

Dr Stephen Nordstrom

9<sup>th</sup> April, 2012

To the Senate Inquiry into the Chronic Disease Dental Scheme[CDDS]

I've only just been told about the opportunity to write a submission to this Inquiry, and as the deadline is April 12<sup>th</sup>, I only have time to write from the heart.

I'm a 61 year old, graduating from Sydney University in 1975. On graduation I served as a dental officer in the Army attached to One Task Force at Holsworthy between 1975 and 1979. I received the ADM and continued my relationship with the services by treating ex-servicemen and their widows through the Veterans' Affairs Scheme and in the last five years as a Legatee with Brisbane Water Legacy here in Gosford.

I have practised in West Gosford for the last 33 years looking after proud, hardworking but not so well-off Australians. In order to do this so that people can afford dentistry, I've had to limit myself to one assistant, and working long hours. In this way I have been able to charge very reasonable fees, and I invite anyone to look at my profile with the health funds or Medicare to collaborate this. You may also check with Medicare that since the Teen Scheme started in November 2007 I've never claimed any fees for this service despite doing this treatment on four or five patients a week. I have done this because I believe the money wasted in the Teen Scheme is better spent on the CDDS.

The CDDS is important because it covers people who have serious chronic diseases. Inevitably, these are the elderly retired whose savings have been sequestered by inflation, taxes, financial planning and bank fees. They no longer have the ability to work to be able to afford the cost of dentistry. In previous generations the elderly had no teeth, so the demand wasn't there!

I believe that the CDDS was presented to the profession as an extension of the Veterans' Affairs dental scheme, even to the extent that the schedule of fees was the same as the DVA schedule but allowing for a co-payment. In my own practice I was able to stick with the DVA fees, but more recently I've had to charge a small co-payment as Medicare has not increased the CDDS fee since 2007. The DVA scheme has been very fair in its fee schedule and in 33 years I've had no problems and was encouraged to join the CDDS by association. The DVA scheme trusts dentists to provide treatment without having to provide quotes or treatment plans which I believe leads to over-servicing. I believe as a dentist and a taxpayer that the CDDS is directed towards essential dental treatment whereas a treatment plan directs the practitioner to plan for a perfect result which would include very expensive crown and bridgework that would not be in the spirit of the CDDS offer, and would in fact bankrupt the scheme.

I would now like to direct attention to the tyrannical audits that choose not to look for ill-service, over-service or no-service, but to seek for errors of administration. I will give one example. The CDDS form sent to the dentist via the patient allows the patient

dental treatment coverage for 2 years from the date that the general practitioner has signed the form. More recently the form says that it will cover two consecutive calendar years, so that if a form is signed in November 2007 it is extinguished in December 2008, giving the patient 13 months coverage, not 2 years, and giving the Medicare auditor the right to penalise the dentist all the fees that he has charged for the patient if he treats the patient after 13 months. If the dentist comprehends this calendar sleight of hand, he sends the patient back to the general practitioner for another 'two year' form and is not penalised.

A good friend and colleague has recently been audited and has been charged to repay fees honestly earned, because of errors of administration. He works hard in a small practice serving Australians in a lower socio-economic area. This audit has almost crushed him economically and psychologically. I can see that if it can happen to him, it can happen to me, and I have decided to take early retirement at the end of this June in order to prepare my case.

I'd like to close with a quote from James Madison, "Father of the US Constitution" :

'The House of Representatives ... can make no law which will not have its full operation on themselves and their friends, as well as the great mass of society. This has always been deemed one of the strongest bonds by which human policy can connect the rulers and the people together. It creates between them that communion of interest, and sympathy of sentiments, of which few governments have furnished examples; but without which every government degenerates into tyranny'.

--- James Madison, Federalist Paper No. 57, 1788.

If it comes to pass that administrative paperwork to the nth degree becomes more important than our actual jobs, then skill and productivity will be diminished, and so will go the spirit.

Sincerely,

Stephen Nordstrom.