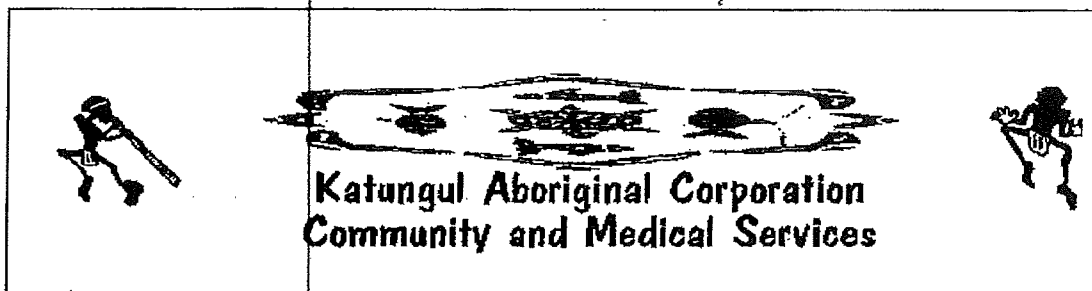


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ABN: 35 679076545

Partly Supported by the Department of Health and Ageing and Supported by NSW Health

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Monday 2nd May 2011

The Hon. Julia Gillard MP
Prime Minister of Australia
Parliament House
Canberra ACT 2600

Dear Prime Minister Gillard

Re: "Katungul Funding 'never permanent' MORUYA EXAMINER

We refer to the attached newspaper where our elected Federal Member of Parliament for Eden-Monaro, Dr Mike Kelly AM MP stated **"This has been the bane of my life"**.

Can you confirm Prime Minister that these are the views of Dr Mike Kelly or the views of the Australian Government and or the Labor Party?

We are again deeply offended by Dr Mike Kelly's ongoing comments in the media and as a result we have had to respond to the media after 5 years of in-action on a number of issues.

Dr Mike Kelly has never attended any of the Community Meetings that he has been invited to and has only met with Katungul on two occasions being once in his Electorate Office in 2007 for 1 hour. Nothing was addressed and no outcomes achieved. Then Dr Kelly finally came and met with us for 50 minutes when he came to Katungul Narooma Clinic in 2010 again no outcomes achieved.

The Katungul Aboriginal Medical Service is the only Aboriginal Community Controlled Health Service providing culturally appropriate health services from Ulladulla to the Victorian Border comprising 44 rural, remote and isolated Communities spread across 3 Local Government Areas which include the Shoalhaven City Council, Eurobodalla Shire Council and Bega Valley Shire Council with travelling distances of over 30,000 square kilometres. The Hon. Warren Snowdon was going to come and meet with us in January 2011 (copy attached) but the meeting was cancelled.

A 21-page joint evidence based funding submission was developed by Katungul and the South East NSW Division of General Practice dated 17 June 2008 (on our 15th Birthday) and was provided to Dr Mike Kelly.

The reality is we only receive enough funding to run one fulltime operational AMS and we are currently running 3 clinics in Bega, Narooma and Moruya. Last year we provided over 56,770 Episodes of Care and treated 8,694 patients. The cost of a fulltime Doctor is anywhere between \$390,000 and \$450,000 (depending on location and loadings, and insurances etc) and we currently have 2.3 FTE Doctors.

Our 2010/11 yearly funding from DoHA (OATSIH) is \$1,452,047 and we also receive \$252,907.28 for Katungul Bega Clinic. It should be noted that we receive no funding for Katungul AMS Moruya Clinic and the limited funding for Katungul Bega Clinic only allows 3 clinic days a week. We also receive no identified funding for Doctors.

Funding is only on a year to year basis (instead of on a 3 to 5 year recommended funding cycle applicable to other States and Territories) so it makes it extremely difficult to plan and employ on a yearly basis for Doctors, Aboriginal Health Workers, Dentists, Registered Nurses and Transport Drivers if we have no real commitment from one year to the next. In essence this is not justification for 'Closing the Gap' but only widening the gap of disparity.

Where is all the identified Government Aboriginal Health and Closing the Gap funding going?

We look forward to hearing from you Prime Minister Gillard.

For and on Behalf of the Katungul Board of Directors.

