
1st July 2008

CONFIDENTIAL

Constable Jerry Williams
Caloundra Police Station
1 Gregson Place
CALOUNDRA Q 4551

RE: DR. KAREN LEE MAHLO DOB: 5/9/55

Dear Constable Williams

I write following my phone call with you at 3.00 p.m. on 1st July 2008 whereupon I gave you further information concerning Dr. Mahlo.

As you will recall you contacted me on 28th May 2008 and advised me that Dr. Mahlo had been found deceased at her home that morning. Apparently she had a single stab wound to her heart.

I have been advised by Dr. Mahlo's daughter, Anna, that she witnessed a conversation between Dr. Karen Mahlo and John Hehir on the afternoon of 27th May 2008 whereupon he was very disparaging towards her. He had made statements to the effect that she had wrecked his life and was extremely critical of her. This conversation was witnessed by Anna as the phone was on speaker phone at the time.

I understand that Anna and Dr. Mahlo then went to the Department of Motor Transport together and that Dr. Mahlo then went home. I understand that Dr. Mahlo may have consumed almost a full bottle of spirits on the evening of her

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death, though I am not aware of the results of any toxicology or autopsy report.

When you called me on 28th May 2008 I advised you that Dr. Mahlo had been my patient from 17th January 2007 and that on two occasions in 2007 she had self-harmed.

On 18th April 2007 she advised me that some two weeks previously that she had taken some pills and alcohol and had wanted to cut an artery. She had sliced down on her left ankle and took three strokes with a sharp object. She passed out in the bathtub. She told me that if she had done this again that "she thought she would have to sharpen the knife". She had a one cm long laceration on her left ankle when seen by me.

On 23rd May 2007 she saw me after I had received a telephone call from Dr. Phillips (her general practitioner) the previous evening to advise me that she had cut her right wrist. She had been threatening suicide the day before and had been drinking copiously. She had drunk a half a bottle of Cointreau and one bottle of gin. She had two small longitudinal incisions on the palmar aspect of her right wrist.

She was offered admission to hospital which she declined.

At an interview with me on 10th April 2008 she admitted that she had more suicidal feelings. As she was leaving my office and was just about to move

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out the door she turned to me and said "Do you think anyone would care if I killed myself?". I reassured her that everyone would care. She smiled when she made the comment, though I regarded her as having a very strong and persistent risk of suicide.

Whilst I was away on leave I understand that she took a large overdose and was admitted to Intensive Care and then spent a week in the New Farm Clinic.

Following this overdose and hospitalisation I had seen her on three occasions, namely:

- 8th May 2008
- 14th May 2008
- 21st May 2008

The details outlined above were broadly communicated to you in my telephone conversation with you on 28th May 2008.

In terms of other background history Dr. Mahlo had been working as the Medical Superintendent at Nambour General Hospital. Prior to this she had been the Medical Superintendent at Orange Base Hospital between 1995 and 2005. She had two episodes of depression during that time. She saw a psychiatrist while she was in Orange and was placed on anti-depressants.

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She had also seen Dr. Phillips in August 2005 for treatment of a depressive illness and he had started her on Efexor which had been helpful and which she was still taking when referred to me in January 2007.

A series of allegations had been made against her at Nambour General Hospital including allegations that she was mentally ill and that she was drinking whilst at work (in the car in the carpark).

On 4th October 2006 she was asked to voluntarily stand down from her position. On 5th October 2006 she was formally stood down and told to leave work immediately.

She was subsequently referred for a psychiatric opinion from Professor Harvey Whiteford and then as the Medical Board had been advised that this opinion was being sought, they referred her for an opinion from Dr. Kevin Calder-Potts.

I have a copy of Professor Whiteford's report dated 19th October 2006 and on page 4 of that report he stated "at the time I examined Dr. Mahlo she was not disabled by any mental disorder which would prevent her from carrying out the duties and responsibilities of her position as the Executive Director of Medical Services".

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I have a copy of the report of Dr. Kevin Calder-Potts dated 11th December 2006. Dr. Calder-Potts stated in his report that "I do not find Dr. Mahlo impaired in any way by any mental health issues but I feel that she may have difficulties in her relationships due to her limited insight". "The difficulties in the workplace should be addressed within the workplace and is not an issue for the Medical Board as her professional conduct is not compromised".

Whilst being seen by me Dr. Mahlo was suffering from a major depressive disorder also complicated by intermittent alcohol abuse. She was unfortunately in a total stalemate with her workplace. Following the advice being received from Professor Whiteford she returned on work on 23rd October 2006 and it was very clear that there was an agenda at her workplace to remove her. Her last day at work was on 15th January 2007.

Essentially over a long period of time Dr. Mahlo was left in the dark about the complaints against her and one can only be left with the impression that the non-medical administration at Nambour General Hospital wanted to get rid of her.

At a meeting at Nambour General Hospital on 2nd April 2007 of the medical staff there was an overwhelming vote of confidence in her abilities and there was no-one at the meeting which was very well attended who expressed any criticism of her. It nevertheless took a further nine months for her return to work to be organised and she found the whole process to be neglectful and humiliating.

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She always had a very strong expectation of “doing the right thing”. She had made herself unpopular with some people within the hierarchy of Queensland Health and they had made it clear to her that if she returned to her original job at Nambour General Hospital they would take disciplinary action against her.

She was offered the option of resignation (accepting a payout and signing a confidentiality agreement) or a Deputy Medical Superintendent position at Redcliffe Hospital (once again signing a confidentiality agreement).

