

THE NEGATIVE IMPACT GOVERNMENT POLICIES CAN HAVE ON INDIVIDUAL LIVES



Presently, the Australian Government provides a suitable hearing aid and upgrades, without cost, for adult pensioners on an Australian Government Pension under their Department of Health and Ageing, Office of Hearing Services, “Program”.

Regardless of their level of hearing loss, they are provided with the most appropriate aid, free of charge, that is recommended by their hearing practitioner for that individual.

However, those clients who are too deaf for a hearing aid and therefore receive no benefit from them and so consequently need Cochlear Implants, are discriminated against and must purchase upgraded speech processors themselves at a cost of many thousands of dollars, every 3 to 4 years, for life.

For a 21 year old Disability Support Pensioner, this equates to 15 or 20 upgrades at a cost of around \$12,000 each (at today’s prices). This means that a deaf person who cannot work and on a Disability Pension is required to put away about \$60 to \$80 per week, every week, for the rest of their lives so that they can attempt to simply participate in society.

This is a crushing burden to face for the rest of their lives, on top of the socially isolating nature of their disability and the other obvious difficulties they face.

The official response from the Government is that the provision of subsidised speech processors, as opposed to hearing aids, is “beyond their scope” for adult pensioners. Yet they provide free hearing aids.

The Government obfuscates in its response by referring to “top-up” aids that are available to hearing aid users with extra features that carry a cost if they want those additional features. The crucial point here is that these aids are not essential to providing the optimal amplification to each individual client’s needs.

The government is attempting to equate or compare these “top-up” hearing aids with speech processors. They are neither comparable nor relevant to speech processors.

There are no “top-up” speech processors as there is only one device and all features are essential to delivering optimal sound and speech quality to enable its recipients to understand a wider variety of people in a wider milieu and situations.

This is a situation where those with the greatest need are again discriminated against and miss out. Once these processors reach their useful life their users are left totally deaf and totally cut off from the hearing world.

It was Helen Keller who said “The problems of deafness are deeper and more complex.... For it means the loss of the most vital stimulus -- the sound of the voice that brings language, sets thoughts astir and keeps us in the intellectual company of man”.

- At some time, the present speech processor will stop working and become obsolete.
- It is therefore inevitable that a person will need to upgrade periodically because their old processor is no longer repairable.
- This is not voluntary if the person wishes to continue to hear.
- With the introduction of each new speech processor, technology does in fact improve and so offers the recipient better access to speech which is **clearer, more natural and softer**. PM Kevin Rudd stated this himself as well as the need to update or replace every 2 to 5 years in his private member's motion to Federal Parliament on 24 June 2002
- By definition, when a hearing impaired person takes off their hearing aid, they can still hear something.
- However, when Cochlear Implantees takes off their processor, they cannot hear a thing.....they are totally deaf and cannot even hear a jumbo jet taking off.
- Mr John Murphy (Lowe) strongly supported Mr Rudd's motion in parliament on the same day when he said "Children growing up with these implants require further surgery and replacements. The child turned adult will remain dependent on that technology. The child requires listening skills to obtain and regain employment and for the basic necessities of life. You cannot give a child a cochlear implant and then make it unaffordable by denying upgrades in later life".
- Luke is even more socially isolated because he saves every available cent he receives in his pension to put towards an upgrade which he knows is looming. This has created a very depressing situation for him.
- Mr Rudd, at the conclusion of his speech wanted to ensure that people like Luke continue to enjoy something we take for granted, **The ability to hear**.

Chullora included my sister-in-law, Ursula, her brother, Martin, and one of their parents—their mum, who was in the camp in Chullora; their dad was in Bonegilla. It was not just a two-year stint that people had to do when they came to Australia and when the fathers signed up, in large part, to go and work on the Snowy Mountains scheme or to do any job that was required of them. In the case of Ursula and Martin, it took more than eight years for that family to actually come together to live as a family.

An immigration monument in Canberra needs to recognise not just the diversity of the population but the toughness of Australia's history and how hard the people working on the Snowy and the other migrants who came to help build Australia in the fifties and sixties did it, because they did not come to a country that welcomed them, in the same way that the people who came to the gold rushes were not greatly welcomed by the existing population. People who came in that period understand the unwillingness of the population. What they met was misunderstanding, a lack of recognition of where they came from, what their importance was and what they were doing.

