

# People with hearing problems upsold hearing aids they don't need so that audiologists can profit

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Too expensive ... Glenda Ford has been using second hand hearing aids because she couldn't afford new ones.

Picture: Mitch Bear

**Sue Dunlevy News Corp Australia Network**

## EXCLUSIVE

AUSTRALIANS with a hearing problem are being sold hearing aids costing up to \$14,000 that they may not need, unaware that audiologists get commissions to sell them and have to meet sales targets.

The problem occurs even when they visit the government run Australian Hearing Service.

Even worse, some may be getting served by people without any training because the government won't regulate audiology and anyone can hang up a shingle claiming to be an audiologist.

The ACCC has told News Corp it is investigating the industry after being alerted to potential issues in relation to the sale of hearing aids to patients by audiology clinics.

“The concerns raised are that a patient's interest to obtain professional independent advice from an audiology clinic may be compromised in

circumstances where there is commercial pressure on health professionals to sell hearing aids, in particular more expensive hearing aids,” a spokesman for the ACCC said.

The ACCC has set up a survey on its website for people who would like to provide information relevant to our preliminary inquiries. It is located [here](#). Audiology Australia, the peak body representing audiologists, concedes “there is no requirement for members to declare remuneration (including salary, wages, commissions, allowances, bonuses or profits) under Audiology Australia’s Code of Conduct”.

Together with Independent Audiologists Australia, the peak body has been pushing state and federal governments to register audiologists under the Australian Health Practitioners Registration Scheme so they are subject to regulation but to no avail.

Cancer survivor Glenda Ford didn’t hear for three years after her treatment because she couldn’t afford a hearing aid until she eventually got a second hand pair from consumer group Better Hearing.

She was devastated when she finally received a government voucher for a hearing aid this year, but her audiologist told her it wasn’t enough to cover the cost of the hearing aid she recommended.

Glenda could have received a free hearing aid with her voucher but instead her audiologist, employed by the government’s Australian Hearing service, recommended a model that cost \$4,000.

“I was very shocked, we couldn’t scrape that kind of money together so I rang them the next morning and cancelled,” Glenda said.

She says she wasn’t aware the audiologist assessing her was eligible for a bonus on the hearing aid she sold.

She says she was offered a range of hearing aids, including the free government aid, but it was presented as the “lowest of the low” and when she was asked a series of questions about her lifestyle the audiologist recommended the second most expensive option.

Sara Duncan, National President, Better Hearing Australia says her organisations hears the same concerning stories from consumers around Australia. “Any organisation providing services to the public must be accountable,” she said.

“It is time that governments stopped ignoring this issue and act to ensure consumers are protected and receive trustworthy and appropriate services. The four million Australians with a hearing loss deserve a fairer hearing,” she said.

Australian Hearing says their clinicians provide a full hearing assessment and an in-depth discussion about where a client is having difficulties hearing and the activities they like doing and presents the client with the best options for them.

“This always includes the option of fully subsidised hearing aids. The large majority of our clients (80%) are fitted with a fully subsidised hearing aid. Our staff are focused on achieving the best outcome for our clients, not on a financial incentives,” a spokeswoman said.

“Hearing centre staff can earn a small bonus for delivering a good outcome with regards to fitting a product.”

Clients that choose to purchase a higher level hearing aid have a 55-day trial period during which they can return the device for a refund, she said.

For pensioners and welfare recipients, the government provides a voucher worth \$1,000, which covers a \$130 hearing assessment and \$400 hearing aid and \$300 for fitting.

Dr Louise Collingridge from Independent Audiologists Australia, which represents audiologists who have a financial interest in their own clinic, says hearing aid manufacturers own many clinics in Australia.

“The company that manufacture and supply have vertically integrated outlets, they employ the audiologists and hold the government contract for the voucher scheme and employ the audiologists,” she says.

Even when the manufacturers don't own the clinics, they provide incentive payments to audiologists who sell their products worth around 10 per cent of the profit.

A number of audiologists contacted by News Corp explained how commissions and sales targets drive sales of more expensive hearing aids. A Melbourne audiologist who has worked for both the government and a private company says audiologists receive a base salary of \$70-80,000 and receive a ten per cent commission on the profit made when a hearing aid is sold.

The audiologist said she also had to meet sales targets of selling 18-25 hearing aid devices a month.

“Whatever sale you make, if you sell a more expensive brand you get more money,” she said.

“It was a lot of pressure, you were not supported by management, you felt like a salesperson and they were always checking your appointments,” she said.

Dr Collingridge says the free government hearing aid is acceptable for most people but it doesn't stop you offering a top up hearing aid.