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**Transcript:** AMA President, Dr Michael Gannon, *The World Today*, ABC Radio, Tuesday 9 January 2018

**Subjects:** Early release of superannuation

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**SAMANTHA DONOVAN:** Health advocates are worried about the rising number of Australians dipping into their superannuation to pay medical bills. In 2001, about \$42 million was released early from the super system on compassionate grounds. By last year, that had increased to \$290 million, and as Meredith Griffiths reports, nearly three-quarters of that was spent on medical treatment and transport.

**REPORTER:** While it's supposed to be a nest egg for the future, you can apply for the early release of some of your superannuation on compassionate grounds. This might be to pay the mortgage, or cover the costs of the death of someone who depends on you. However, last year, most of the \$290 million that Australians accessed early was spent on medical treatment and transport.

The amount of superannuation funds released early on medical grounds has been rapidly increasing since 2010. Michael Gannon, from the Australian Medical Association, says the superannuation system is being used as a safety net for health costs, including for things like weight loss surgery.

**MICHAEL GANNON:** Well, we're aware of thousands of people using the arrangements as they currently exist. The problem with bariatric surgery is that this reflects a failure of the system. There are very limited public hospital services in this important area. A lot of the treatment is evidence-based. We want to see an expansion of the bariatric surgery options in the public system.

**REPORTER:** He has some concerns about finance companies set up to help people access their super, particularly when it comes to IVF.

**MICHAEL GANNON:** It's absolutely essential that the clinical decision-making is at arms' length from the financial considerations, and it's absolutely essential that every one of these patients is given robust, completely independent financial advice before going down a road which increases the prospect that they will not be self-funding when it comes to retirement.

**REPORTER:** The Finance Minister, Kelly O'Dwyer, has ordered a review into the early release of superannuation, with a report due in March.

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