

Committee Secretary
Senate Standing Committee on Community Affairs
community.affairs.sen@aph.gov.au

7 January 2010

Senate Standing Committee on Community Affairs: Inquiry into Hearing Health in Australia

I thank the Committee for the opportunity to make a submission on the prohibitive cost of hearing aids. Working Australians with hearing impairment who are aged 21 or over will continue to be at a disadvantage where the financial costs of correcting their hearing with hearing aids are not supported.

My name is Isaac Marcus.

I wear two hearing aids.

I am 38 years old. I am married with one young child.

I am a public servant.

My submission refers to the personal financial costs of my hearing impairment and particularly for hearing aids. The personal costs have significant implications for me and my family.

My family has a level of private health insurance which covers hospital and some extras. The cost of the health cover is approximately \$110 per fortnight which incorporates the reduction for the 30 per cent private health insurance rebate.

However, the current level of health cover does not provide for hearing aids. My private health insurer advises that the next level of cover which provides for hearing aids costs an additional \$40 per fortnight. The coverage extends to \$1,000 per hearing aid, with a three-year waiting period for making a claim and three-year intervals.

While the next level of cover also results in some level of increases for other extras such as major dental, optical and physiotherapy, the benefit for hearing aids does not justify the increase in premium payments. An additional \$40 per week over three years amounts to \$3,120 for possibly claiming \$2,000.

As stated in the Transcripts, a hearing aid costs approximately \$2,500, if not more.¹

As stated above, I wear two hearing aids. These are analogue hearing aids (that is, the hearing aids are particularly old). One hearing aid broke just before Christmas 2009 – the plastic casing snapped near where the tubing connects to it and the repairer says that these hearing aids can no longer be repaired – and therefore I require two new hearing aids (as one should not have a digital hearing aid in one ear and an analogue hearing aid in the second ear).

¹ Mrs Catherine Westcott, Deputy Chair, Deafness Forum Board, Deafness Forum of Australia (Senate Community Affairs References Committee, Reference: Hearing Health in Australia, Canberra, Monday 12 October 2009, Page CA 23).

Therefore, I am facing a replacement cost of approximately \$5,000. I will most likely have to borrow funds in order to meet this cost.

The cost does not attract any Medicare rebate and does not even count towards the Medicare Safety Net threshold.

The medical expenses income tax offset will 'reimburse' between \$700 and \$1,000, subject to firstly, sufficient tax payable on my income for the year, and secondly, the level of any other out-of-pocket medical expenses during the year.²

Recently, I became aware of the Workplace Modification Scheme which is administered by JobAccess. The objectives of the scheme are:

'[t]o improve access to and the tenure, conditions of employment, productivity, capacity and work opportunities of people with disability.'³

However, the guidelines for assistance under the scheme set out that:

'[m]edical aids (are all purpose aids required due to a person's disability, regardless of whether or not they are working) in instances where it may be necessary to have a different model of the aid specifically for the work environment (eg. a waterproof hearing aid) may be approved at the discretion of JobAccess where more appropriate sources of funding are not available. In most instances funding for medical aids will **not** be available'.⁴

The Workplace Modification Scheme guidelines require justification as to how replacement hearing aids are work-specific. It appears that my employer and I cannot obtain assistance from the Workplace Modification Scheme.

Once I obtain my new hearing aids, I will continue to pay for new hearing aid batteries, new earmoulds (approximately \$120 per year for two and these wear out on average once a year) and for any repairs or maintenance. None of these expenses are covered by Medicare. As set out above, the benefits obtained under private health insurance do not justify the increased premiums.

Finally, I note that even though I am willing to pay, as I am over 21 years of age and not in receipt of a Government pension, I am prevented from accessing services from Australian Hearing.

Yours

Isaac Marcus

² The medical expenses income tax offset is for 20 per cent of out-of-pocket medical expenses exceeding \$1,500.

³ Department of Employment and Workplace Relations *Workplace Modifications Scheme Guidelines*, 1 July 2007, page 4.

⁴ *Workplace Modifications Scheme Guidelines, Ibid.*, at page 6.

