

## Supportive Residents and Carers Action Group Inc

### Submission

**VICTORIAN**  
**ombudsman**

We found agents cherry-picking evidence to support a decision to reject or terminate a claim - as little as one line in a medical report - while disregarding overwhelming evidence to the contrary. We found Independent Medical Examiners (IMEs) - whose opinions agents use to support their decision-making on compensation - receiving selective, incomplete or inaccurate information. We also saw evidence that some IMEs were used selectively to advantage the insurers - including those described by agent staff as 'good for terminations'.

Investigation into the management of complex workers compensation claims and WorkSafe oversight  
September 2016

***"We [The Ombudsman] found agents cherry picked evidence ...***

***- as little as one line in a medical report ...***

***while***

***disregarding***

***overwhelming evidence to the contrary"***

Royal Commission into  
Victoria's Mental Health System  
PO Box 12079  
A'Beckett Street  
VICTORIA 8006

Dear Royal Commissioner Allan Fels

**Victorian Ombudsman's investigations into Melbourne's purportedly independent expert psychiatrists: corruption**

Our association's Mr Dennis Sgarretta was informed by the Victorian Ombudsman that their investigators believed there was corrupt conduct in the instructors of a psychiatrist who posed as an independent medical examiner, Associate Professor [REDACTED], who wanted to know about advocates for the Bank Royal Commission and for the extension of the Royal Commission into Institutional Abuse, and the politicians and investigative reporters and FBI Special Agents which advocates were seeing. See attachment 1. (A copy of the Victorian Ombudsman's opinion is on the cover of Submission 2 to the Senate Foreign Bribery Inquiry where submissions from organisations like ours and Transparency International were noted by Victorian Supreme Court Justice Elizabeth Hollingworth in a case involving bribery by Reserve Bank of Australia officials known as the Commonwealth Director of Public Prosecutions v Brady. The Victorian Ombudsman went on to investigate approximately 350 cases and found that 20% of them involved psychiatrists who ignored overwhelming evidence and were inserting something tiny somewhere for the instructors to pick out to achieve the instructors agenda. Our association therefore invites your Royal Commission to review the findings by the Victorian Ombudsman and have any corrupt conduct in Melbourne's IME sector thoroughly investigated by funding agencies like the Health Insurance Commission and by medical boards.

According to union representatives for police and paramedics, purportedly independent IMEs should not be practising.

The Victorian Ombudsman's findings are similar to those made by the Banking Royal Commission in respect of the Comminsure Scandal.

The Victorian Ombudsman's findings are also similar to those claimed by Commonwealth Bank whistleblower and former chief medical officer of the Commonwealth Bank, [REDACTED], on Four Corners. According to Four Corners, they had evidence that medical reports were altered and deleted from the bank's computer systems in ways that members of the general public might regard as evidence tampering, expert witness tampering, and perversion of the course of justice.

The Victorian Ombudsman's findings are also similar to claims on 60 Minutes in 2015 in an episode regarding the psychiatrist report tabled to the County Court when a [REDACTED] was being sentenced for offences involving children. According to the episode, an esteemed psychiatrist wrote a report which claimed that [REDACTED]'s offending ceased decades earlier than his offending actually did, whereas the psychiatrist was aware that [REDACTED] admitted to the psychiatrist that his offending was as recent as 3 or 4 years before he was prosecuted.

According to 60 Minutes's copy of the court transcript, the judge specifically noted the purportedly long period of non-offending as relevant to the Sentence. It is clearly improper for psychiatrists and their instructors solicitors to doctor evidence such as material that went to the sentencing hearing.

We also wish to bring to your attention advice we have from retired medical practitioners and victims of egregious banking misconduct such as [REDACTED] about what bank victims described as "Deny, Lie, Bleed Them Dry Until They Die" syndrome. In essence, bank customers discovered fraud and falsification of signatures on the part of banks and/or brokers. Bank victims faced denials even after criminals pleaded guilty. In the case of R v Jordanou (County Court Victoria Judge Paul Lacava ) for example, a mortgage fraud ring fraudulently mortgaged people's properties in a 100 million-dollar scam, the bank foreclosed on victims properties, and the banks denied knowledge of their own staff's involvement notwithstanding claims by the defence QC Mr Patrick Tehan and claims by bank staff to crime reporter Mr Cameron Houston that the bank knew that its staff were approving bogus mortgages over people's property. One of the victims is the Australian sister of good friends of the former US President George W Bush, and the Commonwealth Bank repeatedly saw the error of its ways when it found out that its victims were in the US SEC Office of the Whistleblower Scheme and had filed complaints with the FBI by the US State Department's US Embassy in Canberra and the Nevada Gaming Commission. There were over 10,000 submissions to the Bank Royal Commission, and politicians carried out town hall meetings with many of them. The ALP for example led by Bill Shorten and Claire O'Neil MP propose a compensation scheme that would include what they call non-financial losses. We believe that your Royal Commission should look into a compensation scheme for victims of regulatory inaction, inaction on the part of Victoria Police, inaction on the part of the trust accounting division of the Victorian Legal Services Board and Commission, and cover-ups that inflicted PTSD -like symptoms on thousands of victims of predatory practices by banks and insurance companies.

Conclusion:

Our Association believes that the Victorian Ombudsman has an extensively long list of psychiatrists who pandered to their corporate clientele and lawyers in the personal injuries and workers compensation sector. Your Commission should investigate the psychiatrists of concern.

Throwing victims under a bus for the personal profit of the psychiatrist and their instructors should be thoroughly investigated by your Royal Commission and by government agencies that pay for those services.

Furthermore victims of these practices should be entitled to compensation for the infliction of PTSD -like symptoms.

Those who instructed they psychiatrists often have qualifications in psychiatry and would know that Gas Lighting is a particularly vicious and damaging when employed on unsuspecting members of the public. Those in positions of power should be mentally assessed for the traits attributed to Gas Lighters, and they should be removed from public office or from their corporate suites or law firms.

Yours faithfully

Committee

Supportive Residents and Carers Action Group Inc

Mr Dennis Sgarretta  
Via email: [dennis.sgarretta@ibac.vic.gov.au](mailto:dennis.sgarretta@ibac.vic.gov.au)

Dear Mr Sgarretta

Your complaint to the Victorian Ombudsman

Thank you for your online complaint received by this office on 1 August 2015 about the Victorian Legal Services Commissioner, and the Legal Services Board.

While the Ombudsman can consider complaints about most Victorian government agencies and local councils, under section 15(1) of the Ombudsman Act 1973, she is not able to consider complaints that appear to involve corrupt conduct.

The Independent Broad-based Anti-corruption Commission (IBAC) is the body that is responsible for investigating complaints about alleged corruption and I understand that on 29 July 2015 you raised your allegations with IBAC.

Should you wish to discuss your complaint further, you can contact IBAC at:

Independent Broad-based Anti-corruption Commission  
GPO Box 24234  
Melbourne VIC 3000  
Telephone: 1300 735 135  
Email: [info@ibac.vic.gov.au](mailto:info@ibac.vic.gov.au)

I trust this information is of assistance. If you have any queries, please contact me on 9613 6222, quoting reference number C/15/12800.

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U&A:  
OUR WEEKEND  
STORYTELLERS

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## Police, ambos slam insurance doctors

By **BEN BUTLER**, BUSINESS REPORTER

12:00AM AUGUST 1, 2016 • NO COMMENTS

Police and ambulance officers have hit out at the use of allegedly dodgy doctors to deny insurance claims for psychological trauma amid a probe into the sector by Victorian authorities.