

Changes to Australian Government Hearing Services Program and Voucher scheme

The Commonwealth Department of Health has published a report on its investigation into the future of the Hearing Services Program, and with a focus on the services and technology supplied to people under the Voucher Scheme.

The Department of Health outsourced the investigation to a commercial company, PwC. During 2016 and 2017, PwC interviewed organisations that have an interest in the Hearing Services Program, such as audiology companies, hearing device manufacturers, professional bodies representing audiology practitioners, and consumer groups including Deafness Forum of Australia.

The findings of the review showed that improvements to the Voucher Scheme can be achieved through changing and improving the current arrangements instead of creating an entirely different model. The risks and costs associated with a new model were assessed to be high, and could not be justified when measured against the benefits achieved with the existing arrangements.

In this article, Deafness Forum will summarise the report's recommendations.

About the Hearing Services Program

The Australian Government Hearing Services Program aims to reduce the impact of hearing loss. The Voucher part of the Program is a safety net to ensure that people most in need and the vulnerable members of the Australian community have access to hearing services and assistive hearing technology. The Voucher scheme provides eligible people with access to hearing services that can include:

- A comprehensive hearing assessment performed by a qualified hearing services provider
- Access to a wide range of fully subsidised hearing devices
- Advice on how to achieve maximum benefit from your device
- Further support and hearing services, even if fitting a hearing device is not suitable
- Optional annual maintenance agreement where, for a small fee, you can receive repairs and batteries to support your hearing device.

People are eligible if they are an Australian citizen or permanent resident 21 years or older and a:

- Pensioner Concession Card holder and their dependant
 - Department of Veterans' Affairs Gold Card holder, or a White Card holder issued for specific conditions that include hearing loss and their dependant
 - Centrelink client receiving Sickness Allowance and their dependant
 - Member of the Australian Defence Force
 - Referral by the Disability Employment Services (Disability Management Services) Program
 - NDIS participant with hearing needs
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The review resulted in a report to the Commonwealth Department of Health. The report made 13 recommendations. These changes aim to deliver a Hearing Services Program that is sustainable, client and outcomes focused, and holistic in the delivery of hearing support. If they are adopted by the Department of Health they are expected to result in a service delivery model that is able to better support client outcomes, improve business processes, reduce administrative burden, deliver value for money, and support a consistent government approach to the provision of hearing services and technology.

Changes that would affect the Voucher Scheme as a whole

1. Accelerate the transition to an outcomes focused model

The Department of Health should accelerate the transition to an outcomes focused model by:

- Amending the policy objective of the Hearing Services Program to focus on the achievement of optimal clinical outcomes for clients
- Work with industry to
 - Define optimal clinical outcomes for clients
 - Set a standardised approach to measuring outcomes and
 - Determine principles to facilitate comparison of outcomes across client cohorts and contracted service providers

This recommendation means that the Program has become very focused on hearing devices. A high proportion of clients are fitted with a device even if they are not ready and motivated to use it. Deafness Forum and other organisations such as Better Hearing Australia have been saying that even if a hearing device is provided to a person, they need to be given the support and skills to learn to live with them effectively – we call this rehabilitation. The report is recommending a shift to being more outcomes focused. The report recommends changing the stated aims of the Program so that it is clear that it is the outcome that is important rather than the device and to agree on a consistent approach to measuring client outcomes and also a way to compare outcomes across different client groups and providers. While most providers have a system to measure client outcomes they should be required to do it in a standardised way.

2. Review the Minimum Hearing Loss Threshold

The Minimum Hearing Loss Threshold (MHLT) should be formally reviewed with the intention to investigate:

- aligning the MHLT with international practice definitions of disabling hearing loss
- mandating the measurement and reporting of hearing loss via international and industry practice (4 Frequency Average Hearing Loss), and
- applying the outcomes of the review to prospective clients

Currently, the Program does not allow audiology clinics to fit a client with a device if the client's hearing loss (measured across 3 frequencies) is less than 23dB. There are a couple of exceptions to this rule. The report is saying that the Hearing Services Program should be the

same as international best practice arrangements in its measurement and reporting of hearing loss. This change to reporting an average hearing loss across 4 frequencies in place of 3 frequencies should have no impact on clients.

