



Summary of

Submission in Relation to the Potential Sale of Australian Hearing

Deafness Forum of Australia

August 2014

The Terms of Reference for the scoping study into the potential sale of Australian Hearing are commercially focussed with an emphasis on minimising risk and maximising benefit to Government. That focus is not particularly surprising when investigating the potential sale of a Government owned asset. However this particular asset has a significant impact on people's lives.

Deafness Forum wishes to ensure that the contractors involved in the scoping study, and those who will make the final decision on the future of Australian Hearing, were aware of the impact of the sale on client services and outcomes. We believe that one of the main decision points as to whether the sale should proceed, has to be based on how the sale will impact on the services received by clients, and whether appropriate arrangements can be put into place to continue to meet their needs.

The report we prepared outlines the essential elements of the service that are valued by clients, and are key to achieving positive outcomes for hearing impaired and Deaf people. It highlights the risks and challenges of moving to alternative service delivery arrangements, and suggests opportunities for service improvements if the sale proceeds.

When compiling the report the project team looked at all of the client groups seen by Australian Hearing and assessed the potential impact of a change in service delivery arrangements.

The first group we considered were the clients who are eligible to receive services under the Australian Government Hearing Services Voucher Program. These clients are predominantly pensioners and veterans with non complex hearing rehabilitation needs. This work accounts for approximately 75% of Australian Hearing's business. Voucher Program clients receive the same services at Australian Hearing as they would from any of the other 230 Providers in the Voucher Program. Therefore the sale of Australian Hearing is unlikely to have an impact on this client group except perhaps in relation to access. We recommend that a mapping exercise be undertaken as part of the scoping study to determine whether Australian Hearing is the sole provider of services in any location. An assessment can then be made on the impact on accessibility if any of these service points were to close under new ownership arrangements.

If services under the Voucher Program was the only issue to consider in relation to the sale of Australian Hearing then the investigation and decision on the sale would be very straightforward. However that is not the case.

The main point of difference between Australian Hearing and other hearing services providers is its delivery of services to special needs groups under the Australian Government Hearing Services Community Service Obligations Program (CSO Program), and the world renowned research undertaken at the National Acoustic Laboratories (NAL).

In 1997 when the Voucher Program was established, it was determined that the needs of certain client groups could not be adequately met by the Voucher scheme. These client groups were classified as Community Service Obligations, and Australian Hearing was appointed as the sole provider of services under a fixed funding arrangement. The NAL research facility was also identified as a Community Service Obligation. There have been several investigations in the last 17 years to see if the service could be delivered by other providers, but no changes have been made to date.

The CSO Program provides a safety net for vulnerable client groups who require time intensive, specialised, and consequently high cost programs in order to meet their needs. The client groups in the CSO Program include:

- children and young adults to the age of 26 years,
- Aboriginal and Torres Strait Islander peoples aged over 50 years or participating in the Remote Jobs and Community Program,
- eligible adults with complex hearing rehabilitation needs and
- eligible adults in designated remote areas.

These are the people who would be most affected by the sale so the main focus of our report is on the needs of these client groups.

We will briefly outline the key program components identified through the consultation process that were seen as essential for achieving the best outcome for CSO clients, and that could be at risk or present challenges if there is a change in service delivery arrangements.

EXPERTISE

Clinicians working with the CSO client groups need to have a high level of specialised knowledge and expertise. There are no formal qualifications in paediatric audiology, or working with clients with complex hearing rehabilitation needs. Audiologists working with CSO client groups attain their skills through in house training and mentoring programs at Australian Hearing. So before the CSO Program arrangements could change, there would need to be formal training programs established for professionals to gain the skills they need to deliver CSO client services. If CSO clients are not able to access services from an appropriately skilled clinician, it is likely to have a detrimental effect on their rehabilitation program outcomes.

Also, there is a critical number of clients that need to be seen by an individual clinician in order to maintain skill levels. The CSO client groups are very small. There are around 20,000 Deaf and hearing impaired children and about the same number of adults with complex hearing rehabilitation needs across Australia that qualify for services under the Program. If that number is broken up across more than one Provider it will be difficult for clinicians to maintain their skill level.

