



**OFFICE OF THE PRESIDENT**  
Professor Ian Gough

Patron: H.R.H. The Prince of Wales

# ROYAL AUSTRALASIAN COLLEGE OF SURGEONS

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The Secretary  
Senate Community Affairs Committee  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Dear Sir

I write to address several matters pertaining to the Government's announced 2008-09 Budget measure to increase compliance audits on Medicare benefits. It would be appreciated if this letter could be brought to the attention of the Senate Community Affairs Committee in the context of its current inquiry into this matter, and be considered as a submission from the Royal Australasian College of Surgeons. Accordingly, the College would have no objection to this letter being posted on the Committee's website.

It is the College's understanding that the proposed measure has three components which represent a departure from existing arrangements:

1. Increasing the number of audits undertaken by Medicare Australia;
2. Compelling Medicare providers to produce evidence to verify their claiming when audited; and
3. Introducing administrative sanctions for Medicare providers who claim incorrectly.

While the College cannot of course guarantee ethical behaviour on the part of surgeons, it is emphatic in its expectation of ethical behaviour and abhors any abuse of Medicare funding arrangements.

The College recognises the value of compliance audits, providing such audits are conducted fairly, and their results are assessed by an independent and objective peer group rather than a government instrumentality concerned primarily with cost cutting.

The College makes several recommendations which it believes could improve the proposed arrangements:

- individual patient consent should be obtained before that individual's medical health or procedural details are accessed as part of a compliance audit;
  - this is of paramount importance if concerns regarding doctor patient confidentiality, and dangers arising from any compromise of that confidentiality, are to be satisfactorily addressed;
- any seized evidential material pertaining to patient care should be copied and returned to the practitioner within 24 hours, in order that ongoing or future care of the patient is not compromised; and
- Medicare should establish an easily accessible "hotline" to enable medical practitioners to resolve item number concerns.

I thank the Committee in anticipation of its consideration of these matters.

The College is available to elaborate further on any issues raised and remains ready to contribute to any discussion or activity that will positively advance the Medicare funding process.

Yours sincerely

Professor Ian Gough  
**President**