SUBMISSION TO THE STANDING COMMITTEE ON HEALTH AND DISABLITY IN THE ACT

Pecuniary Interest

Let me start by declaring my financial interest in the Wanniassa Medical Centre and Capital Chemist Wanniassa.

Fellow pharmacist [name withheld] and I opened the Wanniassa Pharmacy in September 1978. I managed this pharmacy until July four years ago when [name withheld] and I sold two thirds of our share to two young female pharmacists, [name withheld] and [name withheld] who now manage the pharmacy. [name withheld] and I still hold the remaining one third share of Wanniassa Pharmacy.

Soon after [name withheld] and [name withheld] purchased their share in Capital Chemist Wanniassa I was approached by the owners of the Wanniassa Medical Centre to consider purchasing a share of their existing building. The general plan was to expand the Centre and invite other GPs in the area to participate in an enlarged practice. [name withheld] and I considered this an excellent way to invest the proceeds of the sale of the Wanniassa Pharmacy and as a means of repaying the loyalty of our customers of thirty years standing in North Tuggeranong by helping to provide a greatly improved medical facility. The GPs were enthusiastic about the concept as it helped them to restore some balance in their lifestyles by reducing the onerous demands of running a small practice, no doubt exacerbated by the acute shortage of GP's in Canberra.

Three of the GPs, [names withheld], and [name withheld] and I participated in the purchase of the existing centre. [name withheld] and I then financed the expansion and refurbishment, the end result being that three doctors have a 15% interest in the enlarged centre with [name withheld] and I holding the remaining 85%. The total cost of the project was nearly two million dollars. Doctors [names withheld] subsequently joined the practice, giving a total of seven doctors at Wanniassa.

Symbion and Primary Health Care

While the Medical Centre was being rebuilt the doctors were approached by Symbion, a healthcare company, to purchase the expanded practice. This they agreed to, with doctors selling their individual practices and entering into a five year contract as salaried doctors. Symbion were to provide all reception and administration staff and entered into a five year lease with the new owners of the building. This arrangement suited all parties and operated very smoothly for twelve months.

In 2006 Primary Health Care, a 1.8 billion dollar listed company, built two large medical centres in Canberra, one in Phillip and one in Belconnen. I am aware that they approached many GPs in private practice in the ACT offering to purchase their practices as Symbion had done at Wanniassa, but apparently were not able to attract sufficient numbers locally to fully staff their centres for reasons best known to both parties.

Primary Health Care more recently acquired control of Symbion after a lengthy takeover process. This gave them control of the tenancy lease and the contracts between Symbion and the doctors at the Wanniassa Medical Centre. The same applied, of course, to other Symbion assets around the country.

Closure and Relocation

On August 31st July there was a rumour that the doctors at Wanniassa were to be relocated. Staff at the medical centre confirmed this turn of events the following day, and even more extraordinary was the news that the doctors were to move at the end of the following week. The doctors had little time to consider their options and the public to have an opportunity to fully express their opinion. The fact that over 2200 people signed a petition in the space of a couple of days which condemned the closure is a measure of the public interest.

Relocation Consequences

There is little point in detailing the sequence of events in the week following the announcement. The daily reports and letters to the editor in the press have graphically recorded the public anger and disbelief. Primary Health Care appeared to be oblivious of and disinterested in the enormous disruption the relocation of these doctors was going to cause. This observation is based on the manner in which they have responded to pleas, queries and complaints from our Federal and Territory representatives as well as the general public. From anecdotal evidence I have received from other doctors and owners of medical facilities in Sydney the company is apparently used to this sort of adverse publicity having instigated similar relocations elsewhere. It quickly became apparent that the company had little intention of reversing their decision regardless of public outrage.

Having known the doctors involved for many years I was able to speak to them privately over the course of the next few days. However, because they are under contract it is impossible for them to make any public statement regarding their position. Dr Edmund Bateman, CEO of Primary Healthcare and reputedly the richest doctor in Australia, appears to have a history of suing dissenting doctors under contract to his company if an extended interview recently published in a leading financial magazine is any thing to go by. However, from my private discussions with the Wanniassa doctors they are totally dismayed with the decision and feel they have let down their patients badly. It should be recorded that the doctors are totally blameless for this relocation.

It was not until Thursday 7th August, the day before they were to relocate, that the doctors were formally advised in writing of the relocation.

