Royal Commission Melbourne Hearing Block – 06 September 2023 [Day 8]

RSL References:

Positive:

Negative:

General:

Timeline:

10:48am – Commission opened
10:49am – Witness affirmed
10:50am – Opening
12:45pm – Lunch adjournment
1:51pm – Session recommenced
4:02pm – Commission adjourned, 8:30am 07 September 2023

Witnesses	Witness	Description
10:45am-12:45pm	Dr. Felix Sedal *Content Warning: Evidence may refer to material that may be distressing for some viewers*	Witness
12:45-1:45pm	Lunch Adjournment	
1:45-3:45pm	Dr. Felix Sedal continued	Witness

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10:45am-3:45pm – Dr. Felix Sedal

Evidence Tendered	
Type	**Body / Comment**
Verbal	A lot of factors that can be used to accept claims, but the date of onset influences the claims. Requesting information saw medical advisors needing to be given medical records. When initial liability is accepted, then it goes to claims to see what pensions or claims are applicable.
Verbal	DVA had two buckets of money, and by contracting us, they were able to shuffle the books so we weren't considered apart of DVA expenses.
Verbal	The systems are not user-friendly systems. I put ideas forward was to try as much as possible, to externalise the evidence, to allow independent medical examiners, to input that data into forms, veryify it on-the-spot and uploaded into a portal for delegate progress.
Verbal	The vast majority saw supported evidence claiming their diagnoses – there was very few inconsistencies and didn't see issues of fraud; very few things piqued further curiosity or was seen as extraordinary. With concerns of fraud, DVA probably didn't have adequate systems to identify fraud, but GPs often had detailed reports, but sometimes specialists may have been contradictory to service history or statements. Those specialist reports were very rare, and there should be appropriate and inappropriate ways to deal with that, but changing the scores of impairment shouldn't be the only way to address those concerns.
Statement, Dr. Sedal	**[29].** One argument sometimes put forward to justify the status quo was that GP assessments needed review because GPs didn't understand the questions or weren't qualified to provide medico-legal reports. In most cases, the information was basic clinical assessment, and if DVA doesn't trust GPs' ratings, then why ask for them in the first place?
Verbal	There's pressure for them [delegates] to undertake more and more claims which limits their ability to engage with training. Teams expanded quite quickly, the attrition rate is quite high, this huge-turnover, led to a workforce that wasn't adequately trained.
Verbal	There was a lack of departmental support for constructive guidance to delegates. We had these workforces that were under enormous pressure to settle claims as quickly as possible, and delegates felt as if they weren't supported, and had to protect themselves for claims. Many of them requested clarification and verification of claims through medical advisors, which delayed claims because medical advisors were not questioned on their decisions. Basic medical questions were asked because of fear.
Verbal	**Internal Power Dynamics**
Verbal	In practice, two version of how delegates and advisors approach the legislative issue. The stability of the diagnoses of the impairment and understand the clear diagnoses, by its very nature, there will be fluctuation in the impairment and undertake reasonable assessment of the PTSD and its impairment. The other approach is to understand the psychiatrist and whether the right boxes are ticked, it will be rejected on that basis.
Verbal	Sometimes claim splitting is disadvantageous to DVA clients. It isn't uncommon for multiple claims to be interrelated. Claim splitting may make claim difficult and complex issues are often difficult to unpack, and where claims are intertwined, interrelated, those liability determinations are often interdependent, and splitting two clearly related issues may be disastrous for a veteran. Impairment may be inappropriately reduced to zero, for failing to understand the interrelation of both or multiple conditions.
Verbal	Accepting the wrong condition likely is whether or not it is legally appropriate and policies may be contravening each other, or attempts to stop it.
Verbal	We (senior advisors) raised concerns regarding income splitting, and how to minimise those problems. The only study that touched upon these concerns were the medico-legal reports, with some audits questioning whether audits were required to be sought. The detail of those audits saw some data, but there was nothing in strong detail.
Verbal	Fragmenting those systems removes buffers that allows the system to exist and address the problem they should be addressing quickly. The siloed systems prevent teams from understanding the bigger picture that they are a part of.
Verbal	Apart of the training was to be cynical about the claims. Clinical advisors were frequently told that they 'advocate too strongly for veterans' and resulted in belittling comments and insults. We were told that we were 'too compassionate', and medical advisors approaches to attempt to push for veteran-centric approaches were met with resistance. I wasn't making extraordinary claims – but there were often many attempts to look at tiny discrepancies or technicalities to decline claims.
Verbal	Inherent biases are likely to have come from a culture of burnout, or had been taught to behave in a burnt out way. Delegates were taught how to behave in a manner that was burnout, they taught cynicism and apathy, and a compassionate reason, is to attempt to understand that they began with good intention and it evolved into that apathy and cynicism.
Verbal	There was an aspect that first alerted to me to serious issues within the Department; overhearing the way in which some claims would be discussed. It wasn't uncommon to hear lines such as "[X] couldn't have been sexually assaulted because [Y] was their husband or had a previous sexual relationship", or that "[X] went onto have a good career and is now claiming PTSD, how can that be compatible?" There was no understanding as to how these issues manifest, or being in a position where we meet people and very quickly – most doctors – gain an understanding that complex health issues never manifest in a singular linear way.
Verbal	Internal politics was incredibly dense. Office politics, and departmental politics dominated how things practically occurred. Legislative reform is necessary and important, and should ultimately make things easier to deal with. Reform still needs to be engaged with, and the importance of this complexity was often overstated by DVA, particularly having implications for IT systems, with a view that we need to wait for legislative solidification, but most of the IT systems that are needed, are legislation-neutral and need to be adaptable to changes of future legislative requirements.
Verbal	I don't necessary see the connection between IT systems and legislative requirements, allowing us to operate smoothly. That foundational IT systems and issues need to be legislative-neutral.
Verbal	The entire space was identified as a mess, with significant deficiencies, and identified serious deficiencies in data procurement. There were also significant issues identified with governance.

