



Australian Government
Department of Veterans' Affairs
OFFICE OF THE SECRETARY

Mr Elton Humphery
Secretary
Senate Community Affairs Committee
PO Box 6100
PARLIAMENT HOUSE
CANBERRA ACT 2600

Dear Mr Humphery

Thank you for your letter of 14 September 2009 seeking input to the Community Affairs Reference Committee inquiry into *Hearing Health in Australia*.

The Repatriation Commission and the Department of Veterans' Affairs (DVA) has a long history of ensuring that the veteran community has access to quality health care. This experience and the uniqueness of the veteran cohort has provided DVA with a number of challenges in addressing health care needs, in terms of understanding costs but also conscious of the DVA's commitment to patient outcome.

On behalf of the Department of Veterans' Affairs I would like to submit for your consideration the attached document which details DVA's arrangements for hearing services in the veteran community.

Thank you for the opportunity to contribute to this inquiry.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Campbell', with a long, sweeping flourish extending to the right.

Ian Campbell
Secretary

21 October 2009



Australian Government
Department of Veterans' Affairs

**Submission to the Australian Senate inquiry into
Hearing Health in Australia**

The Repatriation Commission and Military Rehabilitation and Compensation Commission (Commissions) have responsibility under the *Veterans' Entitlements Act 1986* (VEA), the *Military Rehabilitation and Compensation Act 2004* (MRCA) and the *Australian Participants in British Nuclear (Treatment) Act 2006* (APTA) for the provision of health services to eligible persons and their dependants. This responsibility is administered on the Commissions' behalf by the Department of Veterans' Affairs (DVA), which provides arrangements for the funding of health care. This responsibility includes services and devices for management of hearing loss. Compensation and treatment is provided to veterans with a DVA Gold Card, or to clients with a DVA White Card for accepted disabilities associated with hearing loss or impairment. The objective of the health care and related services provided to eligible persons is to support them in the home or community.

DVA also administers the *Safety, Rehabilitation and Compensation Act 1988* (SRCA) on behalf of the Department of Defence. The SRCA is the Commonwealth's workers' compensation legislation that applies to all employees of the Commonwealth. SRCA benefits are available where liability has been accepted by DVA for an injury, disease or death that occurred prior to 1 July 2004. Persons eligible under SRCA are not issued with a treatment card and the number of claims for hearing treatment are minimal. These details have not been canvassed in this submission.

This submission aims to give the Committee an overview of the range of hearing services and products provided to the veteran community through DVA's various programs.

DVA's treatment population

DVA's treatment population under the VEA and MRCA is approximately 270,000; ie those members of the veteran community with entitlement to DVA funded health care

As at 26 September 2009, 132,693 veterans have accepted disabilities eligible for treatment under DVA arrangements. Of these, 10,667 veterans have hearing related disabilities only, 68,756 have multiple disabilities that include a hearing related disability and 53,270 have no hearing related disabilities.

The age characteristics of the DVA cohort are:

- 67 percent are aged 75 or more;
- 76 percent are aged 65 or more; and
- 91 percent are aged 55 or more.

Hearing services available to the veteran community

DVA has a number of programs that provide hearing services to the veteran community. These include:

- hearing services provided through the Office of Hearing Services (OHS);
- hearing devices provided through DVA's Rehabilitation Appliances Program (RAP);
- disability pensions associated with hearing loss; and
- exploring treatment options for tinnitus.

Information on these arrangements is provided below.

Hearing services provided through the OHS

The provision of hearing services, particularly hearing aids, are generally provided to the veteran community through the OHS, which is administered by the Department of Health and Ageing. Hearing services consist of hearing assessments, management and hearing rehabilitation, including the fitting of hearing devices where needed. In the 2008-09 financial year, DVA funded a total of \$54.2 million in hearing services to 103,733 DVA clients via the OHS program. This includes DVA Gold Card holders, DVA White Card holders, DVA Pensioner Concession Card (PCC) holders and their dependants.

DVA receives numerous queries or complaints from the veteran community regarding the purchase of top-up hearing aids, that is aids which have additional features that are not essential to meet clinical needs. DVA funds hearing aids for the veteran community on the basis of clinical need. It appears that top-up devices are sometimes provided unnecessarily. If a client elects to purchase top-up hearing aids that are not required to meet a clinical need they are required to make a co-payment to their provider.