3. Improve the information about hearing services and assistive hearing technology, and dissemination of this information to clients in the Voucher Scheme

To address consumer hearing literacy concerns and enable clients to be more active in achieving optimal clinical outcomes, the Voucher Scheme should provide client-friendly information that facilitates the objective comparison of assistive hearing technology and services available through the Voucher Scheme. Providing client-friendly information would empower clients by giving them access to information that contributes to better decisions.

This recommendation is that people be given more client-friendly information – for example, by using simpler language and in formats, channels and at times that best suit them - so they are in a better position to participate in the decisions about their hearing rehabilitation program.

4. Investigate the scope and cost of providing a range of additional services through the Voucher Scheme

It is recommended that the Department of Health investigates the scope and cost of providing a range of additional services and benefits that could positively contribute to achieving optimal clinical outcomes for clients. This includes:

- interpreting and translating services for clients from non-English speaking backgrounds
- teleaudiology services for rural, remote locations, or where clients would benefit from access through a digital medium, and
- the application of a 'home-visit' loading to cover travel costs

The report recommends that the Program should in the future pay for interpreter services for people from non English speaking backgrounds.

It recommends that audiologists should receive an extra fee (loading) when they make home visits. This could make offering home visits more attractive for businesses to offer, and this could result in more services of this type being available.

It recommends that teleaudiology be treated as acceptable way to deliver hearing services and paying providers for delivering services through teleaudiology. Teleaudiology is where hearing services are delivered to clients, particularly those in remote areas, using telecommunications technologies. The audiologist and the client are in different locations and use technology to overcome the issue of distance. It is possible to provide hearing assessments, program hearing devices and provide counselling and support using teleaudiology.

5. Change the name of the Voucher Scheme

Changing the name of the Voucher Scheme would help support the shift towards an outcomes focused model (see recommendation 1). It would allow the scheme to move away from the notion that it is the voucher itself that provides the benefit, instead of the appropriate and timely delivery of hearing services and provision of assistive hearing technology to motivated clients who are willing to address their hearing loss. From a behavioural standpoint, changing the name of the Scheme would minimise the current perception that all benefits of a voucher are to be used, regardless of the impact they have on achieving optimal client outcomes.

There is a perception that because the Voucher covers the provision of a hearing assessment and rehabilitation program including a device fitting, then a Voucher represents an "entitlement" for the client to be provided with all of the services and technology whether it is needed or not. The proposal is to change that perception to one where the client can expect to access a range of professional services, advice and technology where indicated, to assist them with their specific individual hearing needs.

Changes that would affect service items and fees

The following recommendations propose the introduction of a simple standard suite of hearing service items with an associated benefit (the recommended prices). These recommended prices reflect publicly available information on the types and prices charged for services offered by the hearing sector, the National Disability Insurance Scheme, and similar services of related allied health sectors.

These recommendations don't affect clients directly but hopefully if providers can claim more easily for services they provide and receive a more appropriate level of reimbursement it will lead to improved service quality.

6. A simplified and unbundled model for the schedule of service items

It is recommended that a simplified and unbundled schedule of service items be adopted to simplify the clinical pathway, reduce administrative burden, mitigate the prevalence of wasted expenditure, and highlight the role that hearing services play in helping achieve optimal client outcomes. This is achieved by ensuring that services are received by those clients who most need them, streamlining the claiming rules, and providing a means to delay the provision of assistive hearing technology where it is clinically appropriate.

There are lots of items that audiology providers can claim as costs that can be reimbursed by the Voucher Scheme, but there are also lots of rules around the claiming arrangements. This recommendation is that a simple claiming process be designed. This should help clients to access the clinical services they need when they need them and not be excluded from gaining services that the provider is unable to claim for due to the rules around the claiming arrangements. An example: for a provider to claim for an appointment known as a client

review it must be more than 12 months since the date the client was originally fitted with their device and more than 12 months from the last client review. This rule means that some clients cannot get the support services they need when they need them; or the audiology clinic has to deliver than without being paid.

7. Adopt a new pricing structure for the simplified and unbundled model of service items

The fees recommended for each hearing service in the simplified and unbundled model of service items (see recommendation 6) have been determined through a comprehensive scan of the Australian hearing services market (including the public and private sectors). The aim is to determine an efficient level of pricing which reflects the value of the service provided and attempts to remove or mitigate the current need of Contracted Service Providers to cross-subsidise a loss in the provision of services with the prescription of assistive hearing technology and associated bundled services. The finding that some hearing services in the Voucher Scheme were priced at below market value has informed the increases in the new pricing structure.