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Verbal	Ruthless self-reflection is required – coupled with relentless optimism to ensure that spirits aren't waivered, with both balanced to strive toward that Culture of Excellence. The Department should be duty-bound to ensure that their work, their systems and processes aren't approached with mediocrity and to ensure that additional harm and suffering isn't caused to veterans who require help – especially those with vulnerabilities to poorer mental and physical health outcomes.
Verbal	The Department needs to begin delivering on improved outcomes – they have had reviews, and reports, and so much money delivered to them. During my time, there was minimal change, substantive change between the changes that needed to be seen. DVA seems to be good at writing responses, and what they've done, but making it seem bigger than what it truly is.
DVA.5042.0001.	**[4]. Expand combined benefits processing:** *Collie Report* – The Collie Report considered that DVA's trial of combined benefits processing (CBP) appeared to have delivered positive results in terms of veteran experience and addressed multiple factors that impact veteran experience and mental health, including by reducing claims 'hand-over' between delegates, enabling better development of better process handling.
Verbal	We need to account for catastrophic risks, whilst rare events, and they need to be accounted for in the system.

Questions by Counsel		
Party	**Question**	**Comments**
Peter Singleton, Counsel Assisting	To what extent was claim splitting aware of the deleterious effects, and continuing to consciously continue splitting claims?	I believe that they were well aware, I notified the Department, to multiple levels of leadership, and I believe they continued consciously. Noting them saw an unwillingness to change anything.
Peter Singleton, Counsel Assisting	What responses did you get for raising those issues you raised as a concern?	The departmental response initiated 'health checks' as a result of raising those concerns. I did not see much of a response during the time I was there. By the time, at the local office, I had raised those issues in writing, it became an untenable place to work. There seemed to be an environment brewing where the leaders were not happy with the issues I raised.
Peter Singleton, Counsel Assisting	How untenable did it become? What is your level of confidence in DVAs ability to be reformed?	My confidence is incredibly low. I don't want to see a necessary y
Stephen McCredie, Counsel for Dr. Sedal	Was there ever a reprieve on the backlog?	There was very rarely a reprieve with the backlog and when there was, it was due to claim splitting or other methods that may have incorrectly processed claims .
Commissioner Brown	Was there anything to prevent advisors from addressing additional tests and then not reviewing them?	It may be an obvious solution, but we required clarification around confidentiality and privacy, and we were concerned about whether we could release that information for medico-legal reports. DVA did not provide an answer, but my medical insurer said it is best to not disclose those issues. The Department would not engage with the issue, and the advisors are not in direct-contact with the veteran, but would have established a client-relationship with those veterans.
Commissioner Brown	What training did delegates get?	I cannot say what training they had, but they did say that their training was inadequate. Delegates often looked to doctors for support with complex health issues, or with a veteran who was experiencing suicidal behaviours, and sought that help because they never received training how to deal with those difficult situations.
Commissioner Brown	What could DVA to convince you that they are heading on the right path?	Addressing the compensation claims backlog. After this investment and work done into optimise these processes, there should not be any claims outstanding for much longer. Resources need to be readily available, and there needs to be consideration for future events to ensure that these issues do not occur again.
Commissioner Brown	You've painted a bleak picture – it seems like a dysfunctional department, with blame-culture, and a powerless Secretary. Is that a fair description of your experience?	Yes, but in relation to these issues, the Secretary is not entirely powerless, but does not have the power to seem to be able to resolve some of these broader and more systemic issues.
Commissioner Brown	What would a well-functioning Department look like?	A well-functioning system could take into account the voices such as Julie-Ann Finney, and other people who have lived experiences, and consider their emotions. Those issues are considerably important to ensure that the system functions smoothly. Emotions need to be understood, the Department needs to have a soul and purpose that takes into account that these people are real lives, and every claim can resolve a real problem, to a real person. Structural changes should occur such as decoupling such as health and compensation. Some of that has happened already, but if you were designing an ideal system, one IT infrastructure that could share that information. In terms of IT, we have to figure out a way to fund a publicly-funded IT system that is structured as fit-for-purpose and not made to attempt to fit existing systems. The role of the Minister could be destabilising, but I was present for seven Ministerial changes, and that process sees destabilisation and consideration needs to be taken for transparency and have to have a degree of independence.
Commissioner Douglas	[Reference to Statement]	DVA as an organisation should be primarily thought of as a healthcare organisation, and have claims as a subset. Primarily, they should be considered as improving the healthcare for veterans.

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Commissioner Kaldas	Should those eighteen conditions where DVA accepts liability automatically, should that be introduced across other areas?	Largely, most things should be automatically accepted. IT infrastructure should be considered to automate the acceptance of *most* things. There's vague exceptions, however, many of the claims that deal with serw-related illnesses, are consistent across the cohort.
Commissioner Kaldas	Did you see cases of fraud?	No, there was no evidence of fraud.
Commissioner Kaldas	How did you find DVA engaged with veterans? As people?	M