

TRANSITION OF THE
AUSTRALIAN GOVERNMENT
HEARING SERVICES
COMMUNITY SERVICE
OBLIGATIONS PROGRAM TO
THE NATIONAL DISABILITY
INSURANCE SCHEME

ISSUES PAPER

DEAFNESS FORUM OF AUSTRALIA
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AUSTRALIAN GOVERNMENT HEARING SERVICES COMMUNITY SERVICE OBLIGATIONS PROGRAM AND THE NATIONAL DISABILITY INSURANCE SCHEME

INTRODUCTION

In his media release of 8 May 2015 regarding the future ownership options of Australian Hearing, the Minister for Finance indicated that “Government will engage with stakeholders as it develops and implements a plan for Community Service Obligation clients to transition to the NDIS during its national rollout and to prepare the hearing industry to offer quality support for its clients”.

It is in this context that Deafness Forum of Australia, the peak body representing the views and interests of the Deaf and hearing impaired community, would like to raise questions and concerns regarding the proposed reforms.

Deafness Forum of Australia supports the implementation of the National Disability Insurance Scheme (NDIS). It is a very positive and important initiative that aims to address the needs of people with a disability throughout their lives. It is appropriate for the relevant Departments to investigate how existing funding arrangements for disability programs will transition into the NDIS. It is reassuring to know that clients moving between existing programs and the NDIS will not be disadvantaged.

The Department of Health has issued some information to explain how the Australian Government Hearing Services Community Service Obligations (CSO) Program client groups will transition to the NDIS. However further information is needed about the arrangements for groups identified as transferring to the NDIS as well as for those client groups, services and activities that are not covered by the NDIS.

Information issued to date has several references to hearing services for the CSO clients being contestable under the NDIS, yet the services most likely to transfer to the NDIS are for the client group where the private market has not needed to participate before, that is, in the delivery of hearing services to Deaf and hearing impaired children and their families. There needs to be strong evidence that there is more than the current provider with the capacity and capability to deliver services to CSO clients who qualify for services under the NDIS, before considering an arrangement where services are contestable.

Also the proposed reforms need to be tested against a future where there may not be the safety net of a Government Hearing Services Provider.

1. CSO CLIENT GROUPS LIKELY TO TRANSFER TO THE NDIS

The CSO client groups most likely to meet the eligibility criteria for the NDIS are Deaf and hearing impaired children, Aboriginal and Torres Strait Islander peoples aged over 50 years and under 65 years and those participating in the Remote Jobs and Communities Program, and adults with complex hearing rehabilitation needs aged under 65 years.

Currently, if people qualify for the NDIS at the pilot sites and require hearing assistance, they are streamed to Hearing Services Providers through the Australian Government Hearing Services Program. If they meet the eligibility criteria for the CSO Program they are seen by Australian Hearing. Otherwise they have a choice of Providers under the Voucher Program. This ensures that the more complex clients are seen by Audiologists with the required expertise and receive the program of services and devices that are appropriate for their needs.

If services for clients transferring from the Hearing Services Program to the NDIS are to become contestable, how will adult clients, and families of Deaf and hearing impaired children, know that the service provider has the expertise, facilities and equipment needed to provide the level of services required?

What safeguards will be put into place to protect these highly vulnerable groups?

Services to Aboriginal and Torres Strait Islander clients are often provided through a culturally appropriate outreach program. ***Will that arrangement continue if services are contestable?***

Children with hearing loss receive individually tailored programs and it is expected that this will continue under the NDIS. However under the Hearing Services Program, services are also offered to early intervention agencies and educational facilities to support educators of Deaf and hearing impaired children. ***Will the program to educational facilities be supported under the NDIS? How would this be co-ordinated if there are multiple providers?***

Any change to existing arrangements will need careful management to safeguard standards, as any deterioration in current arrangements could severely impact on client outcomes.

It is recommended that outcome measures be undertaken prior to services moving to the NDIS. This will provide a benchmark to measure any changes that result from moving services from the Hearing Services Program to the NDIS.

2. CSO CLIENT GROUPS AND ACTIVITIES THAT ARE UNLIKELY TO TRANSFER TO THE NDIS

- a) Eligible adults aged over 65 years with complex hearing rehabilitation needs
In the short term Australian Hearing will continue as the sole provider of services under the CSO Program.

