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**Complementary  
Healthcare  
Council**  
of  
**Australia**

24 March 2003

~~Mr Adam Cunningham~~  
~~Inquiry Secretary~~  
Standing Committee on Ageing  
Parliament House  
CANBERRA ACT 2600

Dear Mr Cunningham,

Thank you for the opportunity to make a submission to the current Inquiry on Ageing. The Complementary Healthcare Council of Australia is aware of the enormous challenges facing Australia with respect to our ageing population, and is pleased to support the inquiry.

Yours Sincerely,

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## **Complementary Healthcare Council of Australia**

### **Submission to the Inquiry into the Long-Term Strategies to Address the Ageing of the Australian Population over the Next 40 Years**

**March 2003**

#### **Introduction**

Public Healthcare costs – hospital and medical, pharmaceutical, dental and allied health services and nursing home costs – are spiralling in Australia right now. The Pharmaceutical Benefits Scheme, in particular, continues to escalate. With the projections currently available for Australia over the next 40 years, this situation will become critical. At its current rate of growth, the PBS will become unsustainable.

#### **Prevention is Better than Cure**

The **Complementary Healthcare Council of Australia (CHC)** is the peak body representing the overall complementary healthcare industry in Australia. Complementary healthcare covers a diverse range of complementary and alternative medicine practices, and products including vitamin, mineral and nutritional supplements, special purpose foods, herbal and aromatherapy products, homoeopathics and natural cosmetics. The CHC is committed to enhancing the health and wellbeing of the Australian population through education and information on the use of complementary healthcare products.

The CHC represents individuals and businesses involved in preventive healthcare. The CHC and its members hold case studies and scientific evidence proving that preventative healthcare practices maintain good health and prevent disease in the areas of arthritis, cancer, heart and brain-related diseases. This is especially significant in view of Australia's growing ageing population.

#### **Increased Use of Natural Healthcare Products can Decrease Healthcare Costs**

The CHC seeks to demonstrate that part of the answer in reducing public healthcare costs requires a different approach to healthcare policy. The Government must shift present emphasis away from a drug and disease-based approach to a system focussing on prevention. Currently, Australia supports a predominantly disease-care health system. That is, people receive drugs and medical treatment once they become sick.

The CHC contends that by adopting healthcare practices that prevent illness, existing resources will be made available to provide improved levels of acute and crisis care. Implicit in this approach is the need for public education on the ability of individuals to take control of their health and prevent illness and disease, and the proven health benefits of lifestyle and natural approaches to maintaining good health.

## Strategies and Recommendations

### Government funding into Complementary Health

The total expenditure on healthcare in Australia was estimated to be approximately \$57 billion in the financial year ending June 2002, which would have equated to \$2850 per head of population. Of this amount, the public cost is around \$2000, while the individual contributes \$850. However the actual cost was \$60 billion.

The fastest growing component of the Federal health budget is the Pharmaceutical Benefits Scheme, where expenditure is now more than \$4 billion per year, having more than tripled in 10 years. PBS expenditure is expected to grow by \$500 million per year over the next four years.

Recent blowouts in the PBS have caused the Government to take initiatives to curb its growth and to ensure the long-term sustainability of the scheme. Measures taken within the current budget focus on increasing patient contributions towards the cost of prescriptions, and improving the quality use of PBS medicines.

The Government's health strategy has tended to focus on the treatment of disease, and not so much on health optimisation. Past preventative initiatives have focused on programmes for reducing the incidence of infectious disease via infant vaccination and flu and respiratory vaccines. Others addressed risk factors for chronic disease in the areas of smoking, environmental health, and male sexual and reproductive health.

The Government's record in these measures indicates a fair degree of success. In the current budget there is an initiative to improve the evidence to support preventative health measures, in line with the Government's commitment. (Ref: Budget 2002-2003 Health 2 – Keeping Australia healthy; Investment in preventive health. "This measure will see a continued investment in a number of initiatives including: improving the evidence to support preventive health measures").

**The CHC believes that there is an opportunity for the Government to expand its preventive health strategy. More widespread use of natural healthcare products would generate cost savings to the public purse.**

**There is a growing body of evidence that natural healthcare products, for example vitamin and mineral supplements and herbal supplements, can reduce the incidence of disease and therefore reduce escalating healthcare costs.**

**The CHC seeks the government to commit to an initiative that will improve the evidence to support preventative health measures.** This initiative could include an allocation of funds to determine the cost-effectiveness of natural healthcare products in reducing the incidence of disease. It is likely that this analysis will reveal evidence that natural healthcare products have the potential to benefit the health of all Australians and not just those in high-risk sub-populations.