The **DEPUTY SPEAKER (Hon. I.R. Causley)**—Order! The time allotted for this debate has expired. The debate is adjourned, and the resumption of the debate will be made an order of the day for the next sitting. The member for Blaxland will have leave to continue his speech when the debate is resumed.

Cochlear Implants

Mr RUDD (Griffith) (1.33 p.m.)—I move: That this House:

- (1) notes the Government's plan based on the recommendations of the Private Health Industry Medical Devices Expert Committee to remove speech processors from Appendix A, Schedule 5 of the *National Health Act 1953*, meaning the withdrawal of private health funding for upgrades and replacements for cochlear implants (bionic ears); and
- (2) calls on the Government to find a way that the profoundly deaf, especially children, can continue to secure upgrades and replacements for their cochlear implants by requir-

ing private health funds to continue to cover the cost of the prosthesis.

Some weeks ago I was approached by a young man in my electorate by the name of James Harlow. James is a bright 10-year-old who came to me requesting I tell the parliament what he thinks about the federal government's imminent moves to take cochlear implants and upgrades off the private health schedule, forcing his parents to pay up to \$10,000 for future upgrades and replacements. James spelt out his situation in the following letter:

Dear Mr Rudd

Can you please ask Mr Howard if he can make sure people with Cochlear Implants get help when they need help?

When I couldn't hear in grade two and three, it was terrible and I was very sad. One day when I was dancing at a competition, my processor didn't work. I couldn't hear the music and I was really mad. It's not fair sometimes. My audiologist helped me a lot but there was a long time to wait to get my problem fixed. Every day I asked my mum and dad when I could get the broken implant taken out and get a new one. Every day was a long time and I don't have a long time. I don't understand why I had to wait so long. I wanted my sound fixed straight away. I love hearing my brothers talking and I love to dance. Everyone kept saying be patient but it was hard. I am happy now because I can hear again.

There is a new processor that can help me. Now mum and dad are really worried because the new 3G costs a lot of money and its hard to get it. There are lots of kids who have the 3G already and its not fair because I need it too. I feel like I can't wait and I wish to get the 3G soon so I can listen to my Irish Dancing music and be happy.

When I grow up I want to be a doctor or maybe an Irish Dancing Champion. It would be really nice to hear like other people and I am glad someone is trying to make processors do this. Maybe one day, Cochlear can make it perfect so I can get my timing right in my dances.

Can you please ask the government to understand about our stuff? Mum says we can get the 3G if the insurance helps us. If they don't help us, then I will have to wait too long for my new bte. I can't wait.

From James

What a fantastic letter! There are many cochlear implantees like James in my electorate of Griffith, and across the country

there are more than 1.8 million hearing-impaired Australians. Approximately 72,000 of them are severely or profoundly deaf.

The bionic ear or cochlear implant is an Australian invention which was first trialed in 1978 by Professor Clark of the University of Melbourne. It is used by severely to profoundly deaf people for whom hearing aids are of little or no benefit. It is only fitted to one ear—usually the deafer of a person's two ears. Since its first trial, 45,000 people across the globe have been fitted with a cochlear implant bionic ear, with about 60 per cent of the market dominated by the Australian manufacturer Cochlear Ltd. About 2,000 Australians—approximately 50 per cent of them children—have been fitted with bionic ears.

The cochlear implant comprises two parts. The first is an internal component which must be surgically placed inside the skull just behind the ear. This involves a delicate three-hour operation under general anaesthetic. The second part is an external fixture, or speech processor, which connects around the ear. This is mapped, via computer technology, to each individual's unique hearing needs and is essential to the working of the implant. It is this speech processor that needs updating or replacing every two to five years as a result of advances in technology and wear and tear. This is the latest technology in speech processors and supposedly adds an incredible range of sound, including whispers, to existing technology. One young student in my electorate has been advised by his audiologist that this new processor is a 'clinical' need for him.

The crux of the current problem lies with the fact the bionic ear is currently defined as a 'prosthesis' under the National Health Act 1953. The current issue has arisen from the federal government's review of private health funding of prostheses under schedule 5, as defined under the National Health Act. To help with the review, former health minister Michael Wooldridge established the Private Health Industry Medical Devices Expert Committee—PHIMDEC—to assist with determining items for listing on this schedule.