Viability

Dr Bateman, and his son Henry Bateman, have claimed in the press that the relocation is because the current centre is unviable and that patients will be better served by the bigger centre at Phillip.

This claim does not appear to be supported by evidence and is lacking in credulity.The Wanniassa Medical Centre, with all seven doctors working at full capacity and seeing 1500 plus

patients a week is in my view more than viable. Indeed to say otherwise would be to say that every small practice in Australia is in real trouble, which surely leaves private medical practice in this country in a very parlous state.

A simple calculation of multiplying the doctors' consultation fees (currently $55- $60) with the number of patients seen per week (on average about 1500) and adding the considerable practice incentives paid by the government will quickly reveal that the practice was generating many millions of dollars per annum. I challenge Dr. Bateman to provide evidence in support of his assertions.

Opening Hours

I also disagree with Dr Bateman's claim that the Phillip centre will better serve patients because of its longer opening hours and additional services. The contracts which the doctors currently have specify their working hours and my information is that there is NO requirement for them to work outside their existing hours, that is, at night and Saturday afternoons and Sundays. Hence the touted extended opening hours at Phillip are of little interest to existing patients if they wish to see their regular doctor during those hours.

I refer the Committee to a letter issued to patients by Symbion Health which states categorically "*They (*the doctors*) will be working similar hours and taking appointments on as they did at Wanniassa*".

Additional Services

As for the additional services (radiology, pathology, dentistry etc) these are all currently available close by at Erindale in Wanniassa. It should also be noted that since the Wanniassa Medical Centre has expanded the block adjacent to the centre has been released by the ACT Government with the lease purpose specifying paramedical services. Construction is currently underway on a two storey building with 1100 square metres of space being made available for those very services Dr Bateman claims we do not have. This building is due for completion in January 2009, but its viability is clearly now in jeopardy since it would have been largely reliant on the medical centre next door. I hasten to add that neither I nor any of my colleagues have a financial interest in this building.

Access and Parking

The relocation will obviously cause a lot of hardship for those patients that have disabilities or no means of transport. The only bus service originating in Tuggeranong and going to Woden via Townshend Street in Phillip is an hourly service which means that it will take at least three hours for a patient visit. The nearest bus stop to the centre in Colbee Court is approximately 200 metres away which is also obviously of concern for the elderly and disabled. Henry Bateman has claimed that Primary Health Care will provide a courtesy car. This could be construed as an admission that access to Phillip is a problem for some people. Reference to the letter from Symbion Health mentioned above says that this service will only be available six hours a day three days a week. Questions to be answered are: How long will this service last, how many cars will there be, and who will make the value judgement on who is deserving of the car and who is not?

If patients are able to drive to Colbee Court, then there are simply not enough car parks near the facility. There is an adjacent car park with 45 car parks (only one of which is for the disabled – hardly adequate), but this car park is also used by customers of the Colbee Court retail traders and public servants working the Woden area – it is one of the few car parks in the area where it is possible to park all day for free. Having visited the car park several times over the past week I can report that there are rarely more than six or so car spaces available at any given time, sometimes none. Street parking in Colbee court is also very restricted, both in length of stay and availability.

One also has to question whether Primary Health Care is in violation of the parking laws relating to health facilities once these doctors are relocated. I draw the Committee's attention to ACTPLA's Parking and Vehicular Access General Code (March 2008) which states that for a health facility there should be 4 spaces made available for each practitioner. Primary Health Care claim to have 17 medical practitioners at Phillip. There are, of course, other non-GP practitioners on site who have to be included in any parking requirement calculations.

Bulk Billing

Primary Health Care also claims that their arrival in Canberra in 2006 has raised the level of bulk billing in Canberra and that this relocation will increase that even further. This whole question of the level of bulk billing in Canberra is completely irrelevant to the current situation. Whatever your view on the levels and value of bulk billing the relocation of the Wanniassa doctors will not make one iota of difference as their contracts allow them to bill their patients according to AMA recommendations. The letter to patients from Symbion Health to their Wanniassa patients states "*Wanniassa Doctor's fees will be in line with AMA recommendation*" that is, no bulk billing. Surely it is the consumer's prerogative to see a doctor of their choice if they are prepared to pay more for it.

Economics of Corporate Medicine

Allow me to return to the question of the economics of the relocation. Primary Health Care is now prepared to pay out the remainder of their lease costing several hundreds of thousands of dollars over the next four years. It does not appear to have accrued cost savings on any front other than perhaps the possible retrenchment and/or resignation of some of the existing reception staff. Furthermore I make the following observations.