DVA is concerned about the unnecessary up-selling of hearing aids. It is a cause of frustration to the veteran community and has resulted in added administrative expenses to the DVA through the management of this issue. DVA has addressed this concern through consultation with the OHS and the subsequent engagement of a consultant audiologist. A dedicated hearing telephone line has also been introduced so that DVA's consultant audiologist can assist veterans or their providers address complex hearing issues. DVA's consultant audiologist has also delivered presentations at provider and ex-service community forums to assist with further education of the hearing services program. Since the engagement of DVA's consultant audiologist the Department has experienced a significant decline in complaints relating to hearing services.

Rehabilitation Appliances Program (RAP)

DVA's RAP aims to assist members of the veteran community to be as independent and self-reliant as possible in their own homes. Appropriate health care assessment and subsequent provision of aids and appliances may minimise the impact of disabilities, enhance quality of life and maximise independence when undertaking daily living activities.

The RAP schedule lists items that may assist veteran clients with hearing related needs. This includes items outside the OHS hearing program such as, door bell systems, items to assist when talking on the telephone, and devices to assist hearing the TV or amplifying conversations in a group setting. The program also provides tinnitus maskers, which introduces white noise into the ear canal to overcome ringing in the ears. The expenditure on hearing related RAP items was approximately \$912,000 in the 2008-09 financial year.

With an ageing treatment population wishing to remain at home longer, DVA expects the demand for RAP hearing devices to remain constant, if not increase.

Disability pensions

Under the VEA, DVA pays disability pension to compensate veterans for injuries or diseases caused or aggravated by war service or certain defence service rendered on behalf of Australia before 1 July 2004. Not all clients with hearing accepted disabilities are eligible to receive a disability pension. Disability pensions associated with hearing loss, hearing impairment or tinnitus are paid to 9,977 veterans with a hearing disability at a cost of \$28.2 million per annum. This is an average of \$108.60 fortnightly per client.

Fortnightly pensions are also paid to 68,476 veterans with multiple disabilities that include hearing impairment as one of the accepted disabilities. Due to the process by which these pension payments are calculated it is not possible for DVA to quantify the component that relates to hearing.

DVA's arrangements for compensation and treatment for service-related injury, disease, illness or death on or after 1 July 2004 are covered under the MRCA. Clients under MRCA do not receive fortnightly disability pensions under the same arrangements for VEA clients outlined above. MRCA clients have the choice of periodic payments or lump sum compensation, or a combination of both for permanent impairment.

DVA expects to see disability pension payments under the VEA arrangements shrink as this veteran cohort continues to decline. Periodic or lump sum payments under MRCA will expand as clients from current conflicts become eligible under the MRCA legislation.

Treatment options for tinnitus

In view of the strong demand from veterans suffering from tinnitus DVA is undertaking a study of the Neuromonics tinnitus program. The Neuromonics program is the result of more than a decade of international research and development and has been available in private practice in Australia for several years. Early results of a series of controlled clinical studies have been promising. There are approximately 60 veterans enrolled in the study which is currently at its mid-point and the results are anticipated to be finalised in 2011.

Veterans enrolled in the study receive the Neuromonics program and are followed-up at regular intervals over a two year period. This entails a six-month intensive treatment phase and then an eighteen-month follow up period. Not every tinnitus sufferer is suitable for the Neuromonics tinnitus treatment program, so an assessment phase was conducted to determine suitability for participation in the study. The criteria for participation was generally aimed at veterans with the most severe tinnitus who have had no success with the other treatments and who have had tinnitus for at least two years.

Tinnitus as a condition impacts strongly upon the veteran community and DVA is looking forward to the outcomes of the study. Any later decision on funding Neuromonics treatment for veterans will be considered in the light of the long term treatment outcome of the study participants.

Contact Information

If further information is required in relation to data in this document, please contact Judy Daniel, National Manager, Primary Care Policy Group on (02) 6289 6418 or judy.daniel@dva.gov.au.

October 2009