Due to the strict definition of prostheses—stipulated in an outdated act which was implemented 25 years before cochlear implants came into being—PHIMDEC has recommended that any upgrades or replacements of speech processors not be covered by private health funds. This is due to the fact a prosthesis, as required by the definition, should be 'surgically implanted'. Therefore, the initial operation to have the internal part of the bionic ear inserted would be covered, as per appendix A of schedule 5, but any subsequent replacements or upgrades would not, as under appendix C.

Currently, the federal government, through Australian Hearing, subsidises hearing services for children up to 21 years as well as veterans and pensioners. Cochlear estimates approximately half of its clients are insured by private health funds. The federal government budget allocated \$1.9 million for the four-year period from July 1997 to June 2001 and a reduced amount of \$1.6 million for the four-year period from July 2001 to June 2005 to Australian Hearing to provide child recipients—those up to the age of 21—with access to improved and updated speech processors.

At the above funding level, only 80 speech processors a year would be able to be funded. As there are currently 1,000 children with implants, this funding is expected to run out by June 2003 at the current rate of replacement. There is a waiting list in just one Brisbane clinic of 25 children who are in 'imminent need'—the words of an audiologist—of the new technology about to be released. This clinic deals mainly with clients covered by private health care. Cochlear implants in Brisbane are also conducted at the Mater and Royal Brisbane hospitals.

The new speech processor costs between \$8,000 and \$10,000, although Cochlear is offering the product at half price for the first 12 months—that is, about \$4,500. Other processors cost an average of \$5,000. Figures provided by Cochlear show the estimated cost to adequately fund replacement speech processors for children and for pensioners and veterans is less than \$1,500 per recipient per year. Cochlear argues that such expenditure would be offset by savings, par-

ticularly in special education provision, as children with implants are more likely to be integrated into mainstream education, thus reducing costs for special educational aids. Other funding benefits would be a reduction in future social security payments as recipients are fully integrated in society.

It was originally intended that cochlear implants be delisted from the health benefits schedule as of 1 February 2002. This meant that private health insurance companies would no longer be required to reimburse recipients of cochlear implants for the cost of upgrading or replacing their speech processors. However, on 28 February 2002, the Department of Health and Ageing's Private Health Industry Branch issued the revised schedule 5—'Benefits payable in respect of surgically implanted prostheses'. Contrary to earlier advice, this schedule did include provision of replacement speech processors for cochlear implants. But this came with a catch. The circular accompanying this schedule noted:

Further to advice received by the Department, previously advised Schedule changes in relation to a small number of items have been deferred pending further considerations. This list included speech processors.

During the recent budget estimates hearings, departmental officials were questioned over the deferral decision. I am advised that they confirmed that replacement processors remain on the schedule and, although PHIMDEC has recommended their delisting, the decision to act on that advice had been deferred. The official also stated that they were:

... seeking some further information from private health funds as to how these items might be included on their ancillary tables and how affected members might be notified. ... No further action will be taken in relation to the listing of replacement speech processors while that review is in progress.

At this point I wish to recognise that the health minister currently has this under review. However, I am sure the minister understands that the cochlear community faces a situation where it is in a state of limbo. First, there was a decision made by the federal government to take speech processors off schedule 5. This caused great angst and

heartbreak for thousands of Australian families. Then, through word of mouth, it was revealed that this decision had been deferred and placed under review. It is now midway through June and cochlear implantees have no idea what will happen next. They wait in the hope that the health minister and the federal government will see that they have a genuine need and will continue to facilitate access to speech processors. My fear is that this government's attitude of what I would describe as contempt towards health care in Australia will continue to see yet another community disadvantaged.

In recent weeks we have seen a myriad of very inappropriate decisions from the federal government in this respect. We have seen it in relation to pharmaceuticals and in a range of other areas. The government should provide a standard of health care that allows people access to vital services. This is not occurring and health services and provisions continue to be put on the chopping board. I call on the federal government to make a long-term commitment to Australia's cochlear community today and to keep speech processors on schedule 5 as defined under the National Health Act 1953. This will ensure that people like young James continue to enjoy something we take for granted—the ability to hear.

The SPEAKER—Is the motion seconded?

Ms Jann McFarlane—I second the motion and reserve my right to speak.

The SPEAKER—It being almost 1.45 p.m., it seems to me appropriate that debate should be interrupted in accordance with standing order 101. The debate will be resumed at a later hour this day.