- The doctors at Wanniassa all have substantial practices of long standing; the ones at Phillip do not. By relocating the Wanniassa doctors Primary Health Care raises the visibility and credibility of the Phillip centre. One effect of the relocation is that the Phillip Centre no longer has to compete with Wanniassa. The construction of the paramedical centre in Wanniassa would have meant that the Wanniassa Medical Centre could compete with the Phillip entre on all fronts and the relocation has removed that 'healthy' (excuse the irony) competition.

- It is no secret that Primary Health Care could not attract sufficient doctors to their health centres, partly due to the general shortage of GP's. It was therefore convenient

to move the Wanniassa doctors since they were under contract and in no position to refuse.

- It is also no secret that the profits to be made from pathology and radiology in Australia are enormous and it is therefore in the interests of companies like Primary Health Care to control the doctors who in turn control where those services are accessed. Clearly if those services are provided under the same roof as a GP consultation, and acknowledging that it may sometimes be more convenient for patients to access those services, it becomes easier for corporate medicine to control and maximise the profits attendant to every patient visit. Some would go further and claim that this scenario leads to gross over servicing of the patient and hence an unnecessary burden on our health system. I refer the Committee's attention to the excellent article written Dr. Tuck Meng Soo about corporate medicine in the Canberra Times on Friday 8thAugust 2008. The picture he paints for the future of general practice and the increasing dominance of corporate medicine is a pretty dismal one.

- In time, Primary Health Care may ask the Wanniassa doctors to start seeing extra patients who are not their regular patients because of the difficulty in finding extra GPs. This may increase the profitability of the Phillip centre but unfortunately it will probably also lead to a diminution of the time available for the Wanniassa doctors to look after their patients of long standing. This could in turn exacerbate a deterioration in the doctor-patient relationship despite the best endeavours of the doctors.

Corporate Medicine

From where I sit there really are no clear winners in this absurd relocation. I include Primary Health Care in this observation since the current practices of the Wanniassa doctors will inevitably go into decline over time as Tuggeranong residents, who have no desire to deal with corporate medicine, find alternative GP's in more convenient locations.

This relocation has caused enormous distress to both patients and doctors. Already there have been resignations from administration staff because they feel they cannot work with Primary Health Care. One of the doctors is currently on stress leave because he cares passionately about the welfare of his patients and feels he cannot deliver that care under the new regime. Where is the dignity in all this for doctors and patients alike?

My enquiries over the past few days also reveal that the Wanniassa situation is not an isolated case. I am reliably informed that Primary Health Care has closed at least five major medical facilities in Sydney alone and is aggressively pursuing that process in other capital cities. These closures are slowly limiting choice and convenience for the public.

I am also informed that Primary Health Care has in some instances retained leases even though the medical facility is closed. This clearly denies other health care providers the opportunity to fill the vacuum left by their relocation of medical facilities. In the case of Wanniassa this is for a further four years!

My enquiries have also revealed that closure of the Kippax Medical Centre (another Symbion acquisition) is likely to occur very soon. Primary Health Care has slowly reduced the staffing there by by a process of attrition and relocation. It may be that Primary will be able to announce shortly that Kippax is no longer viable and, 'unfortunately', have to close it. I challenge Dr. Bateman to deny this impending closure.

Where to from here?

It is my contention that Federal and State/Territory members of parliament need to recognise that there is a serious erosion underway of the ongoing delivery of quality healthcare at the basic level of general practice medicine. Additionally, it will not be long before corporate medicine will dominate all facets of health care, with general practice being vertically integrated with services like pathology and radiology into the corporate structure. And the reality is that in this regard we are rapidly heading towards a monopoly situation, a very 'unhealthy' prospect.

More specifically I would like to see our legislators act to provide some protection for patients and doctors where there is clearly a conflict between the needs of the public health sector and corporate medicine. In the case of Wanniassa for example, where there is a demonstrable vacuum created by the abandonment of a medical centre in the pursuit of corporate profits and a potential to block other health providers by sitting on the lease, the government should be in a position to intervene. Basically, the delivery of quality health care should not be subject to the usual commercial imperatives.

Is this what we really want, with corporate profits taking precedence over quality health care?

Canberrans deserve better than the medicine being dished up to them by Primary Health Care.

Roger Tall