What options are OHS considering for the longer term for eligible adults with complex hearing rehabilitation needs?

If these services were to also become contestable under the Australian Government Hearing Services Program how would issues relating to expertise, standards and quality be managed?

- b) Children under 26 years who do not meet the eligibility requirements for the NDIS
What options are OHS considering in the longer term for:
- ***Children requiring diagnostic hearing assessment***
 - ***Children with hearing loss who are not fitted with a device but require ongoing monitoring programs***
 - ***Children and young adults with hearing loss who may not qualify for the NDIS***
 - ***Activities undertaken as part of the current paediatric program service delivery that may not be included in the NDIS eg school visits***
 - ***Data collection on children fitted with devices in Australia***

- c) Indigenous outreach program
Australian Hearing delivers a culturally sensitive outreach service to several hundred Aboriginal and Torres Strait Islander communities in urban, rural and remote areas.

While some of the clients who currently receive services through this program will qualify for services under the NDIS, not all of clients seen eg children with conductive hearing loss, or other activities undertaken as part of the program such as community education, would be included in the NDIS.

What options are OHS considering to deliver these services?

- d) Cochlear implant upgrade funding for children
Children with cochlear implants currently receive support with replacement processors and repairs and batteries. They can also access new processors when they become available if the upgrade provides clinical benefit. While it appears that device maintenance costs are likely to be included under the NDIS it is not clear whether access to technology upgrades will continue.

Can OHS confirm that cochlear implant upgrades will be funded under the NDIS? If not, how will the upgrade program be managed in the future so that children are not disadvantaged from the move from the Hearing Services Program to the NDIS?

e) NAL

The scoping study into the potential sale of Australian Hearing showed strong support for the continuation of the National Acoustic Laboratories as an independent research organisation.

What will happen to the research funding that is currently directed to the National Acoustic Laboratories under the CSO Program if Australian Hearing is privatised?

Can OHS provide certainty on the future of the National Acoustic Laboratories regardless of whether Australian Hearing is privatised?

3. CONTESTABILITY

In his media release of 8 May 2015 regarding the future ownership options of Australian Hearing, Minister Cormann indicated that “the introduction of the National Disability Insurance Scheme will open the delivery of the Community Service Obligation hearing services to competition”. Contestability has also been mentioned at several Senate Estimates hearings.

Before services are moved to being contestable, particularly in an area where the private market has not been required to operate in the past, it would seem reasonable to firstly assess whether there is interest and expertise in the private market to compete for these services, and the level of coverage that will be available in an open market. This assessment will not guarantee that other providers will ultimately enter the market as was evidenced with the proposal to open up the telecommunications universal service obligations. There were attempts in 2001 to encourage other operators to compete with Telstra for universal service provision however despite there being other expertise in the market, and initial interest shown from other providers to take on this work, no competitor has ever emerged.

Expertise

Audiology is a self regulating profession. There is no peak registration board or authority that has overarching responsibility for the profession of audiology. This is an area of risk for consumers who will have no objective way of knowing whether the person is appropriately qualified.

The assessment of expertise in the private market to deliver services to the CSO client groups will be challenging as there are no formal qualifications in the fields of paediatric audiology or working with adults with complex rehabilitation needs that would allow clinicians to objectively demonstrate that they have the necessary competencies to deliver services to these client groups. OHS has indicated that they have approached the Professional Bodies for assistance to identify expertise but it is difficult to see how the professional organisations can gather this information with any degree of accuracy or reliability as they would need to rely on self identification through a survey of members. As there are a number of professional associations that Audiologists can elect to join, it will be important to ensure that the identification of expertise is carried out objectively and consistently across the profession.

The skills, knowledge, equipment and facilities needed to work with families with an infant who has just been diagnosed with hearing loss is different to the expertise required to work with a Deaf or hearing impaired teenager. Therefore **when assessing expertise in providing services to children, it is recommended that this be identified by age group. It is suggested that expertise for working with children be identified against the following age groups: 0-6 months; 7 months – 3 years; 3 - 6 years; 7-12 years, 13+ years.**

Currently, services to clients in the CSO Program are provided by experienced Audiologists who have also received in-house training at Australian Hearing in working with clients with complex needs and their families. Australian Hearing has developed training courses and mentoring programs for Audiologists working with CSO clients, and has a clinical support network for these Audiologists. **It is critical for formal learning and development programs with independent competency assessments to be established before moving CSO services to a contestable arrangement.**

Research indicates the expertise of the service provider has a significant impact on client outcomes. Consumers need certainty that they are accessing services from a clinician with the appropriate skills. If new service delivery arrangements are introduced, consideration needs to be given to the mechanism that would be used for clinicians to attain the competencies needed to deliver services to CSO clients in the future, and for consumers to be able to recognise that practitioners have the skill level required to provide these services.