Some of this evidence is so compelling that researchers from the Harvard Medical School recommended in July 2002 that every American adults should take one multivitamin pill daily and the elderly should take two pills daily. This study is enclosed as *Appendix III*. Further evidence is summarised in *Appendices I and II*.

## **Appendix I**

### **Reducing the Cost of Healthcare**

#### **Evidence of the effectiveness of Natural Healthcare Products:**

- Risk of heart attacks reduced by up to 75 per cent with Vitamin E  
*Cambridge University, 1996*
- 37 per cent reduction in cardiovascular disease with Vitamin E  
*Harvard Medical School, 1994*
- Cancer mortality reduced by 50 per cent with selenium  
*Journal of the American Medical Association, 1996*
- Vitamin C reduces the risk of cataracts by 77 per cent  
*American Journal of Clinical Nutrition, 1997*
- Vitamins C and E reduce the risk of mortality by 42 per cent  
*American Journal of Clinical Nutrition, 1996*
- Vitamin E delays the onset of Alzheimer's Disease  
*New England Journal of Medicine, 1997*
- St. John's Wort is as effective as antidepressants without the side-effects  
*British Medical Journal, 1996*
- Beta-carotene reduces the risk of prostate cancer by 36 per cent  
*Australian Doctor, 1997*
- Multivitamins and vitamin E reduce the risk of cataracts by 33 per cent and 50 per cent respectively  
*Ophthalmology, 1998*
- Vitamin E supplements reduce incidence of prostate cancer by 32 per cent and incidence of prostate cancer death by 41 per cent in heavy smokers  
*Journal of the National Cancer Institute, 1998*
- Fish oil lowers heart disease death rate  
*The Lancet, 1999*
- High intake of vitamin C and vitamin E may lower risk of Alzheimer's Disease  
*Journal of the American Medical Association, 2002*
- High blood levels of antioxidants are associated with better brain function in the elderly  
*Journal of the American Geriatric Society, 1998*

## Appendix II

### Natural Health Products Can Help Reduce Public Healthcare Costs

American research has shown that vitamin supplementation could reduce hospital costs in the US by almost \$US20 billion. While it is obvious dollar figures in Australia would be lower, such significant figures should not be overlooked, particularly in light of Australia's rising health costs and ageing population. (Bendich A, Mallick R, Leader S. Potential health economic benefits of vitamin supplementation. *West J Med* 1997 May; 166: 306-312)

Other research shows for example:

- A double-blind, placebo-controlled study of 1300 subjects by the Nutritional Prevention of Cancer Study group released in 1996 observed that a selenium supplement (200ug selenium as selenium-enriched yeast) caused a 50 per cent reduction in total cancer mortality and a 37 per cent reduction in all cancer incidence. This effect was so pronounced that the trial was stopped two years early for ethical reasons. (Clark LC, Combs GF, Turnbull BW et al. Effects of selenium supplementation on cancer prevention in patients with carcinoma of the skin. *JAMA* 1996; 276: 1957-63)
- A double-blind placebo-controlled study of 2002 people with a history of coronary heart disease conducted in the UK showed a 75 per cent reduction in heart attacks in those who took up to 800IU of vitamin E daily. (Stephens NG, Parsons A, Schofield PM, Kelly F, Cheeseman K, Mitchinson MJ. Randomised controlled trial of vitamin E in patients with coronary disease: Cambridge Heart Antioxidant Study. *Lancet* 1996 Mar 23; 347(9004): 781-6)
- A U.S. report has found that supplementation of folic acid and vitamin B12 in men aged 45 plus and women 55 plus would save more than \$US2 billion in treatment costs over 10 years. (Tice JA, Ross E, Coxson PG, et al. Cost-effectiveness of vitamin therapy to lower plasma homocysteine levels for the prevention of coronary heart disease: effect of grain fortification and beyond. *JAMA* 2001; 286(8): 936-43)
- The *Lancet* (Johan 1999) demonstrated that massive healthcare cost reductions could be achieved by maintaining strong support for Natural Health Products in managing allergies. A 50 per cent reduction in allergy across Australia would reduce the total health expenditure by between \$2 billion and \$4 billion, and see one million Australians who are currently chronically unwell back to normal health.
- The vitamins folic acid, B12 and B6 can halve the risk of recurrence of blocked arteries in patients who have undergone coronary angioplasty. Considering the hundreds of millions of dollars spent on heart surgery and drugs, it seems incredible that all heart patients are not recommended these vitamins. (*JAMA* 2002 Aug 28; 288(8): 973-9)

These are just a few of many published examples demonstrating that relatively minor and non-invasive interventions, which the Australian public clearly is willing to pay for from its own pocket, could have significant impact on the health of millions of Australians in future, while at the same time reduce the overall cost of public healthcare.