STATEMENTS BY MEMBERS

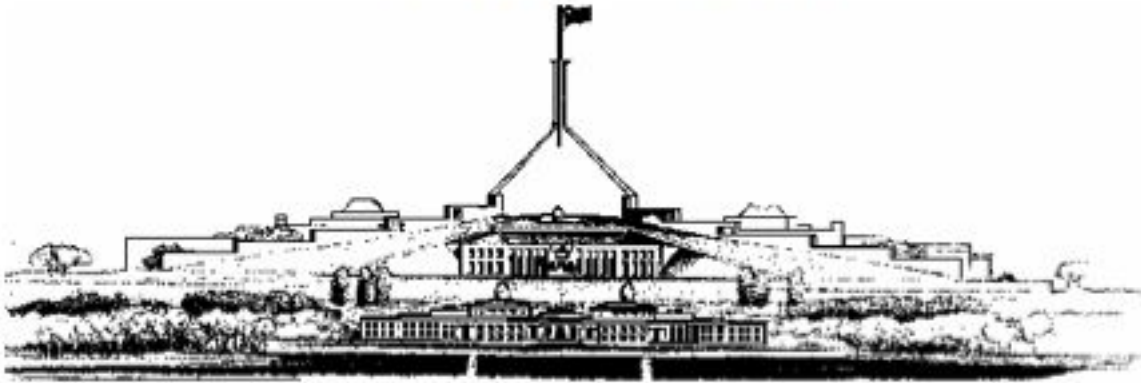
Werriwa Electorate: Hurlstone Agricultural High School

Mr LATHAM (Werriwa) (1.43 p.m.)—Hurlstone Agricultural High School, a selective government school at Glenfield in my electorate, is one of Australia's greatest schools—a school of uncommon excellence, heritage and morale. Last Friday I was privileged to attend Hurlstone's assembly in honour of its post World War II veterans—



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

PROCEDURAL TEXT

Monday, 24 June 2002

BY AUTHORITY OF THE SENATE

PROCEDURAL TEXT

Date Monday, 24 June 2002
Page 4213
Questioner
Speaker Murphy, John, MP

Source House
Proof No
Responder
Question No.

Mr MURPHY (Lowe) (3.55 pm)—I strongly support the motion moved by the member for Griffith, Mr Kevin Rudd. My electorate of Lowe is home to a significant number of disability services for the deaf and for people with other hearing disabilities. I am indebted for the advice given to me by one of my constituents, Mr Peter Kerley, of the Deafness Council of New South Wales Inc. The Deafness Council is an organisation that has led the way in advocating both technological and non-technocentric solutions for meeting the communications needs of people with a deafness disability. The Deafness Council advises me that there are about 2,000 Australian cochlear implantees, and there are 900 children who are eligible for cochlear implants. I am advised that a surgical cochlear implant costs approximately \$40,000. This cost is covered almost entirely by Medicare and private insurance. The total cost is in the order of \$18 million, with a cost recycling every eight to 10 years. The costs include the surgery, the speech processor upgrade and repeat surgery at approximately 15 years.

That being said, a more typical profile of a cochlear based technocentric solution for hearing restoration may include up to six operations and up to 12 speech processor upgrades over the whole life of the person. I urge this House to reject the recommendations of the Private Health Industry Medical Devices Expert Committee to withdraw private health funding for upgrades and replacements for cochlear implants. If the government decides to accept the committee's recommendations, the government will be succumbing to the corporate world by acceding to the desire of the private health insurance lobby to socialise the losses and costs of these medical upgrades and replacement procedures.

Children growing up with these implants require further surgery and replacements. The child turned adult will remain dependent on that cochlear technology. The child requires listening skills to obtain and retain employment and for the basic necessities of life. You cannot give the child a cochlear implant and then make it unaffordable by denying upgrades in later life. I ask the committee and this House: has the committee considered all of the consequences of transferring the burden of the cost of a speech processor onto the taxpayer, rather than through private health insurance, by simply calling it a prosthesis?

Prospective consumers of further cochlear upgrades will have an overhead of approximately \$3,500 per year per implanted person. If this expense is not compensated through private health insurance, most will find the technology unaffordable. The consequence of this will be that these people, for the most part, will be unemployed or unemployable with a concomitant increase in social security costs. Either way, the government, the taxpayer and—most importantly—the person with the deafness disability lose. It would appear that the government has created a smokescreen to hide the fact that it has capitulated to the private health insurance industry. I certainly hope not.