ACCESS AND EQUITY

A change in ownership at Australian Hearing or a change to service delivery arrangements for the CSO Program, could introduce a number of risks in the area of access and equity. For example:

- Service locations that are not particularly profitable may be closed leaving people with long distances to travel in order to access a service. Clients in rural and remote areas would be most at risk although it could also happen in urban areas
- translation and interpreting services could be at risk due to the cost of providing these services
- the requirement for staff to have the cultural competencies to work with clients from culturally and linguistically diverse backgrounds could be lost
- services may become inconsistent across service locations particularly if there are multiple providers, unless there is a strong quality framework in place
- if the cost of the Program becomes an issue then services may become dependent on what the person can afford to pay

- access to hearing assessment services for children who do not require a device may not continue as the policy that restricts services to these children would be difficult to implement across more than one provider

QUALITY

Service quality is important to the people receiving the service, the funding Department and the professionals who deliver the service. Under alternative arrangements there would need to be minimum standards specified and a quality framework established to ensure that all clients receive a high quality, consistent service regardless of where they access services. The standards need to be benchmarked against international best practice recommendations and updated regularly. Australian Hearing currently manages that in consultation with the Office of Hearing Services. Under alternative service delivery arrangements the responsibility for setting standards and monitoring quality would probably transfer completely to the Office of Hearing Services. The current environment of increased efficiency dividends and reduced staffing numbers presents a risk for the Department to recruit the resources it would need to take on that responsibility.

TECHNOLOGY

Technology is a critical element of a client's hearing rehabilitation program. CSO clients are aware that they benefit from the existing device supply contracts that Australian Hearing has because of its Voucher business. They receive higher level technology than is available through the Voucher Program without having to make a co-payment. They also receive additional devices that are not part of the Voucher Program. Access to timely repairs, loan devices and replacement devices are critical so that the client is not left without a functioning device. Clients are concerned that they may not have access to the same level of technology, and support for their technology, without the CSO Program and the services at Australian Hearing.

CLINICAL PROGRAMS

Technology is important but the other aspects of the client's rehabilitation program are equally important. CSO clients require time intensive programs that are flexible and responsive to the needs of the individual. Clients are concerned that their clinical programs could be threatened in terms of timeliness of appointments, time spent on appointment programs, and consistency with recommended best practice under alternative arrangements.

COST

Although services are free for CSO clients, they are conscious of the cost of the services and devices they receive. The CSO Program is funded through a fixed annual allocation. The Program relies on the infrastructure and bulk purchasing arrangements that are available through Australian Hearing to contain costs. There is also no profit margin in the CSO allocation. If the CSO Program is commercialised then the cost of the Program will increase as occurred when the Voucher Program was introduced. Clients are aware that the services they receive are quite costly and they realise that any new service delivery arrangements will result in an increase in the cost for Government. Consequently they are worried that the level of services or devices they receive may be reduced or require a co-payment in order to contain the cost of the Program in the future.

CLIENT PROTECTIONS

The CSO client groups are highly vulnerable and they need a Program that is totally focussed on their interests and well-being. CSO clients currently feel a high degree of trust in the advice and information they receive from their clinician. They have confidence that the clinician is working in their best interests. If arrangements change clients are concerned that the advice they would receive would no longer be unbiased. The introduction of commercial practices such as paying staff a bonus for selling a high cost device could put highly vulnerable clients at risk of being sold a device or a service that they don't need.

Having a Government Provider can make it more difficult to effect change, however it also offers certain advantages and protections. The Government Provider is obliged to implement broader government policies which work in the interests of the Australian community such as access and equity and social inclusion, whereas the private sector is only required to implement these policies if it is a legal requirement or included in their contract. For example, Australian Hearing supports people from culturally and linguistically diverse backgrounds with printed material in other languages, website access in other languages, a telephone hearing screening test that is not language dependent, staff training in working with people from other backgrounds and free interpreter services for appointments. Under the Voucher Program providers are not required to do anything to support people from other backgrounds to access the Hearing Services Program. Unless it becomes a contractual requirement to implement policies that support the needs of particular communities, the absence of a Government Provider could lead to sections of the community being isolated from the services they need.

ADDITIONAL REQUIREMENTS FOR THE PAEDIATRIC SERVICE

There are some very specific requirements for the paediatric program. Families want an independent organisation that will provide a comprehensive, evidence based audiological

program that will deliver the best outcome for their child, and that will assist them to find the educational and support services that they need. They are concerned that this impartial advice will be lost if the hearing services provider is also an educational provider, or aligned to a particular device manufacturer.

Families want the links between audiologists, educators and others involved with the child's care to be maintained, and for the support to educational facilities to continue. This would become more problematic with multiple providers.