This recommendation is about introducing a simplified fee schedule and a change to the fees paid to providers as the fees were found to be below market value. As a result we can expect the cost of services billed to the Voucher Scheme will increase. We don't know what will happen with the cost of hearing devices, but you can bet they won't get cheaper.

Changes that would affect assistive hearing technology supply arrangements

These following recommendations are supposed to help ease the way for business to move to a model for the Voucher Scheme that is focussed on achieving optimal client outcomes. The recommendations are about costs and processes.

8. Remove the subsidy applicable to partially subsidised assistive hearing technology

The Voucher Scheme is a safety net to ensure that those most in need and the vulnerable of the Australian community have access to hearing services and assistive hearing technology. The report argues that it is not the role of the Voucher Scheme to subsidise specific client choice, if such clients seek access to features or technology which is greater than the government has determined is sufficient to deliver an optimal clinical outcome. While clients should be free to exercise this choice – and pay the full cost out of their own pocket - this should not be funded at tax payer's expense.

Currently when a client elects to purchase a top up device the Program still contributes towards the cost of the device and the client pays the difference. This recommendation will remove the subsidy that the Government contributes to the cost of top up devices. While

consumers have every right to be concerned about this erosion of choice, removing the subsidy for partially subsidised assistive hearing technology might help address consumer concerns about the upselling of assistive hearing technology to vulnerable clients.

9. Review the minimum specifications for assistive hearing technology

The Department of Health should engage in a review of the minimum specifications applicable to fully and partially subsidised assistive hearing technology available through the Voucher Scheme. In doing so, the Department will be responding to observable industry and client trends that have indicated an increasing propensity to consume partially subsidised assistive hearing technology.

There are minimum technical specifications that apply to the list of devices that can be fitted under the Voucher Scheme. The specifications have not been reviewed for some time. This might be causing more clients to feel that the fully subsidised range is out of date and not good enough for their individual needs, and this could be why some clients feel they need to pay for a top device, which they won't be allowed to do if recommendation 8 is put into action. The report is recommending a review of the minimum specifications to ensure the level of technology is still appropriate for... what? A work in progress.

10. Investigate the viability of including cost recovery levies

To identify ways to improve the effectiveness of the assistive schedules, introduce price signals, and fund greater device information being provided to clients, it is recommended that the viability of implementing cost recovery levies be investigated by the Department. This recommendation is expected to help keep the device schedules* up to date.

This recommendation is aimed at device manufacturers. The report is recommending that device manufacturers be charged

- a one-off levy to list a device on either the fully or partially subsidised schedules, and
- an annual maintenance fee to retain a device on the fully or partially subsidised schedule

*The Voucher scheme has an approved list of devices. This is the *schedule* that is referred to in these recommendations.

11. Implement additional assistive hearing technology listing rules

Implementing additional listing rules would improve the effectiveness of the schedules by setting age, usage, service requirements, and other disclosure requirements for assistive hearing technology to remain listed. This will incentivise device manufacturers to keep the schedules up-to-date, while also improving the value that clients and other parties draw from sourcing assistive hearing technology information from the schedules.

This recommendation is aimed at device manufacturers. The report recommends some rules on removing older technology from the device schedules in order to ensure that clients are receiving up to date devices.

12. Mandate the disclosure of the price and features of assistive hearing technology

Improving the ability of clients to make informed decisions is vital to achieving optimal client outcomes. Requiring the disclosure of price and features above the minimum specifications will improve the transparency of information around how prices vary across sets of features and brands. Disclosure of this information will also cultivate competition by ensuring that clients and Contracted Service Providers are better able to compare assistive hearing technology through categories that align with those available in the updated minimum specifications.

This recommendation is aiming to improve transparency around the cost of device features so that clients and providers will be better able to compare brands and it will be easier for clients to compare quotes between different providers.

13. Rename the assistive hearing technology schedules

Renaming the assistive hearing technology schedules would move away from the current focus on the subsidy status of assistive hearing technology as the predominant characteristic of emphasis. The report is recommending a change to remove the focus on the subsidy. This is consistent with the thinking behind recommendations 1 and 5.

**This report was prepared by Deafness Forum of Australia ©2018,
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