Finally, I turn to the issue of solutions that will keep cochlear implantees within the insurance bounds of private health insurance policy. I recall a few years ago the Commonwealth government introducing a system to compensate health insurers who had insurance risk exposure from having too many elderly clients. So I ask, in anticipation of the costs and the numbers of existing and potential cochlear implants candidates being established, that a similar system of cost spreading among private health insurers for those using cochlear implants also be considered. I condemn the committee's recommendation and support Mr Rudd's very worthy motion.



Australian Government
Department of Health and Ageing
Office of Hearing Services

Dear Client

Welcome to this very special program designed to help you if you have hearing problems which are affecting your daily life. I am proud of both the quality of service that our service providers will give you, and of the range of high quality hearing aids that can be offered to you at no cost. Regardless of whether you have a severe hearing loss or a not-so-severe loss, there will be a suitable hearing aid without cost that your hearing practitioner will be able to recommend.

Of course you may have a hearing loss that won't benefit from a hearing aid, or you may not want one at this stage. In either case, your hearing practitioner will be able to give you good advice that will help you adjust to even minor hearing difficulties you are having now.

As well as our range of free to client aids, we have approved some hearing aids that include additional features. We call them 'top-up' aids. These aids do carry a cost if you decide that you would like to have one or more of these additional features in your hearing aids. These features are not essential but your hearing practitioner will describe what they might do for you, if you are interested. If you are not sure about what is best for you after talking to your hearing practitioner, please feel free to contact the Office for more advice.

You can call us on 1800 500 726. Alternatively, you may find all you need to know in the Information Booklet, and I would encourage you to read this before you attend an appointment with your hearing services provider.

I wish you every success.



A handwritten signature in black ink, appearing to read 'C. Jennings'.

Christine Jennings B.Sp.Ther. M.Aud.SA. CCP
Principal Audiologist



Australian Government



giving you options

19/02/04

My Pension Card

2004-02-19

Justice Street

Please peel the card away from this letter, and sign the signature box on the back of the card. You can use this card now.

Your Pensioner Concession Card (PCC)

You may notice some changes to the appearance of your new PCC. These are only changes to the way your card looks. These changes do not affect the concessions to which you may be entitled. Carry this card at all times when you travel and show it with your ticket as requested by the transport authority. Your card can only be used while you are in Australia.

- Free hearing assessments and hearing rehabilitation, including the supply and fitting of free hearing aids (if necessary) from a range of service providers contracted to the Office of Hearing Services program.
Maintenance of hearing aid(s) and a regular supply of batteries, for an annual fee. For more information call 1800 500 726.
Concessional travel on Great Southern Rail (GSR) services (including the Indian Pacific, the Ghan and the Overland). Information is available by phoning GSR on 13 2147.
A discount on Australia Post's mail redirection service. Further details are available from Australia Post on 13 1318.

What concessions can I get with my card?

Australian Government Concessions

- The following information is a guide to the types of concessions you can get with your card.
Prescription medicines listed on the Pharmaceutical Benefits Scheme (PBS) at the concessional rate.
At the discretion of the doctor, bulk-billed General Practitioner consultations.
An increase in benefits for out-of-pocket, out-of-hospital medical expenses above a certain threshold through the extended Medicare Safety Net.

Other Concessions

See the back of this letter for information about other concessions you may be able to get from your State or Territory Government.

Centrelink Information
If you have any questions about your Centrelink payments or your concession card, please call 13 2300

Z 0966719

Pensioner concession travel on CountryLink
As a pensioner you are entitled to four Pensioner Travel Vouchers* each calendar year. Each voucher gives you a single, one-way trip on CountryLink's train and coach services within NSW (excluding sleeping berths). When using these vouchers you will be required to pay a booking fee of 15% of the full adult fare (or a minimum of \$10) for each economy or first class trip taken using these vouchers.
Travel using a Pensioner Travel Voucher must be booked and ticketed ahead of time - you can not use a voucher if you make your travel arrangements when joining a CountryLink service.
You can find out more or book your travel by calling 13 2232, visiting a CountryLink travel centre, booking office, accredited travel agent or selected CityRail stations.
You can also book online, but you must first register for online booking by presenting your Pensioner Concession Card at a CountryLink travel centre, booking office or accredited travel agent.
Your Pensioner Travel Vouchers can be used for the NSW portion of interstate journeys.
Booking conditions apply.
*CountryLink's computerised reservation system keeps a record of all travel taken under the Pensioner Travel Voucher scheme. As a result you will no longer receive paper travel vouchers from Centrelink.