Due to the complexity of the work, services should only be provided by qualified Audiologists with training in these specialised fields. CSO services should not be provided by Audiometrists.

How will OHS assess expertise and coverage to support hearing services delivery to all Deaf and hearing impaired children aged 0 – 26 years, adults with complex hearing rehabilitation needs and Aboriginal and Torres Strait Islander peoples aged over 50 years?

Minimum Caseload Requirements

Once a professional has attained a certain skill, they need to apply these skills in the clinic on a regular basis in order to maintain their level of competency. This is easy to achieve in the Voucher Program as there are over 600,000 clients who access services from 230 Hearing Services Providers across Australia. The CSO client groups are much smaller. There are approximately 20,000 children and young adults fitted with devices, and 20,000 adults with complex hearing rehabilitation needs receiving services from Australian Hearing. In the case of hearing aid fitting for children, there are only 2,000 children fitted with devices for the first time each year. Breaking that down further, there are approximately 250 infants under 12 months of age fitted for the first time annually. If these client groups were to receive services from a large number of Providers in the future, it would be difficult for a practitioner to maintain their skill level if they were to only see a small number of children or adults each year or every few years.

When considering service delivery options for CSO clients, it is important to ensure that the Program does not become so fragmented that it is impossible for clinicians to maintain their skill level. Due to the small population of Deaf and hearing impaired children, it is recommended that a single provider be nominated as the sole provider of services to infants and children.

Safeguards

A move to contestability has the potential to remove the safety net of the Government Provider that is currently ensuring that services:

- Are available in urban, rural and remote areas of Australia
- Are within a reasonable travel distance for clients
- Are delivered by professionals with an appropriate level of expertise
- Are delivered fairly and equitably
- Are delivered in a culturally sensitive way
- Are focussed on the best interests of the client and their family
- Are delivered consistently across service locations
- Are delivered according to international best practice recommendations
- Are available for all clients regardless of their age, level of disability, socio economic background or requirements for interpreter and translation services

In relation to services to children it is important to ensure that:

- The program allows for a family centred response, giving families time, information and support to allow them to make an informed decision for their baby or child
- The child receives an individually tailored program to meet the needs of the child and the family
- The child receives the services and devices they needed to achieve the best outcome
- There are strong relationships between audiological services, educational services and other support services including referrers
- The service is provided by highly skilled clinicians

- The clinical programs are research based and supported by clinical protocols
- The programs are provided with the focus on the best outcome for the child rather than a sales focus
- Services are equitable and not based on the family's ability to pay
- Information and guidance is impartial and unbiased
- Services are well located to minimise the need for travel

What safeguards will be put into place to ensure that these issues continue to be addressed when clients transfer to the NDIS?

Coverage

The scoping study into the potential sale of Australian Hearing investigated site coverage between Australian Hearing and the private market and found a similar spread of clinics in urban, rural and remote areas. This may provide some level of certainty that clients in the Voucher Program would not be disadvantaged if Australian Hearing was privatised. However it does not provide any information on coverage for the CSO client groups in a contestable arrangement. The private market does not currently provide services to Deaf and hearing impaired children. It cannot be assumed that the private sector would establish services to this client group at all existing locations due to the cost of the facilities and equipment, and the difficulty in finding expertise particularly in rural areas. It is critical to understand the level of access available before deciding on whether services can be contestable in all locations.

In a contestable environment it is possible that providers may take on the easier work in urban areas but not offer services that are likely to be expensive such as services to infants, or people living in rural and remote locations. Australian Hearing will not necessarily be compelled to provide a safety net for more vulnerable clients if operating in a competitive market. Therefore there needs to be a high degree of confidence that services are sustainable to all client groups if services become contestable.

It will be important to map service coverage for the CSO client groups prior to services moving to the NDIS so that changes in access levels can be monitored.