I felt quite strongly that the way that she was treated at Nambour General Hospital was directly responsible for damaging her mental well-being and that really no employee should have been subjected to the treatment which she received by her employer.

She was admitted to the Sunshine Coast Private Hospital under my care on 15th September 2007 for alcohol detoxification. She had been abusing alcohol heavily and had self-mutilated by way of cutting off her long hair. She denied at that stage that she wanted to kill herself, but admitted that the act of cutting off her hair was “a self mutilation thing”.

On other occasions when I had suggested admission to hospital this had been declined.

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When she took the overdose in April 2008 this occurred in the context that she was extremely distressed that two of the persons whom she felt had been instrumental in removing her from her position at Nambour General Hospital had both been promoted and that she had actually been demoted. She felt in my opinion justifiably upset about these events.

She had three visits to my office following the overdose. On 8th May 2008 she advised me that she was no longer living with John Hehir. She had on my advice advised the Medical Board about the problems that she was having and was in agreement to go ahead with any undertakings that they asked her to make.

At her second appointment with me on 14th May 2008 she came with her father. She was still very disillusioned about her work and still struggling to cope with the demotion.

On 21st May 2008 she came alone to her appointment. She was much more positive about her future and expressed an interest in going back to work at Nambour General Hospital in a role where she would be training junior doctors. She had always enjoyed this sort of work and was well suited to it. She told me that she had not been drinking for a few days and I had again advised her to have no alcohol at all.

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I am aware that on 26th May 2008 she had to attend an appointment with Dr. Ken Fredericks on behalf of the Medical Board. This was to further assess her fitness to practice.

On 27th May 2008 she rang my office and advised my secretary that the meeting had gone very well. During that telephone call she also advised that she needed to postpone her 29th May 2008 appointment with me as she was going to a conference on that day. A subsequent appointment for 3rd June 2008 was confirmed. Dr. Mahlo requested for the time to be changed to an earlier time slot in order to accommodate her working hours as she was planning to return to work at Redcliffe Hospital on 2nd June 2008. According to my secretary, Dr. Mahlo sounded very positive and cheerful.

Her anti-depressant medication was changed while she was in the New Farm Clinic from Efexor 300 mgs per day to Lexapro 30 mgs per day.

Following Dr. Mahlo's death I have met with her daughter on a number of occasions. Her daughter is understandably very distressed about the circumstances of her mother's death. Her daughter was initially extremely upset that John Hehir's verbal outburst against her may have precipitated Dr. Mahlo's decision to kill herself that night.

Mr. Hehir had always appeared to me to be extremely controlling and calculating and both Dr. Mahlo and Anna Sasonow have both told me that on or about 1st April 2008 that he had organised for some white powder to be

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placed in a drawer in Anna's desk. She was working as a receptionist in his business. Anna Sasonow has told me that Mr. Hehir had organised for "a retired police officer" to come to the workplace and feign a raid. He had introduced himself as "a police officer" and said that he wanted to search her belongings. She had a very small quantity of marijuana in her belongings and was extremely upset by these events. They subsequently told her that it was "an April Fool's day joke". She felt extremely humiliated by what amounted to a very calculated attack upon her.

Two weeks ago I was contacted by Ms. Margaret McNamara from Biggs & Biggs solicitors who are acting for Ms. Anna Sasonow. I was aware that immediately following Dr. Mahlo's death that Mr. Hehir engaged another firm of solicitors.

Following Dr. Mahlo's death I was advised that Dr. Mahlo had left a property at Moffat Beach which was valued at \$1.5 million to Mr. Hehir. Ms. McNamara in her conversation with me two weeks ago expressed the view that she thought that there may have been some foul play involved in relation to Dr. Mahlo's death.

I do not know exactly the state of Dr. Mahlo's body following her death. I am not a forensic pathologist. I would think though that it would require a large amount of force to push an average knife through the chest wall into the heart and that co-ordination is significantly reduced by heavy intoxication.

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I advised Ms. Margaret McNamara that I would tell the Police about our conversation and pass on the information concerning the events following Dr. Mahlo's death relating to her Will and her estate.

I did ring the Caloundra Police Station on three occasions prior to calling you today. On the first of those occasions I was advised when your next shift would be. When I called back on that occasion you were not on that shift at that time and were doing night duty and then when I called last week I was given the time of 3.00 p.m. on Tuesday 1st July 2008 as being your first shift back on day duty and I have duly called you today.

Whilst Dr. Mahlo was under my care she had persistently had problems with depression and alcohol abuse and these problems were also complicated by a great deal of stress related to her employment.

I was aware that her relationship with John Hehir was very unstable. He had repeatedly said that he disapproved of her smoking and drinking and it appeared to me that they were an incompatible couple and that she could not meet his expectations of her.

She did not discuss her Will with me at any stage though I do believe that she was very heavily influenced by Mr. Hehir and that he was very over-involved in her life (boyfriend, financial adviser, executor of her Will and beneficiary of her estate).

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I understand that Dr. Mahlo's brother was in contact with John Hehir contesting whether John Hehir should continue as the executor of the estate.

I would appreciate that the Police will investigate all of these matters thoroughly.

I am grateful that you took the time to call me about Dr. Mahlo's death on 28th May 2008 and I am available to elaborate on what I have outlined above if any further clarification is required.

Yours faithfully

Dr Clive Fraser
Consultant Psychiatrist