The success of newborn hearing screening programs is heavily reliant on strong links between the screeners, the hospital diagnostic centres and the audiological and early intervention services. These relationships would be difficult to achieve with multiple hearing services providers. Appointments for infants need to be given priority over all other activities. The children and their families require a significant amount of time in the first few years of their programs. There is concern that this focus may be lost in a commercial environment.

Australian Hearing has been the sole provider of services to hearing impaired and Deaf children in Australia since 1947. Because the work is so specialised and expensive to deliver, and the numbers are so small, the private sector has mostly been happy to leave the responsibility with the Government Provider. It is not immediately evident if the paediatric program can be managed as effectively by other service providers. Therefore changing the existing arrangements is a high risk activity. If a change in arrangements does not deliver the services needed, it would lead to a much poorer outcome for hearing impaired and Deaf children and their families. We must not allow that to happen.

ADDITIONAL CONSIDERATIONS FOR THE OUTREACH PROGRAM FOR ABORIGINAL AND TORRES STRAIT ISLANDER CLIENTS

There is strong support for the outreach program for Aboriginal and Torres Strait Islander clients to continue. If this service is allocated to a new Provider it will be important to ensure that the Provider has the workforce capacity to deliver and maintain an outreach program, and has a knowledgeable workforce that understands the cultural aspects, the health aspects and the particular hearing issues in Aboriginal and Torres Strait Islander communities.

NATIONAL ACOUSTIC LABORATORIES (NAL)

NAL is a world leader in research into hearing assessment, hearing loss prevention and hearing rehabilitation and contributes to helping people lead more fulfilling and productive lives. It would be a huge loss to the field of audiology if NAL did not continue its work. There is concern that this research facility may be lost if Australian Hearing is sold.

OTHER FUNCTIONS

As the Government Provider, Australian Hearing delivers other functions that would need to be placed elsewhere or will otherwise be lost if the sale proceeds. For example:

- As the sole provider of services to hearing impaired and Deaf children, Australian Hearing is in a unique position to report on demographic information for children fitted with devices in Australia. It currently publishes this data annually
- It monitors the impact of initiatives on the prevalence of hearing loss, the severity of the loss and the fitting patterns
- It contributes to international best practice standards and clinical protocols
- It provides independent advice to Government on hearing issues in relation to service planning and horizon scanning for the CSO Program
- It provides independent advice to the community on hearing issues

These functions need to be reallocated if the ownership of Australian Hearing changes.

OPPORTUNITY FOR IMPROVEMENT TO CURRENT ARRANGEMENTS

The sale introduces the potential for service improvements.

- Many private clients have long wanted to access the expertise of Australian Hearing clinicians. If the sale proceeds then that would become a reality but perhaps only through the transition phase depending on how the CSO services are managed in the future
- Due to the fixed funding arrangements various policies have been put into place to contain costs. Policies such as the limitations on service availability to children requiring hearing assessment services, or limits on the reach of the outreach program for Aboriginal and Torres Strait Islander clients. The lifting of these policies would lead to service improvements
- Australian Hearing provides a different model of service delivery to frail elderly clients in residential aged care facilities. This model is now regarded as best practice but is only available through the CSO Program. A change to the service delivery arrangements introduces the potential to expand this model of service delivery to all frail elderly clients in aged care facilities.
- The establishment of formal qualifications for clinicians working with clients with complex hearing rehabilitation needs, would also benefit clients who do not qualify for the CSO Program and access services in the private sector
- A change to the service delivery arrangements should provide an opportunity to revisit the eligibility criteria to determine whether the Program is still targeted appropriately. For

example, providing access to people on low income would support them in finding employment and to gain promotion.

CONCLUSION

Based on our investigations, clients in the Voucher Program are unlikely to be affected by a change in ownership of Australian Hearing, whereas a decision to change existing arrangements for CSO client groups could have life changing effects. If the arrangements do not deliver the required level of service, it could have an adverse impact on a child's speech and language development, and have a negative effect on life opportunities such as educational attainment and workforce participation. A poor outcome for the clients of the CSO Program could result in social isolation and mental health issues in the longer term.

We ask that those involved in the scoping study and those who will decide whether the sale goes ahead, carefully consider the impact of the sale on the CSO client groups and ensure that clients are not disadvantaged as a result of any changes. We also strongly support the continuation of the highly valued research undertaken by the National Acoustic Laboratories.

Contact

Stephen Williamson
Chief Executive
Deafness Forum of Australia
Open Systems House, 218 Northbourne Avenue, BRADDON ACT 2612
T: 02 6262 7808
steve.williamson@deafnessforum.org.au
www.deafnessforum.org.au