Australian Hearing as NDIS nominated provider

Unless there is firm evidence of there being the capacity and capability in the private market to deliver services to Deaf and hearing impaired children without any reduction in clinical standards, quality, technology, service standards and access and equity, then Deafness Forum of Australia recommends that Part 6 of the NDIS (Plan Management) Rules 2013 be applied which would allow the CEO to nominate Australian Hearing as the provider of services to Deaf and hearing impaired children and young adults.

This arrangement does not have to apply to the same age range as is used with the CSO Program ie from birth to 26 years. The key issue is to safeguard the groups that are most at risk under the proposed reforms.

It is suggested that Australian Hearing be nominated as the provider of hearing services to children from birth to the time the child leaves secondary school. The reasons for nominating this group of children to remain with Australian Hearing are as follows:

- It ensures clients will receive services from Audiologists with appropriate expertise
- It ensures specialist Audiologists will have the minimum caseload required to maintain their skill level
- It protects existing referral arrangements for infants diagnosed through newborn hearing screening programs and older children diagnosed with hearing loss who would otherwise be at risk of being lost in a system of multiple providers. It also provides a streamlined system and appropriate support for families who may be feeling high levels of stress at the time of diagnosis
- It provides families with a service that can provide unbiased advice as it is not affiliated with a particular early intervention service or owned by a hearing aid manufacturer
- It controls the range of hearing devices fitted thereby reducing confusion for teachers in dealing with multiple devices
- It ensures device compatibility in classrooms for children using FM systems
- It will ensure coverage across a range of service locations
- It would allow Aboriginal and Torres Strait Islander children to continue to receive services through a culturally appropriate outreach program
- It is cost efficient and effective and provides the best value to Government and the Australian taxpayer

Contestability is an important issue to resolve as it will influence the options available, and the legislative requirements that may need to be put in place, in relation to the potential sale of Australian Hearing. If no other service providers are able to deliver services to the level required, and Australian Hearing is nominated as the sole provider of services then that arrangement needs to be protected even if Australian Hearing is privatised.

Consumer views on contestability

It is interesting that contestability has been promoted as one of the key benefits of moving the CSO Program to the NDIS. Deafness Forum of Australia has consulted with families on this issue. The results indicate that while parents understand the potential benefit of having a choice of provider, they believe it is far more important to preserve the existing benefits available through having the Government Provider as the sole provider of services to children and their families. Issues relating to expertise, unbiased information and advice, and trust were more valued by families than having a choice of provider. Families believe this will ensure the best outcome for their child. There is also concern that families who are very vulnerable at the time their child is diagnosed with hearing loss and know very little about hearing impairment are not in a position to make an informed choice about different providers. The current arrangements provide a safety net for children and their families to ensure that the child's outcomes are not compromised.

The Deafness Forum consultation highlighted that families do not support contestability in the delivery of services to Deaf and hearing impaired children.

4. TESTING PROPOSED ARRANGEMENTS AGAINST THE SCENARIO WHERE AUSTRALIAN HEARING MAY NOT BE IN THE MARKET

It is important to determine whether the sustainability of service delivery to existing CSO client groups is dependent on Australian Hearing remaining as a service provider in a contestable environment.

The delivery of CSO services particularly to babies, very young children and children with a disability requires high level expertise, high cost equipment and specialised facilities. It is extremely challenging, and at times costly, to support the ongoing availability of appropriate expertise and to deliver consistent, high quality services particularly in rural and remote locations. The delivery of the more complex CSO services is unlikely to be a profitable activity under the NDIS. If the sale of Australian Hearing proceeds and the CSO services are in a contestable environment then the new owners are likely to review whether Australian Hearing should continue to deliver services to CSO clients and if so, whether services should continue to all age groups and be provided in all current locations. If Australian Hearing is no longer providing a safety net for more vulnerable clients then some clients could be left without a service unless they were prepared to travel a significant distance.

5. SERVICE DELIVERY UNDER THE NDIS

Referral pathway

The pathway for accessing support under the NDIS is to confirm eligibility, develop a plan with an NDIS planner, choose supports, implement the plan and review the plan. The pathway for accessing hearing services under the CSO Program is more streamlined and therefore clients are able to access the support they need without delay. Currently Australian Hearing has arrangements in place to ensure that infants diagnosed with hearing loss through newborn hearing screening programs and older children diagnosed with hearing loss are seen urgently so they are provided with amplification and other support as quickly as possible. The eligibility checking is immediate and the planning is done with the service provider, i.e. Australian Hearing, so there is no delay between diagnosis and treatment. The arrangement where there is only one Provider nominated to deliver services to infants and children minimises the risk of them being lost to follow up.