Yours sincerely

s47F

Ron Mason
Chairperson

Cc

The Hon. Tony Abbott MHR Leader of the Opposition
Senator Bob Brown Leader of the Greens
The Hon. Andrew Wilkie MP
The Hon. Tony Windsor MP
The Hon. Bob Katter MP



CLOSURE THREATENED: Senior Aboriginal health worker Aunty Norma Parsons, mental health nurse Jim Pearson, registered nurse Nicole Pelti, medical receptionist Jeanie Parsons and drug and alcohol worker Graham White fear lack of funds will lead to the demise of the Katungal Moruya clinic.

Katungal funding 'never permanent'

BY JOSH GIDNEY

THE Australian Government's Department of Health and Ageing has said that its funding of the Katungal Aboriginal Corporation Community and Medical Services was never meant to be permanent; and it will not be at fault if the Moruya clinic is forced to close.

It says Katungal CEO Damien Matcham is wrong in saying that the funding was meant to be ongoing.

"On December 7, 2007, the department provided a one-off amount of \$40,103 to assist with set-up and establishment costs of an outreach clinic in Moruya," a department spokesperson said.

"These funds were made available on the basis of advice from Katungal that they would be able to generate sufficient ongoing funds from Medicare-generated income. It is understood that this has not proved to be the case and Katungal has made a commercial decision to continue operating the Moruya clinic by reducing services at its Narooma and Bega clinics.

"Katungal is provided with funds to provide health services to the communities on the far South Coast of NSW. It is up to Katungal to determine how these funds are distributed amongst their three clinics."

Katungal has reduced services at both the Bega and Narooma clinics to divert resources to the Moruya clinic, and this is a

matter of concern to the department, which claims there should be enough to maintain the previous level of service.

"There has been no reduction in funding to Katungal that would warrant any reduction in services."

Federal Member for Edon-Monaro Mike Kelly has had enough of the issue.

"This has been the bane of my life," he said.

"The department never promised the funding would be recurring; it has just been a misunderstanding."

Mr Matcham claims that Katungal was promised recurrent funding for staffing and operational costs for the Moruya clinic, but only received one-off funding for lease costs for 12 months and four computers.

Meanwhile more than 100 people turned up for the Katungal Moruya community meeting at Moruya Showground last Thursday to discuss the clinic's future.

"We are forming support groups to lobby the government to keep the service open," Katungal medical receptionist Jeanie Parsons said.

Ms Parsons said many people were concerned that the closure of the clinic would leave a big void in the community.

"Our statistics show we see between 180 and 250 clients per month," she said.

Another meeting is scheduled for April 18 at a venue to be decided.



Australian Government
Department of Health and Ageing

Facsimile

Date: Monday, 10 January 2011
TO: Cheryl Morton
Company: Katungul Aboriginal Corporation
Community & Medical Services
Regarding: Fax - Advice that Minister is now unable to meet with the Katungul Board [SEC=UNCLASSIFIED]
Fax Serial No: 31173

Total pages: 3
Telephone:
Facsimile: +61244761478

If you do not receive all pages, please telephone the sender immediately

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MESSAGE:

Attention: Cheryl Morton

Dear Cheryl

Please find attached a letter which advises that Minister Snowdon is now unable to proceed with his planned meeting with the Katungul Board.

Could you please pass this advice on to the members of the Board.

Garry Fisk
Assistant Secretary
Capacity Development Branch
Office for Aboriginal and Torres Strait Islander Health
Department of Health and Ageing

Phone: S47F



Australian Government
Department of Health and Ageing

Ms Cheryl Morton
Katungul Aboriginal Corporation Community & Medical Services
PO Box 296
NAROOMA NSW 2546

Dear Ms Morton

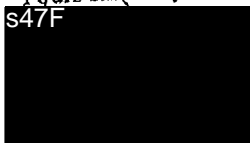
I refer to my telephone calls of 4 and 6 January 2011 regarding a potential meeting of the Board of Katungul Aboriginal Corporation Community & Medical Services with the Minister for Indigenous Health, the Hon Warren Snowdon MP. I also left a phone message this morning.

The reason for my call today was to advise that unfortunately Minister Snowdon is now unable to meet with the Katungul Board in the next couple of weeks. I received advice late on Friday 7 January that the Minister has been unexpectedly called to Darwin and will be heading off overseas.

The Minister has asked me to apologise for any inconvenience caused and that he will look at rescheduling the meeting with the Board in the future.

Thank you for your assistance in trying to set up the meeting. Your assistance has been much appreciated.

Yours sincerely
S47F



Garry Fisk
Assistant Secretary
Capacity Development Branch

10 January 2011

Email: s47F

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