

# Future of Australian Hearing - scoping study

A decision has yet to be made by the Government on a sale (privatisation) of Australian Hearing.

In 2014, the Government commissioned a scoping study to investigate issues and options relating to a sale. The Government has not released the full report, but it has provided a summary. The study's recommendations were not included.

Australian Hearing provides hearing services to clients eligible under the Australian Government Hearing Services Program. This government owned organisation includes the National Acoustic Laboratories.

## Scoping study

The key stakeholder issues identified through consultations with Deafness Forum of Australia and others were:

- Eligibility – assuring ongoing eligibility for CSO clients; children receive the breadth of services they need
- Access – ease of access for parents, maintaining Australia's low loss to follow up ratio; ongoing services to rural Indigenous population including better co-ordination
- Quality – need to maintain a quality holistic approach to service delivery; safeguards to assure quality of service, special needs of paediatric and outreach
- Funding – maintenance of sufficient program funding; funding for Indigenous programs spending it in the right areas; guarding against cost increases for CSO reductions in technology and service
- Research – the importance of NAL remaining as an independent research organisation; access to data provided by Australian Hearing for hearing loss research projects

In 2014 the hearing services market was 66% Voucher (approximately \$400m), 7% CSO (approximately \$60m) and 27% private market. The private market is expected to show 6% growth.

The Government scoping study found that:

- Australian Hearing is a service provider and does not determine Government policy for eligibility to funded hearing services or the nature of those services
- The Office of Hearing Services provides advice to Government on the impact of any change in health policy, population growth and technology on the cost of service delivery under the Hearing Services Program
- Health policies that underpin funding of CSO hearing services by the Australian Government are not impacted by the ownership of Australian Hearing
- Many other service providers now service the majority of clients
  - 100% of private clients
  - Approximately 70% of Voucher services

- 250+ providers operating from 2600 locations around Australia
- Australian Hearing has a similar site profile to other providers with just over half of sites in urban areas
- The hearing services market is competitive and mature
- The National Disability Insurance Scheme (NDIS) will change the way hearing services are provided in Australia
  - The NDIS will affect Australian Hearing regardless of future ownership
- Emerging industry trends include:
  - Technological advances in self treating hearing loss
  - One stop shop models, increasing industry consolidation, online service providers
- As a Government Provider, Australian Hearing is restricted from participating in all segments of the market
- Australian Hearing needs to adapt to the growing, changing market and to the introduction of the NDIS
- Australian Hearing needs to diversify to give clients the breadth of services that some other providers offer
- Australian Hearing needs to have flexibility and capacity to deal with emerging industry trends
- All stakeholders highlighted the vital role of National Acoustic Laboratories. Stakeholders said that NAL should continue:
  - As an independent research entity
  - To underpin national hearing health priorities
  - To provide evidence based recommendations for clinical practices and
  - Collaborate with Australia's hearing research industry
- NAL should continue to provide independent research to maintain Australia's leading position in this field
- NAL would have a greater opportunity to capture other research funding from having more experience in the broader contestable research funding environment

Options are:

- Keep the status quo. However, the NDIS will affect Australian Hearing regardless of future ownership
- Investigate what can be done within Government which raises questions around competitive neutrality
- Private ownership

## National Disability Insurance Scheme

Irrespective of the future of Australian Hearing, part of the Australian Government's Hearing Services Program will transition to the NDIS. This will affect clients aged under 65 years who meet the eligibility criteria for the NDIS.

**This report is provided 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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