The NDIS pathway needs to be adjusted to ensure that infants and older children diagnosed with hearing loss are seen promptly and not left to negotiate a planning

process in the NDIS before accessing the services they need as any delay could have an adverse impact on the child's outcomes. Referral to a single provider reduces the risk of children being lost to follow up in a system where there are multiple providers.

Requirements for contestability under the NDIS

If CSO services are to become contestable, Deafness Forum of Australia recommends that this should be contingent on:

- The establishment of formal training and qualifications and an accreditation/registration system for practitioners who are delivering rehabilitation services to Deaf and hearing impaired children and adults with more complex hearing rehabilitation needs
- The services should only be provided by qualified Audiologists
- Protections need to be put in place to ensure that clients from culturally and linguistically diverse backgrounds, low socio-economic background and people in rural and remote areas will be able to access appropriate services
- Safeguards to ensure access to timely appointments and to ensure that all children receive devices that provide optimal amplification for their listening and learning needs without the necessity for families to provide a co-payment to access the level of technology required
- The establishment of minimum technical standards for hearing aids and supplementary devices
- Once services move from the Australian Government Hearing Services Program to the NDIS, there needs to be a requirement for NDIS service providers to demonstrate the clinical standards, service standards, technology standards and quality framework they will apply in the provision of services to CSO clients as part of the approval process when registering as a service provider.
- The establishment of a quality framework within the NDIS to ensure compliance with the standards

6. RECOMMENDATIONS

The transfer of services from the CSO Program to the NDIS opens up areas of risk for the people who use the services. There are risks to:

- Access and equity
- Quality assurance and continuous improvement
- Expertise
- Timeliness of services
- Service and technology standards
- People may fall through the gaps due to the different eligibility arrangements or because there are multiple providers

- Deaf and hearing impaired children may not reach their potential if they do not receive services from an appropriately skilled clinician
- Adults with complex hearing rehabilitation needs may have a reduced quality of life if they do not receive services from an appropriately skilled clinician

Based on the information available regarding the transition of CSO services to the NDIS, Deafness Forum of Australia recommends that:

- Outcomes measures be undertaken prior to client groups moving to the NDIS so there is a benchmark to gauge any changes in standards and outcomes
- Existing service locations for CSO groups be mapped so there is a benchmark to gauge any changes to service access
- Market testing be undertaken to determine whether contestability is a viable option for any of the CSO client groups. This needs to include the availability of expertise, appropriate equipment and facilities and location of services.
- When assessing expertise to deliver services to children, the expertise should be identified for service delivery to specific age groups eg 0-6months, 7months – 3 years, 3-6 years, 7-12 years, 13+ years
- Services to CSO client groups should only be provided by appropriately skilled Audiologists
- A single service provider should be nominated as the provider of hearing services under the NDIS for Deaf and hearing impaired children aged from birth to the time the child leaves high school. If no other competitor is identified through market testing then Australian Hearing should be nominated as the provider of services. Otherwise a competitive tender arrangement could be instigated
- The NDIS pathway be reviewed to ensure it supports the existing referral arrangements from diagnosis to treatment/intervention and does not introduce unintended delays
- If services are to be contestable then formal learning and development programs with independent competency assessment should be established before moving CSO services to a contestable arrangement. An accreditation/registration system is also needed so consumers can determine that the Audiologist has the require competencies.
- Appropriate safeguards need to be implemented to ensure that clients from culturally and linguistically diverse backgrounds, low socio-economic background and people in rural and remote areas will be able to access appropriate services
- Appropriate safeguards be implemented to ensure providers are following best practice and have a system of continuous improvement. Providers need to demonstrate the clinical standards, service standards, technology standards and quality framework they will apply in the provision of services to CSO clients as part of the approval process when registering as a service provider
- Further consultations be arranged before implementing any changes

This issues paper was prepared by Deafness Forum of Australia, the national organisation that speaks for 4 million Australians who live with a degree of hearing difficulty.



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