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‘Dracula in the blood bank’: Years of inappropriate billing for spine surgery revealed



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KEY POINTS

- Doctors spent years inappropriately billing Medicare and private health insurers for expensive and questionable spinal surgery.
- A review of about 1200 health insurance claims for spinal fusion revealed more than 85 per cent were inappropriately billed.
- Private Healthcare Australia, the insurance industry’s peak body, said the findings were more likely evidence of error, not fraud.

This story is part of a series examining how billions of dollars are being rorted from Medicare each year. [See all 19 stories.](#)

Doctors spent years inappropriately billing Medicare and private health insurers for expensive and questionable spinal surgery, something a leading surgeon has compared to giving a vampire the keys to a blood bank.

A 2018 review, conducted by spine surgeon Dr Roy Carey, of about 1200 private health insurance claims for spinal fusion revealed more than 85 per cent were inappropriately billed.





Spinal fusion involves the joining of two or more vertebrae.

He and a panel of surgeons were also commissioned to review another 300 spine operation requests for WorkSafe Victoria. They found 293 were inappropriately billed.

“When you start to see what other people charge for things – I thought ‘f---’. I could have been on my fourth Bentley by now,” Carey, a former board member of the Australian Orthopaedic Association and a former president of the Spine Society of Australia, told *The Age* and *The Sydney Morning Herald*.

“Sadly, surgery now seems to have become a business, not a profession.”

In 2018, following a review, the government [made substantial changes](#) to the Medicare benefits schedule for spine surgery, in part to prevent inappropriate billing.

Because that happened after his review, Carey said he could not be sure what current levels of inappropriate billing were. “Anecdotally, it seems more difficult to game,” he said.

Carey’s revelations, which he quietly published in an industry journal in 2020, come as [two large new Australian studies](#) reveal these expensive spine surgeries – which can cost more than \$50,000 – are having extremely poor outcomes and leaving some previously-healthy people so badly disabled they are unable to work.