BLACK ECONOMY" (WITH SMART-ARSE OPERATORS IN THE CASH ECONOMY OFTEN THE RECIPIENTS OF "HEALTH CARE CARDS" IN EXCHANGE FOR VOTES: 8 MILLION "DISADVANTAGED" OUT OF 22 MILLION AUSTRALIANS ILLUSTRATES VIVIDLY JUST HOW PATSIED + EXPLOITED GPs HAVE BEEN), AND PROBABLY ANY NUMBER OF "FINANCIAL MESS" SKELETONS HIDDEN IN TREASURY'S CUPBOARD.

IN OTHER WORDS, THE SENATE INQUIRY SHOULD BE FOCUSED ON THE WOEFUL INCOMPETENCE OF SCAPEGOATING AND SELF-SERVING POLITICIANS — THAT IS WHERE THE BLAME FOR MEDICARE'S DEMISE LIES, NOT WITH GPs WHO HAVE SHOULDERED THE HERCULIAN TASK OF KEEPING THE PRIMARY HEALTH SYSTEM AFLOAT ONLY TO BE CONSTANTLY LABELLED "GREEDY" BY SHAMELESS, SELF-SERVERS SUCH AS EX HEALTH-MINISTER WOODRIDGE AS WELL AS SPITEFUL, SELF-STYLED CLASS WARRIOR (BOTH INSIDE POLITICS + OUT) ANSWERABLE TO NO-ONE, AS WELL AS A MOTLEY ASSORTMENT OF OTHER DETRACTORS BASICALLY UNHAPPY WITH THEIR LOT IN LIFE + LOOKING FOR A CONVENIENT PUNCHING BAG (SOMETIMES GPs, SOMETIMES THE POLICE OR OTHER "AUTHORITY" FIGURES) TO VENT THEIR PENT-UP FRUSTRATIONS.

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All & sundry are reminded that, contrary to popular belief, GPs do actually own their clinical skills NOT "GOVERNMENT" OR ANY NUMBER OF GOV-FUNDED "RIGHTS" AGITATORS — AND THOSE SKILLS ARE NOT AVAILABLE FOR DISTRIBUTION AT WHATEVER PRICE TO WHATEVER GOV. CHOOSES TO PAY IN SPITE OF A VERY FAIRLY ARBITERED RVS STUDY INDEPENDENT UNPARTISAN VALUATION OF GP SERVICES AT (currency) \$50 A STANDARD CONSULTATION.

THE RVS IS THE "GOLD STANDARD", THE LINE DRAWN IN THE SAND — AND FROM HERE GPs DO NOT RETREAT. REMUNERATION JUSTICE MUST BE SEEN TO BE DONE. MEAN RHYTHM AND PROPAGANDA WILL GO DOWN IN HISTORY BOOKS AS JUST THAT.

I HAVE DISCUSSED ALL THIS IN THE PAST WITH MR. SZACILIK WHO IS IN FULL AGREEMENT WITH MY VIEWS; SIMILARLY THESE VIEWS WERE DISCUSSED WITH "AGE" REPORTER MR. BLOOMONT.

PERUSAL OF THE "AGE" ARTICLES OF 22/7 LEAVES ME WITH THE IMPRESSION OF EDITORS MANUFACTURING + MASSAGING VIEWS TO FIT A PRECONCEIVED "ANGLE" ON A STORY — OFTEN IT IS NOT SO MUCH WHAT IS WRITTEN BUT WHAT IS OMITTED THAT IS IMPORTANT.

ONE DAY, BOOKS WILL BE WRITTEN BY RETIRED GPs ON THE POLITICALLY SORDID "MEDICARE" ERA. IT IS A SHAME THAT ONLY THEN AN UNDISTORTED GP VIEWPOINT WILL BE MADE AVAILABLE — LONG AFTER "SMART" POLITICAL OPERATORS SUCH AS (EX-GP) WOOLDRIDGE HAVE DISAPPEARED WITH THEIR SPOILS OF OFFICE — \$3 MILL. OF TAXPAYERS' FUNDS ("SUPER") IN WOOLDRIDGE'S CASE, PLUS "GOLD TRAVEL PASS".